

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-K

(MARK ONE)

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE
SECURITIES EXCHANGE ACT OF 1934

FOR THE FISCAL YEAR ENDED DECEMBER 31, 1999

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE
SECURITIES EXCHANGE ACT OF 1934

FOR THE TRANSITION PERIOD FROM _____ TO _____

COMMISSION FILE NUMBER 1-10235

IDEX CORPORATION
(Exact Name of Registrant as Specified in its Charter)

DELAWARE
(State or other jurisdiction of
incorporation or organization)

36-3555336
(I.R.S. Employer
Identification No.)

630 DUNDEE ROAD, NORTHBROOK, ILLINOIS
(Address of principal executive offices)

60062
(Zip Code)

Registrant's telephone number: (847) 498-7070

Securities registered pursuant to section 12(B) of the act:

TITLE OF EACH CLASS	NAME OF EACH EXCHANGE ON WHICH REGISTERED
Common stock, par value \$.01 per share	New York Stock Exchange Chicago Stock Exchange

Securities registered pursuant to section 12(g) of the act: none

Indicate by check mark whether the registrant (1) has filed all reports
required to be filed by Section 13 or 15(d) of the Securities Exchange Act of
1934 during the preceding 12 months (or for such shorter period that the
registrant was required to file such reports), and (2) has been subject to such
filing requirements for the past 90 days. Yes No

Indicate by check mark if disclosure of delinquent filers pursuant to Item
405 of Regulation S-K is not contained herein, and will not be contained, to the
best of registrant's knowledge, in definitive proxy or information statements
incorporated by reference in Part III of this Form 10-K or any amendment to this
Form 10-K.

The aggregate market value of the voting stock held by non-affiliates of
IDEX Corporation as of December 31, 1999 was \$601,638,111.

The number of shares outstanding of IDEX Corporation's common stock, par
value \$.01 per share (the "Common Stock"), as of January 28, 2000 was
29,661,553.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the 1999 Annual Report to Shareholders of IDEX Corporation (the
"1999 Annual Report") are incorporated by reference into Parts I and II of this
Form 10-K and portions of the definitive Proxy Statement of IDEX Corporation
(the "2000 Proxy Statement") with respect to the 2000 annual meeting of
shareholders are incorporated by reference into Part III of this Form 10-K.

PART I

ITEM 1. BUSINESS.

IDEX Corporation ("IDEX" or the "Company") manufactures an extensive array of proprietary, engineered industrial products sold to customers in a variety of industries around the world. The Company believes that each of its principal business units holds the number-one or number-two market share position in each unit's niche market. IDEX believes that its consistent financial performance has been attributable to the manufacture of quality proprietary products designed and engineered by the Company, coupled with its ability to identify and successfully integrate strategic acquisitions. IDEX consists of three reportable business segments: Pump Products Group, Dispensing Equipment Group, and Other Engineered Products Group.

PUMP PRODUCTS GROUP

The Pump Products Group designs, produces and distributes a wide variety of industrial pumps, compressors and related controls for the movement of liquids, air and gases. The devices and equipment produced by this Group are used by a large and diverse set of industries, including chemical processing, machinery, water treatment, medical equipment, petroleum distribution, oil and refining, and food processing. In 1999, the six business units that comprised this group were Corken, Gast Manufacturing, Micropump, Pulsafeeder, Viking Pump, and Warren Rupp. The group accounted for 57% of sales and 56% of operating income in 1999, with 31% of sales shipped to customers outside the U.S.

Corken. Corken is a leading producer of positive displacement rotary vane pumps, single and multistage regenerative turbine pumps, and small horsepower reciprocating piston compressors. Management estimates that Corken has approximately a 50% U.S. market share for pumps and compressors used in liquefied petroleum gas distribution facilities. Corken's products are used for the transfer and recovery of non-viscous, toxic, and hazardous fluids in either liquid or vapor form. Corken's products are used in a variety of industries including liquefied petroleum gas, oil and gas, petrochemical, pulp and paper, transportation, marine, food processing and general industrial. Approximately 45% of Corken's 1999 sales were to customers outside the U.S. Corken, which was acquired by IDEX in 1991, is based in Oklahoma City, Oklahoma.

Gast Manufacturing. Gast Manufacturing (Gast) is a leading manufacturer of air-moving products with an estimated 33% U.S. market share in air motors, low and medium range vacuum pumps, vacuum generators, regenerative blowers and fractional horsepower compressors. Gast's products are used in applications requiring a quiet, clean source of moderate vacuum or pressure. Gast's primary markets served are medical equipment, environmental equipment, computers and electronics, printing machinery, paint mixing machinery, packaging machinery, graphic arts and industrial manufacturing. Approximately 20% of Gast's 1999 sales were to customers outside the U.S. Gast was acquired in 1998 and is based in Benton Harbor, Michigan, with an additional operation in England.

Micropump. Micropump is a leader in small, precision-engineered, magnetically and electromagnetically driven rotary gear, piston and centrifugal pumps with an approximate 40% U.S. market share. Micropump's products are used in low-flow abrasive and corrosive applications. Micropump serves markets including printing machinery, medical equipment, chemical processing, pharmaceutical, refining, laboratory, electronics, pulp and paper, water treatment and textiles. Micropump's sales in 1999 to customers outside the U.S. were 50%. Micropump, which was acquired by IDEX in 1995, has its headquarters facility in Vancouver, Washington, and also has an operation in England.

Pulsafeeder. Pulsafeeder is a leading manufacturer of metering pumps, special purpose rotary pumps, peristaltic pumps, electronic controls and dispensing equipment with an estimated 40% U.S. market share. Pulsafeeder's products are used to introduce precise amounts of fluids into processes to manage water quality and chemical composition. Pulsafeeder's markets include water and wastewater treatment, power generation, pulp and paper, chemical and hydrocarbon processing, swimming pool, industrial and commercial laundry and dishwashing. In 1999, approximately 30% of Pulsafeeder's sales were to customers outside the U.S. Knight Equipment International (Knight) was acquired in 1997 and is operated as part of the Pulsafeeder business unit. Pulsafeeder was acquired in 1992 and is headquartered in Rochester, New York, with additional operations in Lake Forest, California, Punta Gorda, Florida, and Enschede, The Netherlands.

Viking Pump. Viking Pump is one of the world's largest internal gear pump producers. Management believes that Viking has an estimated 35% of the U.S. rotary gear pump market. Viking also produces lobe and metering pumps, strainers and reducers, and related controls. These products are used for transferring and metering thin and viscous liquids. Markets served by Viking include chemical, petroleum, pulp and paper, plastics, paints, inks, tanker trucks, compressor, construction, food, beverage, personal care, pharmaceutical and biotech. Approximately 30% of Viking's 1999 sales were to customers outside the U.S. Viking operates two foundries that supply a majority of Viking's castings requirements. In addition, these foundries sell a variety of castings to outside customers. Viking is based in Cedar Falls, Iowa with additional operations in Canada, England and Ireland.

Warren Rupp. Warren Rupp is a leading producer of double-diaphragm pumps, both air-operated and motor-driven, and accessories with an estimated 25% U.S. market share. Warren Rupp's products are used for abrasive and semisolid materials as well as for applications where product degradation is a concern or where electricity is not available or should not be used. Warren Rupp serves markets including chemical, paint, food processing, electronics, construction, utilities, mining and industrial maintenance. Sales to customers outside the U.S. in 1999 were 50%. Blagdon Pump was acquired in 1997 and is operated as part of the Warren Rupp business unit. Warren Rupp is based in Mansfield, Ohio, with an additional operation in England.

DISPENSING EQUIPMENT GROUP

The Dispensing Equipment Group produces highly engineered equipment for dispensing, metering and mixing colorants, paints, inks, dyes; refinishing equipment; and centralized lubrication systems. This proprietary equipment is used in a variety of retail and commercial industries around the world. These units provide componentry and systems for applications such as tinting paints and coatings; providing industrial and automotive refinishing equipment; and the precise lubrication of machinery and transportation equipment. In 1999, the three business units that comprised this group were FAST, Fluid Management, and Lubriquip. The group accounted for 21% of sales and 22% of operating income in 1999, with 48% of sales shipped to customers outside the U.S.

FAST. The Company acquired FAST S.p.A. (FAST) on June 4, 1999, at a cost of approximately \$62 million. FAST is a leading European manufacturer of precision-designed tinting, mixing, dispensing and measuring equipment for refinishing, architectural and industrial paints, inks, dyes, pastes and other liquids. Management estimates that FAST has a 33% worldwide share of the refinishing equipment market. FAST's products are used for the precise and reliable reproduction of colors based on paint producers' formulas. Through architectural, refinishing and industrial paint producers, precision equipment is supplied to retail and commercial stores, home centers, and automotive body shops. Approximately 95% of FAST's sales in 1999 were to customers outside the U.S. FAST is based in Milan, Italy.

Fluid Management. Fluid Management is a market leader in automatic and manually operated dispensing, metering and mixing equipment for the paints and coatings market with an estimated 50% worldwide market share. Fluid Management's products are used for the precise blending of base paints, tints and colorants, and inks and dyes. Fluid Management's markets include retail and commercial paint stores, hardware stores, home centers, department stores, printers, and paint and ink manufacturers. Approximately 50% of Fluid Management's 1999 sales were to customers outside the U.S. Fluid Management was acquired by IDEX in 1996 and is based in Wheeling, Illinois. Additional operations are located in The Netherlands and Australia.

Lubriquip. Lubriquip is a market leader in centralized oil and grease lubrication systems, force-feed lubricators, metering devices, related electronic controls and accessories with an estimated 33% share of the U.S. market for centralized oil lubrication systems. Lubriquip's products are used to prolong equipment life, reduce maintenance costs and increase productivity. Lubriquip serves markets including machine tools, transfer machines, conveyors, packaging equipment, transportation equipment, construction machinery, food processing and paper machinery. Approximately 20% of Lubriquip's sales in 1999 were to customers outside the U.S. Lubriquip is headquartered in Warrensville Heights, Ohio, with an additional operation in Madison, Wisconsin.

OTHER ENGINEERED PRODUCTS GROUP

The Other Engineered Products Group manufactures engineered banding and clamping devices, fire fighting pumps and rescue tools. The high-quality stainless steel bands, buckles and preformed clamps and related installation tools are used in applications including securing hoses, signals, pipes, poles, electrical lines, sign-mounting systems and numerous other "hold-together" applications. The group also includes the world's leading manufacturer of truck-mounted fire pumps and rescue tool systems used by public and private fire and rescue organizations. In 1999, the two units that comprised this group were Band-It and Hale Products. The group accounted for 22% of sales and operating income in 1999, with 51% of sales shipped to customers outside the U.S.

Band-It. Band-It is a leading producer of high-quality stainless steel bands, buckles and clamping systems with an estimated 40% worldwide market share. Band-It's products are used for securing hose fittings, signs, signals, pipes, poles, electrical shielding and bundling and numerous other "hold-together" applications for industrial and commercial use. Band-It's markets include transportation equipment, oil and gas, industrial maintenance, electronics, electrical, communications, aerospace, traffic and commercial signs. In 1999, approximately 60% of Band-It's sales were to customers outside the U.S. Signfix was acquired in 1993 and is being operated as part of the Band-It business unit. Band-It is based in Denver, Colorado, with three additional operations in England and one in Singapore.

Hale Products. Hales Products (Hale) is the world's leading manufacturer of truck-mounted fire pumps and rescue systems with an estimated 50% worldwide market share. Hale's products include the Hurst Jaws of Life(R) and Lukas(R) rescue systems. Hale's pumps are used to pump water or foam to extinguish fires; its rescue equipment is used to extricate accident victims; and its forced entry equipment is used for law enforcement and disaster recovery. Hale's markets include public and private fire and rescue organizations. Approximately 45% of Hale's 1999 sales were to customers outside the U.S. Lukas was acquired in 1995 and is operated as part of the Hale Products business unit. Hale was acquired by IDEX in 1994. Hale is headquartered in Conshohocken, Pennsylvania, with additional operations in Shelby, North Carolina, St. Joseph, Tennessee, Warwick, England, and Erlangen, Germany.

GENERAL ASPECTS APPLICABLE TO THE COMPANY'S BUSINESS GROUPS

COMPETITORS

The Company's businesses are highly competitive in most product lines. Generally, all of the Company's businesses compete on the basis of performance, quality, service, and price.

Principal competitors of the businesses in the Pump Products Group are the Blackmer division of Dover Corporation (with respect to rotary gear pumps, and pumps and small horsepower compressors used in liquified petroleum gas distribution facilities); Milton Roy, a division of United Technologies Corporation (with respect to metering pumps and controls); Roper Industries (with respect to rotary gear pumps); Wilden Pump and Engineering Co., a division of Dover Corporation (with respect to air-operated double-diaphragm pumps); Tuthill Corporation (with respect to rotary gear pumps); and Thomas Industries (with respect to vacuum pumps and compressors).

The principal competitors of the Dispensing Equipment Group are Corob (with respect to dispensing and mixing equipment for the paint industry); Dedoes Industries Incorporated (with respect to automotive and industrial refinishing equipment); and Lincoln Industrial, a division of Pentair Incorporated (with respect to centralized lubrication systems).

The Other Engineered Products Group's principal competitors are A.J. Gerrard & Company (with respect to stainless steel bands, buckles and tools); Waterous Company, a division of American Cast Iron Pipe Company (with respect to truck-mounted fire-fighting pumps); and Holmotro (with respect to rescue tools).

EMPLOYEES

At December 31, 1999, IDEX had approximately 3,800 employees. Approximately 15% were represented by labor unions with various contracts expiring through March 2003. Management believes that the Company's relationship with its employees is good. The Company has historically been able to satisfactorily renegotiate its collective bargaining agreements, with its last work stoppage in March 1993.

SUPPLIERS

IDEX manufactures many of the parts and components used in its products. Substantially all materials, parts and components purchased by IDEX are available from multiple sources.

INVENTORY AND BACKLOG

Backlogs do not have material significance in any of the Company's business segments. The Company regularly and systematically adjusts production schedules and quantities based on the flow of incoming orders. Backlogs are therefore typically limited to approximately 1 to 1 1/2 months of production. While total inventory levels may also be affected by changes in orders, the Company generally tries to maintain relatively stable inventory levels based on its assessment of the requirements of the various industries served.

SEGMENT INFORMATION

For segment financial information for the years 1999, 1998, and 1997, see the table titled "Company and Business Group Financial Information" presented on page 18 under "Management's Discussion & Analysis of Financial Condition & Results of Operations" and Note 10 of the "Notes to Consolidated Financial Statements" on pages 30 and 31 of the 1999 Annual Report, which is incorporated herein by reference.

EXECUTIVE OFFICERS OF THE REGISTRANT

The following table sets forth the names of the executive officers of the Company, their ages, years of service, the positions held by them, and their business experience during the past 5 years.

NAME	AGE	YEARS OF SERVICE (1)	POSITION
Frank J. Hansen.....	58	24	President, Chief Executive Officer and Director
Wayne P. Sayatovic.....	53	27	Senior Vice President-Finance and Chief Financial Officer
Jerry N. Derck.....	52	7	Vice President-Human Resources
James R. Fluharty.....	56	12	Vice President-Corporate Marketing and Group Executive
Clinton L. Kooman.....	56	35	Vice President-Controller
Douglas C. Lennox.....	47	20	Vice President-Treasurer
John L. McMurray.....	49	7	Vice President-Group Executive and President, Viking Pump
Dennis L. Metcalf.....	52	26	Vice President-Corporate Development
Frank J. Notaro.....	36	2	Vice President-General Counsel and Secretary
Rodney L. Usher.....	54	19	Vice President-Group Executive and President, Pulsafeeder
David T. Windmuller.....	42	19	Vice President-Operations

(1) The years of service for executive officers include the period prior to acquisition by IDEX or with IDEX's predecessor company.

Mr. Hansen was appointed President and Director of IDEX by the Board of Directors on January 1, 1998 and was appointed Chief Executive Officer on April 1, 1999. Previously, Mr. Hansen served as Senior Vice President-Operations and Chief Operating Officer from August 1994 to December 1997. Mr. Hansen was Vice President-Group Executive of the Company from January 1993 to July 1994. From 1989 to July 1994, Mr. Hansen was president of Viking Pump. Mr. Hansen is a director of Gardner Denver Machinery, Inc. In the fourth quarter of 1999, the Company announced that Mr. Hansen had made a decision to retire. Mr. Hansen will remain President and Chief Executive Officer until his replacement has been selected.

Mr. Sayatovic has been Senior Vice President-Finance and Chief Financial Officer of the Company since January 1992 and was Vice President-Treasurer from January 1988 to December 1991. He also served as Secretary from January 1988 to February 1998.

Mr. Derck has been Vice President-Human Resources of the Company since November 1992.

Mr. Fluharty has served as Vice President-Corporate Marketing of the Company since March 1997 and as Vice President-Group Executive since December 1998. He was President of Fluid Management from January 1998 to December 1998 and from April 1996 to February 1997 he was President of Micropump. Previously, Mr. Fluharty served as President of John Crane North America from May 1993 to March 1996, as Executive Vice President of Viking Pump from May 1992 to April 1993, and Vice President-Marketing of Viking Pump from 1988 to April 1992.

Mr. Kooman has been Vice President-Controller of the Company since November 1995. Mr. Kooman served as Assistant Controller of Manufacturing Accounting from January 1988 to October 1995.

Mr. Lennox has served as Vice President-Treasurer of the Company since November 1995. From April 1991 to October 1995, Mr. Lennox was Vice President-Controller of Lubriquip. Mr. Lennox was Assistant Controller of Financial Accounting from January 1988 to March 1991.

Mr. McMurray has been Vice President-Group Executive of the Company since November 1998 and President of Viking Pump since January 1997. He was Executive Vice President of Viking Pump from August 1994 to December 1996, and Vice President-Finance of Viking Pump from October 1992 to July 1994.

Mr. Metcalf has served as Vice President-Corporate Development of the Company since March 1997. Mr. Metcalf was Director of Business Development of the Company from March 1991 to February 1997.

Mr. Notaro has served as Vice President-General Counsel and Secretary since March 1998. Previously, Mr. Notaro was a partner of Hodgson, Russ, Andrews, Woods and Goodyear LLP from January 1993 to February 1998.

Mr. Usher has been Vice President-Group Executive of the Company since August 1997 and President of Pulsafeeder since August 1994. From 1986 to July 1994, Mr. Usher served as President of Warren Rupp.

Mr. Windmuller has served as Vice President-Operations of the Company since January 1998. Previously, Mr. Windmuller was President of Fluid Management from January 1997 to December 1997. From July 1994 to December 1996, Mr. Windmuller served as President of Viking Pump, and from May 1993 to June 1994 as Executive Vice President of Viking Pump. Mr. Windmuller served as Vice President-Engineering of Viking Pump from November 1991 to April 1993.

The Company's executive officers are elected at a meeting of the Board of Directors immediately following the annual meeting of shareholders, and they serve until the next annual meeting of the Board, or until their successors are duly elected.

ITEM 2. PROPERTIES.

The Company's principal plants and offices have an aggregate floor space area of approximately 2.7 million square feet, of which 1.9 million square feet (70%) are located in the U.S. and approximately 800,000 square feet (30%) are located outside the U.S., primarily in the U.K. (10%), Italy (10%), Germany (5%) and The Netherlands (4%). These facilities are considered to be suitable and adequate for their operations. Management believes that utilization of manufacturing capacity ranges from 50% to 80% in each facility. The Company's executive office occupies approximately 12,000 square feet of leased space in Northbrook, Illinois.

Approximately 2.0 million square feet (74%) of the principal plant and office floor area is owned by the Company, and the balance is held under lease. Approximately 1.5 million square feet (56%) of the principal plant and office floor area is held by business units in the Pump Products Group; 600,000 square feet (22%) is held by business units in the Dispensing Equipment Group; and 600,000 square feet (22%) is held by business units in the Other Engineered Products Group.

ITEM 3. LEGAL PROCEEDINGS.

The Company and the Company's subsidiaries (Subsidiaries) are party to various legal proceedings arising in the ordinary course of business, none of which is expected to have a material adverse effect on the Company's business or financial condition.

The Subsidiaries are subject to extensive federal, state, and local laws, rules and regulations pertaining to environmental, waste management, and health and safety matters. Permits are or may be required for some of the Subsidiaries' facilities and waste-handling activities and these permits are subject to revocation, modification and renewal. In addition, risks of substantial costs and liabilities are inherent in the Subsidiaries' operations and facilities, as they are with other companies engaged in similar industries, and there can be no assurance that such costs and liabilities will not be incurred. The Company is not aware of any environmental, health or safety matter which could, individually or in the aggregate, cause a material adverse effect on the business, financial condition, results of operations, or cash flows of the Company or any of its Subsidiaries.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS.

None.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON STOCK AND RELATED SHAREHOLDER MATTERS.

Information regarding the prices of, and dividends on, the Common Stock, and certain related matters, is incorporated herein by reference to "Shareholder Information" on page 37 of the 1999 Annual Report.

The principal market for the Common Stock is the New York Stock Exchange, but the Common Stock is also listed on the Chicago Stock Exchange. As of January 28, 2000, the Common Stock was held by approximately 7,000 shareholders and there were 29,661,553 shares of Common Stock outstanding.

ITEM 6. SELECTED FINANCIAL DATA.

The information set forth under "Historical Data" on pages 14 and 15 of the 1999 Annual Report is incorporated herein by reference.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

The information set forth under "Management's Discussion & Analysis of Financial Condition & Results of Operations" on pages 16 to 21 of the 1999 Annual Report is incorporated herein by reference.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISK.

The information set forth under the caption "Quantitative and Qualitative Disclosure about Market Risk" on page 21 of the 1999 Annual Report is incorporated herein by reference.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA.

The Consolidated Financial Statements of IDEX, including Notes thereto, together with the independent auditors' report thereon of Deloitte & Touche LLP on pages 22 to 34 of the 1999 Annual Report are incorporated herein by reference.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH INDEPENDENT AUDITORS ON ACCOUNTING AND FINANCIAL DISCLOSURE.

None.

PART III

ITEM 10. DIRECTORS AND EXECUTIVE OFFICERS OF THE REGISTRANT.

Certain information regarding the directors of the Company is incorporated herein by reference to the information set forth under the caption "Election of Directors" in the 2000 Proxy Statement.

Information regarding executive officers of the Company is incorporated herein by reference to Item 1 of this report under the caption "Executive Officers of the Registrant" on page 5.

Certain information regarding compliance with Section 16(a) of the Securities and Exchange Act of 1934, as amended, is incorporated herein by reference to the information set forth under "Compliance with Section 16(a) of the Exchange Act" in the 2000 Proxy Statement.

ITEM 11. EXECUTIVE COMPENSATION.

Information regarding executive compensation is incorporated herein by reference to the materials under the caption "Compensation of Executive Officers" in the 2000 Proxy Statement.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT.

Information regarding security ownership of certain beneficial owners and management is incorporated herein by reference to the information set forth under the caption "Security Ownership" in the 2000 Proxy Statement.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS.

Information regarding certain relationships and related transactions is incorporated herein by reference to the information set forth under the caption "Certain Interests" in the 2000 Proxy Statement.

PART IV

ITEM 14. EXHIBITS, FINANCIAL STATEMENT SCHEDULES, AND REPORTS ON FORM 8-K.

(A) 1. Financial Statements

The following financial statements are incorporated herein by reference to the 1999 Annual Report.

	1999 ANNUAL REPORT PAGE -----
Consolidated Balance Sheets as of December 31, 1999 and 1998.....	22
Statements of Consolidated Operations for the Years Ended December 31, 1999, 1998 and 1997.....	23
Statements of Consolidated Shareholders' Equity for the Years Ended December 31, 1999, 1998 and 1997.....	24
Statements of Consolidated Cash Flows for the Years Ended December 31, 1999, 1998 and 1997.....	25
Notes to Consolidated Financial Statements.....	26-33
Independent Auditors' Report.....	34

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2. Financial Statement Schedule

- | | |
|--|----|
| (a) Independent Auditors' Report..... | 10 |
| (b) Schedule II - Valuation and Qualifying Accounts..... | 10 |

All other schedules are omitted because they are not applicable, not required, or because the required information is included in the Consolidated Financial Statements of IDEX or the Notes thereto.

3. Exhibits

The exhibits filed with this report are listed on the "Exhibit Index."

(B) Report on Form 8-K

In a report on Form 8-K, dated December 6, 1999, and filed with the Securities and Exchange Commission on December 6, 1999, IDEX Corporation announced that Frank J. Hansen, the Company's President and Chief Executive Officer had made a decision to retire. Mr. Hansen, 58, has been with the Company for 24 years, was named President in January 1998 and assumed the additional duties of CEO as of April 1, 1999.

The Board of Directors expressed its appreciation for his many years of valuable contributions to the success of the Company and reported that the search for a successor is underway. Mr. Hansen will remain President and CEO until his replacement has been selected.

INDEPENDENT AUDITORS' REPORT

IDEX CORPORATION:

We have audited the consolidated financial statements of IDEX Corporation and its Subsidiaries as of December 31, 1999 and 1998 and for each of the three years in the period ended December 31, 1999, and have issued our report thereon, dated January 18, 2000; such financial statements and report are included in your 1999 Annual Report to Shareholders and are incorporated herein by reference. Our audits also included the financial statement schedule of IDEX Corporation, listed in Item 14. This financial statement schedule is the responsibility of the Company's management. Our responsibility is to express an opinion based on our audits. In our opinion, such financial statement schedule, when considered in relation to the basic consolidated financial statements as a whole, presents fairly, in all material respects, the information set forth therein.

DELOITTE & TOUCHE LLP

Chicago, Illinois
January 18, 2000

IDEX CORPORATION AND SUBSIDIARIES
SCHEDULE II - VALUATION AND QUALIFYING ACCOUNTS
FOR THE YEARS ENDED DECEMBER 31, 1999, 1998 AND 1997

DESCRIPTION -----	BALANCE BEGINNING OF YEAR -----	CHARGED TO COSTS AND EXPENSES -----	DEDUCTIONS (1) ----- (IN THOUSANDS)	OTHER (2) -----	BALANCE END OF YEAR -----
Year Ended December 31, 1999:					
Deducted from Assets to Which They					
Apply:					
Allowance for Doubtful Accounts.....	\$2,484	\$1,392	\$1,051	\$310	\$3,135
Year Ended December 31, 1998:					
Deducted from Assets to Which They					
Apply:					
Allowance for Doubtful Accounts.....	2,561	665	1,060	318	2,484
Year Ended December 31, 1997:					
Deducted from Assets to Which They					
Apply:					
Allowance for Doubtful Accounts.....	2,111	1,315	1,083	218	2,561

(1) Represents uncollectible accounts, net of recoveries.

(2) Represents acquisition, translation and reclassification adjustments.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this Report to be signed on its behalf by the undersigned, thereunto duly authorized, on the 4th day of February, 2000.

IDEX CORPORATION
By /s/ WAYNE P. SAYATOVIC

Wayne P. Sayatovic
Senior Vice President - Finance
and Chief Financial Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed by the following persons on behalf of the Registrant and in the capacities and on the dates indicated:

SIGNATURE -----	TITLE -----	DATE -----
/s/ DONALD N. BOYCE ----- Donald N. Boyce	Chairman of the Board and Director	February 4, 2000
/s/ FRANK J. HANSEN ----- Frank J. Hansen	President, Chief Executive Officer (Principal Executive Officer) and Director	February 4, 2000
/s/ WAYNE P. SAYATOVIC ----- Wayne P. Sayatovic	Senior Vice President - Finance and Chief Financial Officer (Principal Financial and Accounting Officer)	February 4, 2000
/s/ RICHARD E. HEATH ----- Richard E. Heath	Director	February 4, 2000
/s/ HENRY R. KRAVIS ----- Henry R. Kravis	Director	February 4, 2000
/s/ WILLIAM H. LUERS ----- William H. Luers	Director	February 4, 2000
/s/ PAUL E. RAETHER ----- Paul E. Raether	Director	February 4, 2000
/s/ GEORGE R. ROBERTS ----- George R. Roberts	Director	February 4, 2000
/s/ NEIL A. SPRINGER ----- Neil A. Springer	Director	February 4, 2000
/s/ MICHAEL T. TOKARZ ----- Michael T. Tokarz	Director	February 4, 2000

EXHIBIT INDEX

EXHIBIT NUMBER -----	DESCRIPTION -----
2.1	Acquisition Agreement between IDEX Corporation, Gecofin S.p.A., and PL&C S.r.l. dated June 3, 1999 (incorporated by reference to Exhibit No. 2.1 to the Quarterly Report of IDEX on Form 10-Q for the quarter ended June 30, 1999, Commission File No. 1-10235)
3.1	Restated Certificate of Incorporation of IDEX Corporation (formerly HI, Inc.) (incorporated by reference to Exhibit No. 3.1 to the Registration Statement on Form S-1 of IDEX, et al., Registration No. 33-21205, as filed on April 21, 1988)
3.1(a)	Amendment to Restated Certificate of Incorporation of IDEX Corporation (formerly HI, Inc.) (incorporated by reference to Exhibit No. 3.1(a) to the Quarterly Report of IDEX on Form 10-Q for the quarter ended March 31, 1996, Commission File No. 1-10235)
3.2	Amended and Restated By-Laws of IDEX Corporation (incorporated by reference to Exhibit No. 3.2 to Post-Effective Amendment No. 2 to the Registration Statement on Form S-1 of IDEX, et al., Registration No. 33-21205, as filed on July 17, 1989)
3.2(a)	Amended and Restated Article III, Section 13 of the Amended and Restated By-Laws of IDEX Corporation (incorporated by reference to Exhibit No. 3.2(a) to Post-Effective Amendment No. 3 to the Registration Statement on Form S-1 of IDEX, et al., Registration No. 33-21205, as filed on February 12, 1990)
4.1	Restated Certificate of Incorporation and By-Laws of IDEX Corporation (filed as Exhibits No. 3.1 through 3.2 (a))
4.2	Indenture, dated as of February 23, 1998, between IDEX Corporation, and Norwest Bank Minnesota, National Association, as Trustee, relating to the 6 7/8% of Senior Notes of IDEX due February 15, 2008 (incorporated by reference to Exhibit No. 4.1 to the Current Report of IDEX on Form 8-K dated February 23, 1998, Commission File No. 1-10235)
4.3	Specimen Senior Note of IDEX Corporation (incorporated by reference to Exhibit No. 4.1 to the Current Report of IDEX on Form 8-K dated February 23, 1998, Commission File No. 1-10235)
4.4	Specimen Certificate of Common Stock of IDEX Corporation (incorporated by reference to Exhibit No. 4.3 to the Registration Statement on Form S-2 of IDEX, et al., Registration No. 33-42208, as filed on September 16, 1991)
4.5	Third Amended and Restated Credit Agreement dated as of July 17, 1996, among IDEX Corporation, Bank of America NT&SA, as Agent, and other financial institutions named therein (the "Banks") (incorporated by reference to Exhibit No. 4.5 to the Quarterly Report of IDEX on Form 10-Q for the quarter ended June 30, 1996, Commission File No. 1-10235)
4.5(a)	First Amendment to the Third Amended and Restated Credit Agreement dated as of April 11, 1997 (incorporated by reference to Exhibit No. 4.5(a) to the Quarterly Report of IDEX on Form 10-Q for the quarter ended June 30, 1998, Commission File No. 1-10235)
4.5(b)	Second Amendment to the Third Amended and Restated Credit Agreement dated as of January 20, 1998 (incorporated by reference to Exhibit No. 4.5(b) to the Quarterly Report of IDEX on Form 10-Q for the quarter ended June 30, 1998, Commission File No. 1-10235)
4.5(c)	Third Amendment to the Third Amended and Restated Credit Agreement dated as of February 9, 1998 (incorporated by reference to Exhibit No. 4.5(c) to the Quarterly Report of IDEX on Form 10-Q for the quarter ended June 30, 1998, Commission File No. 1-10235)

EXHIBIT NUMBER -----	DESCRIPTION -----
4.5(d)	Fourth Amendment to the Third Amended and Restated Credit Agreement dated as of April 3, 1998 (incorporated by reference to Exhibit No. 4.5(d) to the Quarterly Report of IDEX on Form 10-Q for the quarter ended June 30, 1998, Commission File No. 1-10235)
4.5(e)	Fifth Amendment to the Third Amended and Restated Credit Agreement dated as of June 8, 1999 (incorporated by reference to Exhibit No. 4.5(e) to the Quarterly Report of IDEX on Form 10-Q for the quarter ended June 30, 1999, Commission File No. 1-10235)
10.1**	Amended and Restated Employment Agreement between IDEX Corporation and Donald N. Boyce, dated as of January 22, 1988 (incorporated by reference to Exhibit No. 10.15 to Amendment No. 1 to the Registration Statement on Form S-1 of IDEX, et al., Registration No. 33-28317, as filed on June 1, 1989)
10.1(a)**	First Amendment to the Amended and Restated Employment Agreement between IDEX Corporation and Donald N. Boyce, dated as of January 13, 1993 (incorporated by reference to Exhibit No. 10.5(a) to the Annual Report of IDEX on Form 10-K for the year ending December 31, 1992, Commission File No. 1-10235)
10.1(b)**	Second Amendment to the Amended and Restated Employment Agreement between IDEX Corporation and Donald N. Boyce, dated as of September 27, 1994 (incorporated by reference to Exhibit No. 10.5(b) to the Annual Report of IDEX on Form 10-K for the year ending December 31, 1994, Commission File No. 1-10235)
10.1(c)**	Third Amendment to the Amended and Restated Employment Agreement between IDEX Corporation and Donald N. Boyce, dated December 19, 1997 (incorporated by reference to Exhibit No. 10.1(c) to the Annual Report of IDEX on Form 10-K for the year ending December 31, 1997, Commission File No. 1-10235)
10.1(d)**	Consulting Agreement between IDEX Corporation and Donald N. Boyce, dated March 31, 1999 (incorporated by reference to Exhibit No. 10.1 to the Quarterly Report of IDEX on Form 10-Q for the quarter ended March 31, 1999, Commission File No. 1-10235)
10.1(e)**	Indemnity Agreement between IDEX Corporation and Mr. Donald N. Boyce, dated April 1, 1999 (incorporated by reference to Exhibit No. 10.2 to the Quarterly Report of IDEX on Form 10-Q for the quarter ended June 30, 1999, Commission File No. 1-10235)
10.2**	Amended and Restated Employment Agreement between IDEX Corporation and Wayne P. Sayatovic, dated as of January 22, 1988 (incorporated by reference to Exhibit No. 10.17 to Amendment No. 1 to the Registration Statement on Form S-1 of IDEX, et al., Registration No. 33-28317, as filed on June 1, 1989)
10.2(a)**	First Amendment to the Amended and Restated Employment Agreement between IDEX Corporation and Wayne P. Sayatovic, dated as of January 13, 1993 (incorporated by reference to Exhibit No. 10.7(a) to the Annual Report of IDEX on Form 10-K for the year ending December 31, 1992, Commission File No. 1-10235)
10.2(b)**	Second Amendment to the Amended and Restated Employment Agreement between IDEX Corporation and Wayne P. Sayatovic, dated as of September 27, 1994 (incorporated by reference to Exhibit No. 10.6(b) to the Annual Report of IDEX on Form 10-K for the year ended December 31, 1994, Commission File No. 1-10235)
*10.2(c)**	Letter Agreement between IDEX Corporation and Wayne P. Sayatovic dated December 3, 1999.
10.3**	Employment Agreement between IDEX Corporation and Frank J. Hansen dated as of August 1, 1994 (incorporated by reference to Exhibit No. 10.7 to the Quarterly Report of IDEX on Form 10-Q for the quarter ended September 30, 1994, Commission File No. 1-10235)

EXHIBIT NUMBER -----	DESCRIPTION -----
10.3(a)**	First Amendment to the Employment Agreement between IDEX Corporation and Frank J. Hansen, dated as of September 27, 1994 (incorporated by reference to Exhibit No. 10.7(a) to the Annual Report of IDEX on Form 10-K for the year ending December 31, 1994, Commission File No.1-10235)
10.3(b)**	Amended and Restated Employment Agreement between IDEX Corporation and Frank J. Hansen, dated as of December 19, 1997 (incorporated by reference to Exhibit No. 10.3(b) to the Annual Report of IDEX on Form 10-K for the year ending December 31, 1997, Commission File No. 1-10235)
10.3(c)**	Amended and Restated Employment Agreement between IDEX Corporation and Frank J. Hansen, dated December 23, 1998 (incorporated by reference to Exhibit No. 10.3(c) to the Annual Report of IDEX on Form 10-K for the year ending December 31, 1998, Commission File No. 1-10235)
*10.3(d)**	Letter Agreement between IDEX Corporation and Frank J. Hansen dated November 24, 1999.
10.4**	Employment Agreement between IDEX Corporation and Jerry N. Derck dated as of September 27, 1994 (incorporated by reference to Exhibit No. 10.8 to the Annual Report of IDEX on Form 10-K for the year ending December 31, 1994, Commission File No. 1-10235)
10.5**	Management Incentive Compensation Plan of IDEX Corporation (incorporated by reference to Exhibit No. 10.21 to Amendment No. 1 to the Registration Statement on Form S-1 of IDEX, et al., Registration No. 33-28317, as filed on June 1, 1989)
10.5(a)**	Amended Management Incentive Compensation Plan of IDEX Corporation (incorporated by reference to Exhibit No. 10.9(a) to the Quarterly Report of IDEX on Form 10-Q for the quarter ended March 31, 1996, Commission File No. 1-10235)
10.6**	Form of Indemnification Agreement of IDEX Corporation (incorporated by reference to Exhibit No. 10.23 to the Registration Statement on Form S-1 of IDEX, et al., Registration No. 33-28317, as filed on April 26, 1989)
10.7**	Form of Shareholder Purchase and Sale Agreement of IDEX Corporation (incorporated by reference to Exhibit No. 10.24 to Amendment No. 1 to the Registration Statement on Form S-1 of IDEX, et al., Registration No. 33-28317, as filed on June 1, 1989)
10.8**	Revised Form of IDEX Corporation Stock Option Plan for Outside Directors (incorporated reference to Exhibit No. 10.22 to Post-Effective Amendment No. 4 to the Registration Statement on Form S-1 of IDEX, et al., Registration No. 33-21205, as filed on March 2, 1990)
10.9**	Amendment to the IDEX Corporation Stock Option Plan for Outside Directors adopted by resolution to the Board of Directors dated as of January 28, 1992 (incorporated by reference to Exhibit No. 10.21(a) of the Annual Report of IDEX on Form 10-K for the year ended December 21, 1992, Commission File No. 1-10235)
10.10**	Non-Qualified Stock Option Plan for Non-Officer Key Employees of IDEX Corporation (incorporated by reference to Exhibit No. 10.15 to the Annual Report of IDEX on Form 10-K for the year ended December 31, 1992, Commission File No. 1-10235)
10.10(a)**	1996 Stock Plan for Non-Officer Key Employees of IDEX Corporation (incorporated by reference to Exhibit No. 4.5 to the Registration Statement on Form S-8 of IDEX, et al., Registration No. 333-18643, as filed on December 23, 1996)
10.11**	Non-Qualified Stock Option Plan for Officers of IDEX Corporation (incorporated by reference to Exhibit No. 10.16 to the Annual Report of IDEX on Form 10-K for the year ended December 31, 1992, Commission File No. 1-10235)

EXHIBIT NUMBER -----	DESCRIPTION -----
10.12**	IDEX Corporation Supplemental Executive Retirement Plan (incorporated by reference to Exhibit No. 10.17 to the Annual Report of IDEX on Form 10-K for the year ended December 31, 1992, Commission File No. 1-10235)
10.13**	1996 Stock Plan for Officers of IDEX Corporation (incorporated by reference to Exhibit No. 4.4 to the Registration Statement on Form S-8 of IDEX, et al., Registration No. 333-18643, as filed on December 23, 1996)
10.14**	Amended and Restated IDEX Corporation Directors Deferred Compensation Plan (incorporated by reference to Exhibit No. 4.6 to the Registration Statement on Form S-8 of IDEX, et al., Registration No. 333-18643, as filed on December 23, 1996)
10.14(a)**	Second Amended and Restated IDEX Corporation Directors Deferred Compensation Plan (incorporated by reference to Exhibit No. 10.14(b) to the Annual Report of IDEX on Form 10-K for the year ending December 31, 1997, Commission File No. 1-10235)
10.15**	IDEX Corporation 1996 Deferred Compensation Plan for Officers (incorporated by reference to Exhibit No. 4.8 to the Registration Statement on Form S-8 of IDEX, et al., Registration No. 333-18643, as filed on December 23, 1996)
10.16**	IDEX Corporation 1996 Deferred Compensation Plan for Non-Officer Presidents (incorporated by reference to Exhibit No. 4.7 to the Registration Statement on Form S-8 of IDEX, et al., Registrant No. 333-18643, as filed on December 23, 1996)
*10.17**	Letter Agreement between IDEX Corporation and David T. Windmuller dated December 3, 1999.
*10.18**	Letter Agreement between IDEX Corporation and James R. Fluharty dated December 3, 1999.
*10.19**	Letter Agreement between IDEX Corporation and Rodney L. Usher dated December 3, 1999.
13*	1999 Annual Report to Shareholders of IDEX
21*	Subsidiaries of IDEX
23*	Consent of Deloitte & Touche LLP
27*	Financial Data Schedule
99	Revolving Credit Facility, dated as of September 29, 1995, as amended, between Dunja Verwaltungsgesellschaft GmbH and Bank of America NT & SA, Frankfurt Branch (a copy of the agreement will be furnished to the Commission upon request)

* Filed herewith

** Management contract or compensatory plan or agreement.

December 3, 1999

PERSONAL AND CONFIDENTIAL

Mr. Wayne P. Sayatovic
91 West Mallard Lane
Lake Forest, Illinois 60045

Dear Wayne:

Re: Severance Agreement

This is to confirm that in the event of your Termination of Service, as hereafter defined, with IDEX Corporation or its successors ("IDEX"), within twenty-four (24) months following, or, directly or indirectly, in connection with, or in anticipation of, a Change of Management, as hereinafter defined, you will be entitled to the following benefits as a severance payment (hereafter referred to individually as a "Severance Benefit" and collectively as "Severance Benefits"):

- 1) Payment of your base salary and vacation pay (for vacation not taken, including vacation carryover from the prior year plus a pro rata accrual for the current year) accrued but unpaid through the date of termination of employment payable in a single lump sum payment on the last day employed or as soon thereafter as practicable.
- 2) Any amount earned under the Management Incentive Compensation Plan ("MICP") for the calendar year preceding the year in which the termination of employment occurs which has not been paid will be paid in a single lump sum payment on the last day employed or as soon thereafter as practicable.
- 3) An amount equal to two times the sum of (a) your annual base salary, at the rate in effect on the Determination Date, as hereafter defined, and (b) your full year's bonus under the MICP at your target bonus level in effect on the Determination Date, calculated in accordance with the practice in effect on the Determination Date. This amount will be paid in a single lump sum payment on the last day employed or as soon thereafter as practicable.

- 4) A proportionate bonus, as described in this subparagraph, under the MICP. The portion of the bonus payable will be the amount determined by multiplying a full year's MICP bonus, at your target bonus level in effect on the Determination Date, calculated in accordance with the practice in effect on the Determination Date, by a fraction the numerator of which is the number of full and partial calendar months in the calendar year which precede the date of the termination of employment and the denominator of which is 12. This amount will be paid in a single lump sum payment on the last day employed or as soon thereafter as practicable.
- 5) Fringe benefits for a continuing period of twenty-four (24) months following the date of termination of employment. Covered fringe benefits for purposes of this agreement include: (a) term life insurance in an amount in effect on the Determination Date, (b) medical benefits at the level in effect on the Determination Date, (c) to the extent coverage is available under the insurance policy in effect, the personal accident plan at the level in effect on the Determination Date, (d) the use of an IDEX-provided automobile, plus related expenses, comparable to that provided to you on the Determination Date, and (e) other miscellaneous fringe benefits in effect on the Determination Date. Medical benefits will be reduced to the extent of coverage provided by subsequent employers. For purposes of COBRA health care continuation coverage, the "qualifying event" will be deemed to have occurred at the end of the twenty-four (24) month period following termination of employment.
- 6) For a twenty-four (24) month period following the date of your termination of employment, IDEX will promptly pay or reimburse you for expenses, in an aggregate amount not to exceed 10% of your annual base salary, at the rate in effect on the Determination Date, incurred by you for outplacement services, which may include consultants, reasonable travel, rental of an office off IDEX's premises, secretarial support, and photocopying, telephone, and other miscellaneous office expenses.

- 7) For sixty (60) months following the date of your termination of employment, IDEX will continue any indemnification agreement with you and will provide directors' and officers' liability insurance insuring you, such coverage to have limits and scope of coverage not less than that in effect on the Determination Date or January 1, 2000, whichever is greater. At your request, IDEX will cause a certificate of insurance, in a form satisfactory to you, verifying this coverage to be provided to you on an annual basis.
- 8) You will be fully vested in your accrued benefit under any qualified pension or profit sharing plan maintained by IDEX, provided, however, if the terms of such plan do not permit acceleration of full vesting, you will receive a lump sum payment on the last day employed, or as soon thereafter as practicable, in an amount equal to the value of your accrued benefit which was not vested.
- 9) All stock options previously granted to you will immediately vest and you will have twelve (12) months following the last day of employment to exercise all options you hold.

Notwithstanding anything in this letter agreement or any other agreement to the contrary, in the event it is determined that any payments or distributions by IDEX or any affiliate (as defined under the Securities Act of 1933, as amended, and the regulations thereunder) thereof or any other person to or for the benefit of you, whether paid or payable pursuant to the terms of this letter agreement, or pursuant to any other agreement or arrangement with IDEX or any such affiliate ("Payments"), would be subject to the excise tax imposed by Section 4999 of the Internal Revenue Code of 1986, as amended, or any successor provision, or any interest or penalties with respect to such excise tax (such excise tax, together with any such interest and penalties, are hereinafter collectively referred to as the "Excise Tax"), then you will be entitled to receive an additional payment from IDEX (a "Gross-Up Payment") in an amount such that after payment by you of all taxes (including, without limitation, any interest or penalties imposed with respect to such taxes and any Excise Tax) imposed upon the Gross-Up Payment, you retain an amount of the Gross-Up Payment equal to the Excise Tax imposed upon the Payments. The amount of the Gross-Up Payment will be calculated by IDEX's usual

Mr. Wayne P. Sayatovic
December 3, 1999
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outside counsel engaged immediately prior to the Change of Management or by a party selected by such counsel in their discretion. The Gross-Up Payment will be paid on your last day employed or on the occurrence of the event that results in the imposition of the Excise Tax, if later. If the precise amount of the Gross-Up Payment cannot be determined on the date it is to be paid, an amount equal to the best estimate of the Gross-Up Payment will be made on that date and, within ten (10) days after the precise calculation is obtained, either IDEX will pay any additional amount to you or you will pay any excess amount to IDEX, as the case may be. If subsequently the Internal Revenue Service (IRS) claims that any additional Excise Tax is owing, an additional Gross-Up Payment will be paid to you within thirty (30) days of your providing substantiation of the claim made by the IRS. After payment to you of the Gross-Up Payment, you will provide to IDEX any information reasonably requested by IDEX relating to the Excise Tax, you will take such actions as IDEX reasonable requests to contest such Excise Tax, cooperate in good faith with IDEX to effectively contest the Excise Tax and permit IDEX to participate in any proceedings contesting the Excise Tax. IDEX will bear and pay directly all costs and expenses (including any interest or penalties on the Excise Tax), and indemnify and hold you harmless, on an after-tax basis, from all such costs and expenses related to such contest. Should it ultimately be determined that any amount of an Excise Tax is not properly owed, you will refund to IDEX the related amount of the Gross-Up Payment.

For the purposes of this letter agreement, Termination of Service is defined as (1) a termination of your employment by IDEX for any reason other than for Cause, as hereafter defined; (2) your reasonable belief that there has been a material diminution in responsibilities, duties, title, reporting responsibilities within the business organization, status, role or authority (without limiting the generality of the foregoing, such a material diminution in responsibilities, duties, title, reporting responsibilities within the business organization, status, role or authority will be deemed to have taken place if any of the following occur: (a) you cease to be an officer of a reporting company under the Securities Exchange Act of 1934, (b) you retain the position as an officer of the reporting company but your primary responsibilities, duties, title, status, role or authority are with an entity within the business organization which is not the reporting company, or (c) your degree of involvement in executive decision making relating to IDEX has been materially diminished); (3) IDEX moves your primary worksite to a location outside of the Northbrook, Illinois region which necessitates, in your reasonable judgment, your

required relocation from your current residence which you choose not to accept; or (4) reduction in your annual base salary, reduction in the aggregate compensation provided to you (aggregate compensation to be determined by taking into consideration, without limitation, the target level of MSCP awards (other than changes in award amounts which are the result of IDEX performance), retirement or pension plans, non-qualified deferred compensation plans, stock option awards, severance benefits, or any other fringe benefit plan), or degradation in working conditions. After notification to you or your obtaining specific and reliable information which gives rise to your reasonable belief that one of the preceding events has occurred or is to occur in the near future, you may, after providing reasonable notice, voluntarily terminate your employment (which, if prior to the happening of such event, must be effective no earlier than, and be contingent on, the occurrence of such event). If one of the events which would be a Termination of Services occurs, and if your termination of employment at that time would be in a period of time during which you would be unable to exercise stock options or sell shares of IDEX or its successor, either by law or contractual agreement (a "restrictive period"), then you may continue in employment until a reasonable period after the restrictive period ends and your subsequent termination of employment will be a Termination of Service.

For purposes of this letter agreement, a "Change of Management" occurs if the Chief Executive Officer of IDEX, determined as of November 1, 1999, is no longer serving as President and Chief Executive Officer and a successor has assumed such positions.

For purposes of this letter agreement, "Cause" exists if (1) you breach, in a substantive and material manner, your fiduciary duty to IDEX, (2) you commit a felony criminal act, or (3) you fail, after repeated requests of the Chief Executive Officer of IDEX, which have been documented to you in writing, to perform duties assigned to you (the nature of which must be consistent with the duties assigned to you prior to the Change of Management or prior to any modification of your assigned duties made in connection with, or in anticipation of, such Change of Management).

For purposes of this letter agreement, the term "Determination Date" means the date immediately prior to the date of (1) payment of any Severance Benefit, (2) the Change of Management, (3) your Termination of Service, or (4) your last day of

employment, on whichever of the four preceding dates a factor (i.e. the rate, level, amount, practice, quality or other factor, as the context may indicate) used to calculate a Severance Benefit under this letter agreement is the factor which will result, with respect to such Severance Benefit, in the greatest or largest benefit to be provided. For the avoidance of doubt, the Determination Date may be different with respect to different Severance Benefits.

If IDEX or any entity which has an obligation to you under this letter agreement fails to honor any provision of this letter agreement or if a contest or dispute as to the terms of this letter agreement arises, all legal fees and expenses incurred by you to enforce this agreement or to contest or dispute its terms will be paid, or at your request, advanced, to you or directly to your attorney, as you may direct.

To the extent that this letter agreement provides a larger or greater separate severance benefit than may be provided to you pursuant to any policy, program, contract or arrangement adopted by IDEX prior to your Termination of Service, this letter agreement will supersede and be in full substitution of such other policy, program, contract or arrangement with respect to the larger or greater separate severance benefit to be provided. To the extent that any policy, program, contract or arrangement adopted by IDEX prior to your Termination of Service provides a larger or greater separate severance benefit than may be provided to you pursuant to this letter agreement, such other policy, program, contract or arrangement will supersede and be in full substitution of this letter agreement with respect to the larger or greater separate severance benefit to be provided.

The terms of this letter agreement will be governed by the laws of the State of Illinois and will be binding on IDEX and its successors (who consent to jurisdiction in the State of Illinois with respect to the subject matter of this letter agreement) and will inure to the benefit of your heirs. You will not be required to mitigate the amount of any payment or benefit provided for in this letter agreement by obtaining other employment or other sources of income or benefits nor will the amount of any payment or benefit be reduced by offset against any amount claimed to be owed by you to IDEX (except to the extent that medical benefits are provided by a subsequent employer). For any matter in this letter agreement wherein the determination of the existence of any fact or other matter is indicated to be in your reasonable belief, your belief will be respected and upheld provided you have

Mr. Wayne P. Sayatovic
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obtained specific and reliable information giving rise to your reasonable belief and unless IDEX demonstrates, by a preponderance of the evidence, that the basis for your belief was arbitrary or capricious. If any provision of this letter agreement is held invalid or unenforceable for any reason, all other provisions will remain in effect.

All notices and other communications given pursuant to this letter agreement will be deemed to have been properly given if hand delivered or mailed, addressed to the appropriate party at the address as shown on the first page of this letter agreement, postage prepaid, by certified or registered mail, return receipt requested and, in the case of notice to IDEX to the attention of the President. A copy of any notice sent must also be sent to Hodgson, Russ, Andrews, Woods & Goodyear, LLP, 1800 One M&T Plaza, Buffalo, New York 14203, Attention: Richard E. Heath, Esq. and Richard W. Kaiser, Esq. Any party may from time to time designate, by written notice given in accordance with these provisions, any other address or party to which such notice or communication or copies thereof must be sent.

Very truly yours,

Frank J. Hansen

Agreed to and accepted by:

Wayne P. Sayatovic

Date: December _____, 1999

November 24, 1999

PERSONAL AND CONFIDENTIAL

Mr. Frank J. Hansen
1716 Mulberry Drive
Libertyville, Illinois 60048

Dear Frank:

Re: Retirement Benefits Agreement

This letter agreement sets forth certain benefits to be provided to you in recognition of your long and dedicated service to IDEX and in consideration of your continued service to IDEX through your retirement which is to be effective as of the date on which a successor to your positions with IDEX commences services or such other date established by the Board of Directors of IDEX (hereafter the "Retirement Date"). On your retirement IDEX will provide you the following benefits:

1. Payment of your base salary, at the rate of \$36,667 per month, vacation pay, for vacation not taken, including vacation carryover from the prior year plus a pro rata accrual for the current year, and provision of all fringe benefits, through the end of the month that includes your Retirement Date.
2. Any amount earned under the Management Incentive Compensation Plan ("MICP") for the 1999 calendar year, determined based on the same percentage of target bonus that applies to other officers at the IDEX corporate location, which has not been paid will be paid in a single lump sum payment on your Retirement Date.
3. An amount equal to your full year's bonus under the MICP at your target bonus level of 80% of your annual base salary of \$440,000 plus, a proportionate bonus, as described in this subparagraph, under the MICP will be paid on your Retirement Date. The proportionate bonus payable will be the amount determined by multiplying a full year's MICP

bonus, at your target bonus level of 80% of your annual base salary of \$440,000, by a fraction the numerator of which is the number of full and partial calendar months in the calendar year 2000 which precede your Retirement Date and the denominator of which is 12.

4. You will be paid your monthly base salary of \$36,667 per month, for a period of 24 months commencing with the month following the month which contains your Retirement Date.

5. You will receive fringe benefits for a period of twenty-four (24) months commencing with the month following the month that contains your Retirement Date. Covered fringe benefits for purposes of this agreement include: (a) term life insurance in an amount in effect on your Retirement Date, (b) to the extent coverage is available under the insurance policy in effect, the personal accident plan at the level in effect on your Retirement Date, (c) the use of an IDEX-provided automobile, plus related expenses, comparable to that provided to you on your Retirement Date, and (d) other miscellaneous fringe benefits all as currently in effect.

6. Upon completion of the payments provided for in subparagraph 4, you will receive payment of supplemental retirement compensation at an annual rate equal to 40% of your annual base salary of \$440,000. Such supplemental retirement compensation shall be paid in monthly installments for a period of 36 months. If you should die prior to completion of the payments under this subparagraph 6, the remaining payments will be paid to your wife, if surviving, or your estate, as the case may be.

7. Upon completion of the payments provided for in subparagraph 6, you will receive payment of supplemental retirement compensation at an annual rate equal to 20% of your annual base salary of \$440,000. Such supplemental retirement compensation shall be paid in monthly installments and shall continue for the remainder of your life.

8. Lifetime medical benefits will be provided to you and your spouse in accordance with the provisions of Section 5(c)(4) of your

Mr. Frank J. Hansen
November 24, 1999
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Employment Agreement. Such medical benefits will be reduced to the extent of any medical benefits actually available and actually provided to you or your wife by any subsequent employer as provided in Section 5(c)(4) of your Employment Agreement

If on the date that benefits are to commence under subparagraph 7 your spouse is surviving, in lieu of the benefits provided in subparagraph 7 to you for your life, you and your spouse shall receive payments in the form of a joint and 50% surviving spouse annuity which are actuarially equivalent calculated under the assumptions then in effect for the IDEX Corporation Retirement Plan. However, at any time prior to commencement of the benefit payable under subparagraph 7, you shall have the right to elect, subject to attaining any spousal consent that may be required under law, to receive payment for the period of your life or in the form of some other actuarially equivalent joint and surviving spouse annuity.

All payments under subparagraphs 6 and 7 shall be appropriately increased at such time as IDEX shall first become obligated to make such payments, and at the beginning of each year thereafter, in proportion to the amount, if any, by which the Consumer Price Index (the "CPI") for the then most recently reported month exceeds the CPI as of the end of the month in which your Retirement Date occurs. The CPI to be used hereunder shall be the CPI for All Urban Consumers (CPI-U) (All Cities, All Items, 1982-84 = 100), published by the Bureau of Labor Statistics of the United States Department of Labor. In the event of any substantial change in the composition of the CPI to be used hereunder or in the event of discontinuance or termination of such index, the most appropriate available price index shall be substituted and utilized hereunder.

In accordance with the provisions of the IDEX Corporation Stock Option Plan, you shall have a period of three years from your Retirement Date to exercise any outstanding options unless the options otherwise expire prior to that time.

For sixty (60) months following your Retirement Date, IDEX will continue any indemnification agreement with you and will provide directors' and officers' liability insurance insuring you, such coverage to have

Mr. Frank J. Hansen
November 24, 1999
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limits and scope of coverage not less than that in effect on January 1, 2000. At your request, IDEX will cause a certificate of insurance, in a form satisfactory to you, verifying this coverage to be provided to you on an annual basis.

If IDEX or any entity which has an obligation to you under this letter agreement fails to honor any provision of this letter agreement or if a contest or dispute as to the terms of this letter agreement arises, all legal fees and expenses incurred by you to enforce this agreement or to contest or dispute its terms will be paid, or at your request, advanced, to you or directly to your attorney, as you may direct.

To the extent that this letter agreement provides a larger or greater separate benefit than may be provided to you pursuant to your Employment Agreement or any policy, program, contract or arrangement adopted by IDEX prior to your Retirement Date, this letter agreement will supersede and be in full substitution of benefit provided under the Employment Agreement or such other policy, program, contract or arrangement with respect to the larger or greater separate benefit to be provided. To the extent that your Employment Agreement or any policy, program, contract or arrangement adopted by IDEX prior to your Retirement Date provides a larger or greater separate benefit than may be provided to you pursuant to this letter agreement, the Employment Agreement or such other policy, program, contract or arrangement will supersede and be in full substitution of this letter agreement with respect to the larger or greater separate benefit to be provided.

The terms of this letter agreement will be governed by the laws of the State of Illinois and will be binding on IDEX and its successors (who consent to jurisdiction in the State of Illinois with respect to the subject matter of this letter agreement) and will inure to the benefit of your heirs. Except with respect to medical benefits which may be provided by a subsequent employer as described in subparagraph 8, you will not be required to mitigate the amount of any payment or benefit provided for in this letter agreement by obtaining other employment or other sources of income or benefits nor will the amount of any payment or benefit be reduced by offset against any amount claimed to be owed by you to IDEX.

Mr. Frank J. Hansen
November 24, 1999
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All notices and other communications given pursuant to this letter agreement will be deemed to have been properly given if hand delivered or mailed, addressed to the appropriate party at the address as shown on the first page of this letter agreement, postage prepaid, by certified or registered mail, return receipt requested and, in the case of notice to IDEX to the attention of the Vice President - General Counsel. A copy of any notice sent must also be sent to Hodgson, Russ, Andrews, Woods & Goodyear, LLP, 1800 One M&T Plaza, Buffalo, New York 14203, Attention: Richard E. Heath, Esq. and Richard W. Kaiser, Esq. Any party may from time to time designate, by written notice given in accordance with these provisions, any other address or party to which such notice or communication or copies thereof must be sent.

Very truly yours,
IDEX Corporation

Donald N. Boyce, Chairman

Agreed to and accepted by:

Frank J. Hansen

Date: _____

December 3, 1999

PERSONAL AND CONFIDENTIAL

Mr. David T. Windmuller
1615 Mulberry Drive
Libertyville, Illinois 60048

Dear Dave:

Re: Severance Agreement

This is to confirm that in the event of your Termination of Service, as hereafter defined, with IDEX Corporation or its successors ("IDEX"), within twenty-four (24) months following, or, directly or indirectly, in connection with, or in anticipation of, a Change of Management, as hereinafter defined, you will be entitled to the following benefits as a severance payment (hereafter referred to individually as a "Severance Benefit" and collectively as "Severance Benefits"):

- 1) Payment of your base salary and vacation pay (for vacation not taken, including vacation carryover from the prior year plus a pro rata accrual for the current year) accrued but unpaid through the date of termination of employment payable in a single lump sum payment on the last day employed or as soon thereafter as practicable.
- 2) Any amount earned under the Management Incentive Compensation Plan ("MICP") for the calendar year preceding the year in which the termination of employment occurs which has not been paid will be paid in a single lump sum payment on the last day employed or as soon thereafter as practicable.
- 3) An amount equal to two times the sum of (a) your annual base salary, at the rate in effect on the Determination Date, as hereafter defined, and (b) your full year's bonus under the MICP at your target bonus level in effect on the Determination Date, calculated in accordance with the practice in effect on the Determination Date. This amount will be paid in a single lump sum payment on the last day employed or as soon thereafter as practicable.

- 4) A proportionate bonus, as described in this subparagraph, under the MICP. The portion of the bonus payable will be the amount determined by multiplying a full year's MICP bonus, at your target bonus level in effect on the Determination Date, calculated in accordance with the practice in effect on the Determination Date, by a fraction the numerator of which is the number of full and partial calendar months in the calendar year which precede the date of the termination of employment and the denominator of which is 12. This amount will be paid in a single lump sum payment on the last day employed or as soon thereafter as practicable.
- 5) Fringe benefits for a continuing period of twenty-four (24) months following the date of termination of employment. Covered fringe benefits for purposes of this agreement include: (a) term life insurance in an amount in effect on the Determination Date, (b) medical benefits at the level in effect on the Determination Date, (c) to the extent coverage is available under the insurance policy in effect, the personal accident plan at the level in effect on the Determination Date, (d) the use of an IDEX-provided automobile, plus related expenses, comparable to that provided to you on the Determination Date, and (e) other miscellaneous fringe benefits in effect on the Determination Date. Medical benefits will be reduced to the extent of coverage provided by subsequent employers. For purposes of COBRA health care continuation coverage, the "qualifying event" will be deemed to have occurred at the end of the twenty-four (24) month period following termination of employment.
- 6) For a twenty-four (24) month period following the date of your termination of employment, IDEX will promptly pay or reimburse you for expenses, in an aggregate amount not to exceed 10% of your annual base salary, at the rate in effect on the Determination Date, incurred by you for outplacement services, which may include consultants, reasonable travel, rental of an office off IDEX's premises, secretarial support, and photocopying, telephone, and other miscellaneous office expenses.

- 7) For sixty (60) months following the date of your termination of employment, IDEX will continue any indemnification agreement with you and will provide directors' and officers' liability insurance insuring you, such coverage to have limits and scope of coverage not less than that in effect on the Determination Date or January 1, 2000, whichever is greater. At your request, IDEX will cause a certificate of insurance, in a form satisfactory to you, verifying this coverage to be provided to you on an annual basis.
- 8) You will be fully vested in your accrued benefit under any qualified pension or profit sharing plan maintained by IDEX, provided, however, if the terms of such plan do not permit acceleration of full vesting, you will receive a lump sum payment on the last day employed, or as soon thereafter as practicable, in an amount equal to the value of your accrued benefit which was not vested.
- 9) All stock options previously granted to you will immediately vest and you will have twelve (12) months following the last day of employment to exercise all options you hold.

Notwithstanding anything in this letter agreement or any other agreement to the contrary, in the event it is determined that any payments or distributions by IDEX or any affiliate (as defined under the Securities Act of 1933, as amended, and the regulations thereunder) thereof or any other person to or for the benefit of you, whether paid or payable pursuant to the terms of this letter agreement, or pursuant to any other agreement or arrangement with IDEX or any such affiliate ("Payments"), would be subject to the excise tax imposed by Section 4999 of the Internal Revenue Code of 1986, as amended, or any successor provision, or any interest or penalties with respect to such excise tax (such excise tax, together with any such interest and penalties, are hereinafter collectively referred to as the "Excise Tax"), then you will be entitled to receive an additional payment from IDEX (a "Gross-Up Payment") in an amount such that after payment by you of all taxes (including, without limitation, any interest or penalties imposed with respect to such taxes and any Excise Tax) imposed upon the Gross-Up Payment, you retain an amount of the Gross-Up Payment equal to the Excise Tax imposed upon the Payments. The amount of the Gross-Up Payment will be calculated by IDEX's usual

outside counsel engaged immediately prior to the Change of Management or by a party selected by such counsel in their discretion. The Gross-Up Payment will be paid on your last day employed or on the occurrence of the event that results in the imposition of the Excise Tax, if later. If the precise amount of the Gross-Up Payment cannot be determined on the date it is to be paid, an amount equal to the best estimate of the Gross-Up Payment will be made on that date and, within ten (10) days after the precise calculation is obtained, either IDEX will pay any additional amount to you or you will pay any excess amount to IDEX, as the case may be. If subsequently the Internal Revenue Service (IRS) claims that any additional Excise Tax is owing, an additional Gross-Up Payment will be paid to you within thirty (30) days of your providing substantiation of the claim made by the IRS. After payment to you of the Gross-Up Payment, you will provide to IDEX any information reasonably requested by IDEX relating to the Excise Tax, you will take such actions as IDEX reasonable requests to contest such Excise Tax, cooperate in good faith with IDEX to effectively contest the Excise Tax and permit IDEX to participate in any proceedings contesting the Excise Tax. IDEX will bear and pay directly all costs and expenses (including any interest or penalties on the Excise Tax), and indemnify and hold you harmless, on an after-tax basis, from all such costs and expenses related to such contest. Should it ultimately be determined that any amount of an Excise Tax is not properly owed, you will refund to IDEX the related amount of the Gross-Up Payment.

For the purposes of this letter agreement, Termination of Service is defined as (1) a termination of your employment by IDEX for any reason other than for Cause, as hereafter defined; (2) your reasonable belief that there has been a material diminution in responsibilities, duties, title, reporting responsibilities within the business organization, status, role or authority (without limiting the generality of the foregoing, such a material diminution in responsibilities, duties, title, reporting responsibilities within the business organization, status, role or authority will be deemed to have taken place if any of the following occur: (a) you cease to be an officer of a reporting company under the Securities Exchange Act of 1934, (b) you retain the position as an officer of the reporting company but your primary responsibilities, duties, title, status, role or authority are with an entity within the business organization which is not the reporting company, or (c) your degree of involvement in executive decision making relating to IDEX has been materially diminished); (3) IDEX moves your primary worksite to a location outside of the Northbrook, Illinois region which necessitates, in your reasonable judgment, your

required relocation from your current residence which you choose not to accept; or (4) reduction in your annual base salary, reduction in the aggregate compensation provided to you (aggregate compensation to be determined by taking into consideration, without limitation, the target level of MICEP awards (other than changes in award amounts which are the result of IDEX performance), retirement or pension plans, non-qualified deferred compensation plans, stock option awards, severance benefits, or any other fringe benefit plan), or degradation in working conditions. After notification to you or your obtaining specific and reliable information which gives rise to your reasonable belief that one of the preceding events has occurred or is to occur in the near future, you may, after providing reasonable notice, voluntarily terminate your employment (which, if prior to the happening of such event, must be effective no earlier than, and be contingent on, the occurrence of such event). If one of the events which would be a Termination of Services occurs, and if your termination of employment at that time would be in a period of time during which you would be unable to exercise stock options or sell shares of IDEX or its successor, either by law or contractual agreement (a "restrictive period"), then you may continue in employment until a reasonable period after the restrictive period ends and your subsequent termination of employment will be a Termination of Service.

For purposes of this letter agreement, a "Change of Management" occurs if the Chief Executive Officer of IDEX, determined as of November 1, 1999, is no longer serving as President and Chief Executive Officer and a successor has assumed such positions.

For purposes of this letter agreement, "Cause" exists if (1) you breach, in a substantive and material manner, your fiduciary duty to IDEX, (2) you commit a felony criminal act, or (3) you fail, after repeated requests of the Chief Executive Officer of IDEX, which have been documented to you in writing, to perform duties assigned to you (the nature of which must be consistent with the duties assigned to you prior to the Change of Management or prior to any modification of your assigned duties made in connection with, or in anticipation of, such Change of Management).

For purposes of this letter agreement, the term "Determination Date" means the date immediately prior to the date of (1) payment of any Severance Benefit, (2) the Change of Management, (3) your Termination of Service, or (4) your last day of

employment, on whichever of the four preceding dates a factor (i.e. the rate, level, amount, practice, quality or other factor, as the context may indicate) used to calculate a Severance Benefit under this letter agreement is the factor which will result, with respect to such Severance Benefit, in the greatest or largest benefit to be provided. For the avoidance of doubt, the Determination Date may be different with respect to different Severance Benefits.

If IDEX or any entity which has an obligation to you under this letter agreement fails to honor any provision of this letter agreement or if a contest or dispute as to the terms of this letter agreement arises, all legal fees and expenses incurred by you to enforce this agreement or to contest or dispute its terms will be paid, or at your request, advanced, to you or directly to your attorney, as you may direct.

To the extent that this letter agreement provides a larger or greater separate severance benefit than may be provided to you pursuant to any policy, program, contract or arrangement adopted by IDEX prior to your Termination of Service, this letter agreement will supersede and be in full substitution of such other policy, program, contract or arrangement with respect to the larger or greater separate severance benefit to be provided. To the extent that any policy, program, contract or arrangement adopted by IDEX prior to your Termination of Service provides a larger or greater separate severance benefit than may be provided to you pursuant to this letter agreement, such other policy, program, contract or arrangement will supersede and be in full substitution of this letter agreement with respect to the larger or greater separate severance benefit to be provided.

The terms of this letter agreement will be governed by the laws of the State of Illinois and will be binding on IDEX and its successors (who consent to jurisdiction in the State of Illinois with respect to the subject matter of this letter agreement) and will inure to the benefit of your heirs. You will not be required to mitigate the amount of any payment or benefit provided for in this letter agreement by obtaining other employment or other sources of income or benefits nor will the amount of any payment or benefit be reduced by offset against any amount claimed to be owed by you to IDEX (except to the extent that medical benefits are provided by a subsequent employer). For any matter in this letter agreement wherein the determination of the existence of any fact or other matter is indicated to be in your reasonable belief, your belief will be respected and upheld provided you have

Mr. David T. Windmuller
December 3, 1999
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obtained specific and reliable information giving rise to your reasonable belief and unless IDEX demonstrates, by a preponderance of the evidence, that the basis for your belief was arbitrary or capricious. If any provision of this letter agreement is held invalid or unenforceable for any reason, all other provisions will remain in effect.

All notices and other communications given pursuant to this letter agreement will be deemed to have been properly given if hand delivered or mailed, addressed to the appropriate party at the address as shown on the first page of this letter agreement, postage prepaid, by certified or registered mail, return receipt requested and, in the case of notice to IDEX to the attention of the President. A copy of any notice sent must also be sent to Hodgson, Russ, Andrews, Woods & Goodyear, LLP, 1800 One M&T Plaza, Buffalo, New York 14203, Attention: Richard E. Heath, Esq. and Richard W. Kaiser, Esq. Any party may from time to time designate, by written notice given in accordance with these provisions, any other address or party to which such notice or communication or copies thereof must be sent.

Very truly yours,

Frank J. Hansen

Agreed to and accepted by:

David T. Windmuller

Date: December _____, 1999

December 3, 1999

PERSONAL AND CONFIDENTIAL

Mr. James R. Fluharty
308 Camelot Lane
Libertyville, Illinois 60048

Dear Jim:

Re: Severance Agreement

This is to confirm that in the event of your Termination of Service, as hereafter defined, with IDEX Corporation or its successors ("IDEX"), within twenty-four (24) months following, or, directly or indirectly, in connection with, or in anticipation of, a Change of Management, as hereinafter defined, you will be entitled to the following benefits as a severance payment (hereafter referred to individually as a "Severance Benefit" and collectively as "Severance Benefits"):

- 1) Payment of your base salary and vacation pay (for vacation not taken, including vacation carryover from the prior year plus a pro rata accrual for the current year) accrued but unpaid through the date of termination of employment payable in a single lump sum payment on the last day employed or as soon thereafter as practicable.
- 2) Any amount earned under the Management Incentive Compensation Plan ("MICP") for the calendar year preceding the year in which the termination of employment occurs which has not been paid will be paid in a single lump sum payment on the last day employed or as soon thereafter as practicable.
- 3) An amount equal to two times the sum of (a) your annual base salary, at the rate in effect on the Determination Date, as hereafter defined, and (b) your full year's bonus under the MICP at your target bonus level in effect on the Determination Date, calculated in accordance with the practice in effect on the Determination Date. This amount will be paid in a single lump sum payment on the last day employed or as soon thereafter as practicable.

- 4) A proportionate bonus, as described in this subparagraph, under the MICP. The portion of the bonus payable will be the amount determined by multiplying a full year's MICP bonus, at your target bonus level in effect on the Determination Date, calculated in accordance with the practice in effect on the Determination Date, by a fraction the numerator of which is the number of full and partial calendar months in the calendar year which precede the date of the termination of employment and the denominator of which is 12. This amount will be paid in a single lump sum payment on the last day employed or as soon thereafter as practicable.
- 5) Fringe benefits for a continuing period of twenty-four (24) months following the date of termination of employment. Covered fringe benefits for purposes of this agreement include: (a) term life insurance in an amount in effect on the Determination Date, (b) medical benefits at the level in effect on the Determination Date, (c) to the extent coverage is available under the insurance policy in effect, the personal accident plan at the level in effect on the Determination Date, (d) the use of an IDEX-provided automobile, plus related expenses, comparable to that provided to you on the Determination Date, and (e) other miscellaneous fringe benefits in effect on the Determination Date. Medical benefits will be reduced to the extent of coverage provided by subsequent employers. For purposes of COBRA health care continuation coverage, the "qualifying event" will be deemed to have occurred at the end of the twenty-four (24) month period following termination of employment.
- 6) For a twenty-four (24) month period following the date of your termination of employment, IDEX will promptly pay or reimburse you for expenses, in an aggregate amount not to exceed 10% of your annual base salary, at the rate in effect on the Determination Date, incurred by you for outplacement services, which may include consultants, reasonable travel, rental of an office off IDEX's premises, secretarial support, and photocopying, telephone, and other miscellaneous office expenses.

- 7) For sixty (60) months following the date of your termination of employment, IDEX will continue any indemnification agreement with you and will provide directors' and officers' liability insurance insuring you, such coverage to have limits and scope of coverage not less than that in effect on the Determination Date or January 1, 2000, whichever is greater. At your request, IDEX will cause a certificate of insurance, in a form satisfactory to you, verifying this coverage to be provided to you on an annual basis.
- 8) You will be fully vested in your accrued benefit under any qualified pension or profit sharing plan maintained by IDEX, provided, however, if the terms of such plan do not permit acceleration of full vesting, you will receive a lump sum payment on the last day employed, or as soon thereafter as practicable, in an amount equal to the value of your accrued benefit which was not vested.
- 9) All stock options previously granted to you will immediately vest and you will have twelve (12) months following the last day of employment to exercise all options you hold.

Notwithstanding anything in this letter agreement or any other agreement to the contrary, in the event it is determined that any payments or distributions by IDEX or any affiliate (as defined under the Securities Act of 1933, as amended, and the regulations thereunder) thereof or any other person to or for the benefit of you, whether paid or payable pursuant to the terms of this letter agreement, or pursuant to any other agreement or arrangement with IDEX or any such affiliate ("Payments"), would be subject to the excise tax imposed by Section 4999 of the Internal Revenue Code of 1986, as amended, or any successor provision, or any interest or penalties with respect to such excise tax (such excise tax, together with any such interest and penalties, are hereinafter collectively referred to as the "Excise Tax"), then you will be entitled to receive an additional payment from IDEX (a "Gross-Up Payment") in an amount such that after payment by you of all taxes (including, without limitation, any interest or penalties imposed with respect to such taxes and any Excise Tax) imposed upon the Gross-Up Payment, you retain an amount of the Gross-Up Payment equal to the Excise Tax imposed upon the Payments. The amount of the Gross-Up Payment will be calculated by IDEX's usual

outside counsel engaged immediately prior to the Change of Management or by a party selected by such counsel in their discretion. The Gross-Up Payment will be paid on your last day employed or on the occurrence of the event that results in the imposition of the Excise Tax, if later. If the precise amount of the Gross-Up Payment cannot be determined on the date it is to be paid, an amount equal to the best estimate of the Gross-Up Payment will be made on that date and, within ten (10) days after the precise calculation is obtained, either IDEX will pay any additional amount to you or you will pay any excess amount to IDEX, as the case may be. If subsequently the Internal Revenue Service (IRS) claims that any additional Excise Tax is owing, an additional Gross-Up Payment will be paid to you within thirty (30) days of your providing substantiation of the claim made by the IRS. After payment to you of the Gross-Up Payment, you will provide to IDEX any information reasonably requested by IDEX relating to the Excise Tax, you will take such actions as IDEX reasonable requests to contest such Excise Tax, cooperate in good faith with IDEX to effectively contest the Excise Tax and permit IDEX to participate in any proceedings contesting the Excise Tax. IDEX will bear and pay directly all costs and expenses (including any interest or penalties on the Excise Tax), and indemnify and hold you harmless, on an after-tax basis, from all such costs and expenses related to such contest. Should it ultimately be determined that any amount of an Excise Tax is not properly owed, you will refund to IDEX the related amount of the Gross-Up Payment.

For the purposes of this letter agreement, Termination of Service is defined as (1) a termination of your employment by IDEX for any reason other than for Cause, as hereafter defined; (2) your reasonable belief that there has been a material diminution in responsibilities, duties, title, reporting responsibilities within the business organization, status, role or authority (without limiting the generality of the foregoing, such a material diminution in responsibilities, duties, title, reporting responsibilities within the business organization, status, role or authority will be deemed to have taken place if any of the following occur: (a) you cease to be an officer of a reporting company under the Securities Exchange Act of 1934 or (b) your degree of involvement in executive decision making relating to IDEX has been materially diminished); or (3) reduction in your annual base salary, reduction in the aggregate compensation provided to you (aggregate compensation to be determined by taking into consideration, without limitation, the target level of MICP awards (other than changes in award amounts which are the result of IDEX performance), retirement or pension plans, non-qualified deferred compensation plans, stock option

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awards, severance benefits, or any other fringe benefit plan), or degradation in working conditions. After notification to you or your obtaining specific and reliable information which gives rise to your reasonable belief that one of the preceding events has occurred or is to occur in the near future, you may, after providing reasonable notice, voluntarily terminate your employment (which, if prior to the happening of such event, must be effective no earlier than, and be contingent on, the occurrence of such event). If one of the events which would be a Termination of Services occurs, and if your termination of employment at that time would be in a period of time during which you would be unable to exercise stock options or sell shares of IDEX or its successor, either by law or contractual agreement (a "restrictive period"), then you may continue in employment until a reasonable period after the restrictive period ends and your subsequent termination of employment will be a Termination of Service.

For purposes of this letter agreement, a "Change of Management" occurs if the Chief Executive Officer of IDEX, determined as of November 1, 1999, is no longer serving as President and Chief Executive Officer and a successor has assumed such positions.

For purposes of this letter agreement, "Cause" exists if (1) you breach, in a substantive and material manner, your fiduciary duty to IDEX, (2) you commit a felony criminal act, or (3) you fail, after repeated requests of the Chief Executive Officer of IDEX, which have been documented to you in writing, to perform duties assigned to you (the nature of which must be consistent with the duties assigned to you prior to the Change of Management or prior to any modification of your assigned duties made in connection with, or in anticipation of, such Change of Management).

For purposes of this letter agreement, the term "Determination Date" means the date immediately prior to the date of (1) payment of any Severance Benefit, (2) the Change of Management, (3) your Termination of Service, or (4) your last day of employment, on whichever of the four preceding dates a factor (i.e. the rate, level, amount, practice, quality or other factor, as the context may indicate) used to calculate a Severance Benefit under this letter agreement is the factor which will result, with respect to such Severance Benefit, in the greatest or largest benefit to be provided. For the avoidance of doubt, the Determination Date may be different with respect to different Severance Benefits.

If IDEX or any entity which has an obligation to you under this letter agreement fails to honor any provision of this letter agreement or if a contest or dispute as to the terms of this letter agreement arises, all legal fees and expenses incurred by you to enforce this agreement or to contest or dispute its terms will be paid, or at your request, advanced, to you or directly to your attorney, as you may direct.

To the extent that this letter agreement provides a larger or greater separate severance benefit than may be provided to you pursuant to any policy, program, contract or arrangement adopted by IDEX prior to your Termination of Service, this letter agreement will supersede and be in full substitution of such other policy, program, contract or arrangement with respect to the larger or greater separate severance benefit to be provided. To the extent that any policy, program, contract or arrangement adopted by IDEX prior to your Termination of Service provides a larger or greater separate severance benefit than may be provided to you pursuant to this letter agreement, such other policy, program, contract or arrangement will supersede and be in full substitution of this letter agreement with respect to the larger or greater separate severance benefit to be provided.

The terms of this letter agreement will be governed by the laws of the State of Illinois and will be binding on IDEX and its successors (who consent to jurisdiction in the State of Illinois with respect to the subject matter of this letter agreement) and will inure to the benefit of your heirs. You will not be required to mitigate the amount of any payment or benefit provided for in this letter agreement by obtaining other employment or other sources of income or benefits nor will the amount of any payment or benefit be reduced by offset against any amount claimed to be owed by you to IDEX (except to the extent that medical benefits are provided by a subsequent employer). For any matter in this letter agreement wherein the determination of the existence of any fact or other matter is indicated to be in your reasonable belief, your belief will be respected and upheld provided you have obtained specific and reliable information giving rise to your reasonable belief and unless IDEX demonstrates, by a preponderance of the evidence, that the basis for your belief was arbitrary or capricious. If any provision of this letter agreement is held invalid or unenforceable for any reason, all other provisions will remain in effect.

Mr. James R. Fluharty
December 3, 1999
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All notices and other communications given pursuant to this letter agreement will be deemed to have been properly given if hand delivered or mailed, addressed to the appropriate party at the address as shown on the first page of this letter agreement, postage prepaid, by certified or registered mail, return receipt requested and, in the case of notice to IDEX to the attention of the President. A copy of any notice sent must also be sent to Hodgson, Russ, Andrews, Woods & Goodyear, LLP, 1800 One M&T Plaza, Buffalo, New York 14203, Attention: Richard E. Heath, Esq. and Richard W. Kaiser, Esq. Any party may from time to time designate, by written notice given in accordance with these provisions, any other address or party to which such notice or communication or copies thereof must be sent.

Very truly yours,

Frank J. Hansen

Agreed to and accepted by:

James R. Fluharty

Date: December ____, 1999

December 3, 1999

PERSONAL AND CONFIDENTIAL

Mr. Rodney L. Usher
2 Neuchatel Lane
Fairport, New York 14450

Dear Rod:

Re: Severance Agreement

This is to confirm that in the event of your Termination of Service, as hereafter defined, with IDEX Corporation or its successors ("IDEX"), within twenty-four (24) months following, or, directly or indirectly, in connection with, or in anticipation of, a Change of Management, as hereinafter defined, you will be entitled to the following benefits as a severance payment (hereafter referred to individually as a "Severance Benefit" and collectively as "Severance Benefits"):

- 1) Payment of your base salary and vacation pay (for vacation not taken, including vacation carryover from the prior year plus a pro rata accrual for the current year) accrued but unpaid through the date of termination of employment payable in a single lump sum payment on the last day employed or as soon thereafter as practicable.
- 2) Any amount earned under the Management Incentive Compensation Plan ("MICP") for the calendar year preceding the year in which the termination of employment occurs which has not been paid will be paid in a single lump sum payment on the last day employed or as soon thereafter as practicable.
- 3) An amount equal to two times the sum of (a) your annual base salary, at the rate in effect on the Determination Date, as hereafter defined, and (b) your full year's bonus under the MICP at your target bonus level in effect on the Determination Date, calculated in accordance with the practice in effect on the Determination Date. This amount will be paid in a single lump sum payment on the last day employed or as soon thereafter as practicable.

- 4) A proportionate bonus, as described in this subparagraph, under the MICP. The portion of the bonus payable will be the amount determined by multiplying a full year's MICP bonus, at your target bonus level in effect on the Determination Date, calculated in accordance with the practice in effect on the Determination Date, by a fraction the numerator of which is the number of full and partial calendar months in the calendar year which precede the date of the termination of employment and the denominator of which is 12. This amount will be paid in a single lump sum payment on the last day employed or as soon thereafter as practicable.
- 5) Fringe benefits for a continuing period of twenty-four (24) months following the date of termination of employment. Covered fringe benefits for purposes of this agreement include: (a) term life insurance in an amount in effect on the Determination Date, (b) medical benefits at the level in effect on the Determination Date, (c) to the extent coverage is available under the insurance policy in effect, the personal accident plan at the level in effect on the Determination Date, (d) the use of an IDEX-provided automobile, plus related expenses, comparable to that provided to you on the Determination Date, and (e) other miscellaneous fringe benefits in effect on the Determination Date. Medical benefits will be reduced to the extent of coverage provided by subsequent employers. For purposes of COBRA health care continuation coverage, the "qualifying event" will be deemed to have occurred at the end of the twenty-four (24) month period following termination of employment.
- 6) For a twenty-four (24) month period following the date of your termination of employment, IDEX will promptly pay or reimburse you for expenses, in an aggregate amount not to exceed 10% of your annual base salary, at the rate in effect on the Determination Date, incurred by you for outplacement services, which may include consultants, reasonable travel, rental of an office off IDEX's premises, secretarial support, and photocopying, telephone, and other miscellaneous office expenses.

- 7) For sixty (60) months following the date of your termination of employment, IDEX will continue any indemnification agreement with you and will provide directors' and officers' liability insurance insuring you, such coverage to have limits and scope of coverage not less than that in effect on the Determination Date or January 1, 2000, whichever is greater. At your request, IDEX will cause a certificate of insurance, in a form satisfactory to you, verifying this coverage to be provided to you on an annual basis.
- 8) You will be fully vested in your accrued benefit under any qualified pension or profit sharing plan maintained by IDEX, provided, however, if the terms of such plan do not permit acceleration of full vesting, you will receive a lump sum payment on the last day employed, or as soon thereafter as practicable, in an amount equal to the value of your accrued benefit which was not vested.
- 9) All stock options previously granted to you will immediately vest and you will have twelve (12) months following the last day of employment to exercise all options you hold.

Notwithstanding anything in this letter agreement or any other agreement to the contrary, in the event it is determined that any payments or distributions by IDEX or any affiliate (as defined under the Securities Act of 1933, as amended, and the regulations thereunder) thereof or any other person to or for the benefit of you, whether paid or payable pursuant to the terms of this letter agreement, or pursuant to any other agreement or arrangement with IDEX or any such affiliate ("Payments"), would be subject to the excise tax imposed by Section 4999 of the Internal Revenue Code of 1986, as amended, or any successor provision, or any interest or penalties with respect to such excise tax (such excise tax, together with any such interest and penalties, are hereinafter collectively referred to as the "Excise Tax"), then you will be entitled to receive an additional payment from IDEX (a "Gross-Up Payment") in an amount such that after payment by you of all taxes (including, without limitation, any interest or penalties imposed with respect to such taxes and any Excise Tax) imposed upon the Gross-Up Payment, you retain an amount of the Gross-Up Payment equal to the Excise Tax imposed upon the Payments. The amount of the Gross-Up Payment will be calculated by IDEX's usual

outside counsel engaged immediately prior to the Change of Management or by a party selected by such counsel in their discretion. The Gross-Up Payment will be paid on your last day employed or on the occurrence of the event that results in the imposition of the Excise Tax, if later. If the precise amount of the Gross-Up Payment cannot be determined on the date it is to be paid, an amount equal to the best estimate of the Gross-Up Payment will be made on that date and, within ten (10) days after the precise calculation is obtained, either IDEX will pay any additional amount to you or you will pay any excess amount to IDEX, as the case may be. If subsequently the Internal Revenue Service (IRS) claims that any additional Excise Tax is owing, an additional Gross-Up Payment will be paid to you within thirty (30) days of your providing substantiation of the claim made by the IRS. After payment to you of the Gross-Up Payment, you will provide to IDEX any information reasonably requested by IDEX relating to the Excise Tax, you will take such actions as IDEX reasonable requests to contest such Excise Tax, cooperate in good faith with IDEX to effectively contest the Excise Tax and permit IDEX to participate in any proceedings contesting the Excise Tax. IDEX will bear and pay directly all costs and expenses (including any interest or penalties on the Excise Tax), and indemnify and hold you harmless, on an after-tax basis, from all such costs and expenses related to such contest. Should it ultimately be determined that any amount of an Excise Tax is not properly owed, you will refund to IDEX the related amount of the Gross-Up Payment.

For the purposes of this letter agreement, Termination of Service is defined as (1) a termination of your employment by IDEX for any reason other than for Cause, as hereafter defined; (2) your reasonable belief that there has been a material diminution in responsibilities, duties, title, reporting responsibilities within the business organization, status, role or authority (without limiting the generality of the foregoing, such a material diminution in responsibilities, duties, title, reporting responsibilities within the business organization, status, role or authority will be deemed to have taken place if any of the following occur: (a) you cease to be an officer of a reporting company under the Securities Exchange Act of 1934 or (b) your degree of involvement in executive decision making relating to IDEX has been materially diminished); or (3) reduction in your annual base salary, reduction in the aggregate compensation provided to you (aggregate compensation to be determined by taking into consideration, without limitation, the target level of MICP awards (other than changes in award amounts which are the result of IDEX performance), retirement or pension plans, non-qualified deferred compensation plans, stock option

awards, severance benefits, or any other fringe benefit plan), or degradation in working conditions. After notification to you or your obtaining specific and reliable information which gives rise to your reasonable belief that one of the preceding events has occurred or is to occur in the near future, you may, after providing reasonable notice, voluntarily terminate your employment (which, if prior to the happening of such event, must be effective no earlier than, and be contingent on, the occurrence of such event). If one of the events which would be a Termination of Services occurs, and if your termination of employment at that time would be in a period of time during which you would be unable to exercise stock options or sell shares of IDEX or its successor, either by law or contractual agreement (a "restrictive period"), then you may continue in employment until a reasonable period after the restrictive period ends and your subsequent termination of employment will be a Termination of Service.

For purposes of this letter agreement, a "Change of Management" occurs if the Chief Executive Officer of IDEX, determined as of November 1, 1999, is no longer serving as President and Chief Executive Officer and a successor has assumed such positions.

For purposes of this letter agreement, "Cause" exists if (1) you breach, in a substantive and material manner, your fiduciary duty to IDEX, (2) you commit a felony criminal act, or (3) you fail, after repeated requests of the Chief Executive Officer of IDEX, which have been documented to you in writing, to perform duties assigned to you (the nature of which must be consistent with the duties assigned to you prior to the Change of Management or prior to any modification of your assigned duties made in connection with, or in anticipation of, such Change of Management).

For purposes of this letter agreement, the term "Determination Date" means the date immediately prior to the date of (1) payment of any Severance Benefit, (2) the Change of Management, (3) your Termination of Service, or (4) your last day of employment, on whichever of the four preceding dates a factor (i.e. the rate, level, amount, practice, quality or other factor, as the context may indicate) used to calculate a Severance Benefit under this letter agreement is the factor which will result, with respect to such Severance Benefit, in the greatest or largest benefit to be provided. For the avoidance of doubt, the Determination Date may be different with respect to different Severance Benefits.

If IDEX or any entity which has an obligation to you under this letter agreement fails to honor any provision of this letter agreement or if a contest or dispute as to the terms of this letter agreement arises, all legal fees and expenses incurred by you to enforce this agreement or to contest or dispute its terms will be paid, or at your request, advanced, to you or directly to your attorney, as you may direct.

To the extent that this letter agreement provides a larger or greater separate severance benefit than may be provided to you pursuant to any policy, program, contract or arrangement adopted by IDEX prior to your Termination of Service, this letter agreement will supersede and be in full substitution of such other policy, program, contract or arrangement with respect to the larger or greater separate severance benefit to be provided. To the extent that any policy, program, contract or arrangement adopted by IDEX prior to your Termination of Service provides a larger or greater separate severance benefit than may be provided to you pursuant to this letter agreement, such other policy, program, contract or arrangement will supersede and be in full substitution of this letter agreement with respect to the larger or greater separate severance benefit to be provided.

The terms of this letter agreement will be governed by the laws of the State of Illinois and will be binding on IDEX and its successors (who consent to jurisdiction in the State of Illinois with respect to the subject matter of this letter agreement) and will inure to the benefit of your heirs. You will not be required to mitigate the amount of any payment or benefit provided for in this letter agreement by obtaining other employment or other sources of income or benefits nor will the amount of any payment or benefit be reduced by offset against any amount claimed to be owed by you to IDEX (except to the extent that medical benefits are provided by a subsequent employer). For any matter in this letter agreement wherein the determination of the existence of any fact or other matter is indicated to be in your reasonable belief, your belief will be respected and upheld provided you have obtained specific and reliable information giving rise to your reasonable belief and unless IDEX demonstrates, by a preponderance of the evidence, that the basis for your belief was arbitrary or capricious. If any provision of this letter agreement is held invalid or unenforceable for any reason, all other provisions will remain in effect.

Mr. Rodney L. Usher
December 3, 1999
Page 7

All notices and other communications given pursuant to this letter agreement will be deemed to have been properly given if hand delivered or mailed, addressed to the appropriate party at the address as shown on the first page of this letter agreement, postage prepaid, by certified or registered mail, return receipt requested and, in the case of notice to IDEX to the attention of the President. A copy of any notice sent must also be sent to Hodgson, Russ, Andrews, Woods & Goodyear, LLP, 1800 One M&T Plaza, Buffalo, New York 14203, Attention: Richard E. Heath, Esq. and Richard W. Kaiser, Esq. Any party may from time to time designate, by written notice given in accordance with these provisions, any other address or party to which such notice or communication or copies thereof must be sent.

Very truly yours,

Frank J. Hansen

Agreed to and accepted by:

Rodney L. Usher

Date: December ____, 1999

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IDEX CORPORATION manufactures an extensive array of proprietary, engineered industrial products sold to customers in a variety of industries around the world. Our businesses have leading positions in their niche markets, and we have a history of achieving high profit margins.

Among the factors in the success equation at IDEX are emphasis on the worth of our people, fleetfootedness, ethical business conduct, superior customer service, top-quality products, continuing new product development, market share growth, international expansion, and above-average shareholder returns. The IDEX acronym stands for -- and the essence of IDEX is -- Innovation, Diversity, and EXcellence. IDEX shares are traded on the New York Stock Exchange and the Chicago Stock Exchange under the symbol IEX.

Total Shareholder Returns

- [] IDEX
- [] Russell 2000 Index
- [] S&P 500 Index

[BAR GRAPH APPEARS HERE]

\$600

500

400

300

200

100

88 89 90 91 92 93 94 95 96 97 98 99

Total return to IDEX shareholders since going public in June 1989 has been 416%. In the same period the S&P 500 Index has increased 492%, and the Russell 2000 Index rose 246%.

Years ended December 31,	1999	CHANGE	1998	CHANGE	1997
RESULTS OF OPERATIONS					
Net sales	\$655,041	2%	\$640,131	16%	\$552,163
Operating income	104,677	(4)	109,543	6	103,595
Interest expense	18,020	(19)	22,359	22	18,398
Income from continuing operations	54,428	--	54,396	2	53,475
Net income	54,428	(12)	62,064	6	58,626
FINANCIAL POSITION					
Working capital	\$122,081	6%	\$115,635	(3)%	\$119,466
Total assets	738,567	6	695,811	16	599,193
Long-term debt	268,589	(5)	283,410	10	258,417
Shareholders' equity	329,024	15	286,037	20	238,671
PERFORMANCE MEASURES					
Percent of net sales					
Operating income	16.0%		17.1%		18.8%
Income from continuing operations	8.3		8.5		9.7
Net income return on average assets	7.6		9.6		10.0
Debt as a percent of capitalization	44.9		49.8		52.0
Net income return on average shareholders' equity	17.7		23.7		27.0
PER SHARE DATA-DILUTED					
Income from continuing operations	\$ 1.81	--%	\$ 1.81	2%	\$ 1.78
Net income	1.81	(13)	2.07	6	1.95
Cash dividends paid	.56	4	.54	13	.48
Shareholders' equity	11.10	14	9.71	19	8.16
OTHER DATA					
Employees at year end	3,773	(1)%	3,803	14%	3,326
Shareholders at year end	7,000	(9)	7,700	10	7,000
Weighted average shares outstanding	30,085	--	30,052	--	29,999

1

Net Sales

(in millions)

[BAR GRAPH APPEARS HERE]

\$700
 600
 500
 400
 300
 200
 100

88 89 90 91 92 93 94 95 96 97 98 99

Sales have grown at a 15% compound annual rate since 1994.

Earnings Per Share - Diluted

(continuing operations)

[BAR GRAPH APPEARS HERE]

\$1.80
 1.60
 1.40
 1.20
 1.00
 .80
 .60
 .40
 .20

88 89 90 91 92 93 94 95 96 97 98 99

Diluted earnings per share have increased at a 13% compound annual rate in the last five years.

International Sales

- [] Percent of net sales
 [] Amount in millions

[BAR GRAPH APPEARS HERE]

\$250	50%
200	45
150	40
100	35
50	30
	25
	20
	15
	10
	5

87 88 89 90 91 92 93 94 95 96 97 98 99

International growth continues to be a key factor in IDEX's success.

Operating Margins

- [] IDEX
 [] Value Line Industrial Composite Index

[LINE CHART APPEARS HERE]

25%
20
15
10
5

88 89 90 91 92 93 94 95 96 97 98 99

Since its formation, IDEX has continuously achieved significantly higher operating margins than most manufacturers.

Net Income Margins from
Continuing Operations

- [] IDEX
 [] Value Line Industrial Composite Index

[LINE CHART APPEARS HERE]

15%
10
5

88 89 90 91 92 93 94 95 96 97 98 99

IDEX's net income margins exceed those of most manufacturers.

Shareholders' Letter

2

To Our Shareholders:

We are pleased to report that IDEX Corporation achieved another year of strong profitability and cash flow, although conditions in certain of the markets we serve were somewhat less favorable than had been anticipated when the year began. The rebound in the important process markets has yet to occur, but our diversity served us well, and we experienced improving conditions in several other markets, including those served by our Dispensing Equipment Group. We were further aided in 1999 by the introduction of new products, the development of a number of new market opportunities and by gaining share in existing markets. An acquisition at midyear was also helpful, and we were able to use our very strong cash flow to reduce debt and interest expense.

Sales increased to \$655.0 million, up 2% over the \$640.1 million recorded in 1998. Net income from continuing operations of \$54.4 million and diluted earnings per share of \$1.81 matched last year's records. Operating income represented a strong 16.0% of sales in 1999, but was below the 17.1% recorded in 1998, primarily because of conditions in process markets served by our higher margin businesses.

Interest expense decreased by over 19% to a total of \$18.0 million in 1999. The decline in interest expense offset the somewhat lower operating income. This enabled IDEX to achieve income before tax from continuing operations of \$87.2 million, essentially equivalent to last year's record of \$87.7 million.

IDEX again demonstrated its strong cash flow characteristics in 1999. Earnings before interest, taxes, depreciation and amortization totaled \$140 million, and debt to total capitalization of 44.9% was the lowest in the company's history. This puts us in an excellent position to aggressively pursue profitable growth initiatives both internally and through additional acquisitions.

Internal Development

We believe that one of the keys to IDEX's success has been the internal benchmarking that takes place among our business units. Our businesses share many common characteristics, and people from various functional areas regularly meet to share best practices. This has resulted in a process of continuous improvement, capitalizing on the best ideas to improve not only financial results, but every aspect of the business from customer service, to product development, to quality, to human resource development.

We worked hard to maintain our leading positions in niche markets in 1999. Among the reasons for our success is our continued dedication to customer service. Many of our businesses are working to provide "just-in-time" delivery support to their customers and all of our companies are operating with state-of-the-art business systems. Every IDEX business unit is certified under the internationally recognized ISO 9000 quality standard, and each expects full certification under the ISO 14000 environmental standards by the end of 2000. While our facilities are in excellent condition and we have ample production capacity, we continue to

Donald N. Boyce
Chairman of the Board

Frank J. Hansen
President and Chief Executive Officer

invest in the latest production equipment to maintain our leading edge in the marketplace.

Importantly, we are guided by a strict code of ethics that provides the fabric to tie our almost 4,000 people together in a common commitment to excellence.

External Development

Acquisitions are an important part of the IDEX growth strategy and we continue to place heavy emphasis on finding candidates that meet our criteria of having leading positions in niche markets and serving a diverse customer base. We're looking for profitable industrial businesses, both private and public, that have the potential for growth and margin improvement.

On June 4, 1999, we acquired FAST S.p.A., headquartered in Milan, Italy, in a \$62 million cash transaction. FAST is a leading European manufacturer of refinishing and color-formulation equipment for a number of applications including paints, coatings, inks, colorants and dyes. This company, similar to our Fluid Management business, fits the IDEX profile very well, giving us further market diversity and an increased presence in Europe and other international markets.

Emphasizing Profitable Top-Line Growth

Our entire management team is dedicated to achieving profitable top-line growth. This objective is being pursued in the following ways:

- - New Product Development

IDEX has long had a history of successfully introducing market-driven, innovative products and 1999 was no exception. Every IDEX business launched exciting new products that will further enhance our leadership positions in the markets we serve. Again in 1999, we estimate that approximately 25% of our sales resulted from products that were either newly introduced or totally redesigned within the last four years.

- - New Markets and Applications

Exciting new growth initiatives are underway at IDEX. In 1999, we launched a major effort to find new market opportunities. We also identified currently served niche markets where our shares were lower than our overall market share and where the opportunity for growth was high. You'll read more about some of these market initiatives in other sections of this report. Every IDEX business unit has identified and is actively attacking specific profitable growth opportunities by entering new markets, appointing niche distributors to expand existing markets, and strengthening their international presence. These growth opportunities are explored in regular strategic meetings, and our incentive systems reward profitable growth. We're confident that significant growth potential exists in all of our business units, and that we'll begin to see the results of our efforts in the coming years.

- - Electronic Commerce

IDEX businesses are aggressively pursuing growth opportunities through e-commerce. Every business unit has an excellent website, and we are partnering with our distributors to provide technical support, products and services through the Internet. We encourage you to check out our business unit websites identified on pages 6 and 7 of this annual report.

Management Transition

On March 31, 1999, Donald N. Boyce, who had been Chairman and Chief Executive Officer of IDEX since its founding in 1988, retired from active service. Mr. Boyce continues in his role as Chairman of the Board. Succeeding Mr. Boyce as Chief Executive Officer on April 1, 1999, was Frank J. Hansen, who had been named President and Chief Operating Officer on January 1, 1998. On November 30, 1999, it was announced that Mr. Hansen had made the decision to retire when a successor is appointed. While both Messrs. Boyce and Hansen have served the company for many years, they are backed by a seasoned and deep management team that has an excellent track record in operating highly profitable manufacturing businesses. We are confident that this very capable group, led by an outstanding new chief executive officer, will continue IDEX's strong record of profitable growth in the years ahead.

Outlook

As IDEX enters the new millennium, we are very optimistic about both our short- and long-term prospects. We anticipate improving results as the new year progresses, and, barring unforeseen circumstances, we expect to achieve record orders, sales and earnings per share in 2000. Several factors should contribute to growth. These include the positive trend of leading economic indicators for our end-markets, and an improving international economy led by the rebound underway in the Asia Pacific region. We'll also benefit from our continued emphasis on profitable growth initiatives, margin improvement at recently acquired businesses, the use of the company's strong cash flow to cut debt and interest expense, and our continued pursuit of an active and successful acquisition strategy. We have many good things going for us with our proprietary, market-leading products serving diverse markets around the world, our outstanding dedicated employees, and all of the efforts that are underway to assure future growth.

We want to thank our customers for their confidence in our products, our vendors for their valued assistance, and the people of IDEX for their significant contributions to the success of our company. With the continued support of these people, we can't help but be excited about IDEX's future prospects.

1999 Sales
- - - - -

[PIE CHART APPEARS HERE]

- [] 57% Pump Products
- [] 21% Dispensing Equipment
- [] 22% Other Engineered Products

Rod Usher, IDEX Vice President -- Group Executive and President of Pulsafeeder, pictured with a new high-pressure, high-flow PULSA series diaphragm metering pump.

Business Groups

IDEX's business units are organized into three groups: Pump Products, Dispensing Equipment and Other Engineered Products.

These businesses design, manufacture and market an extensive array of proprietary, highly engineered fluid handling devices and other engineered equipment to customers in a variety of industries around the world.

PUMP PRODUCTS

- Corken
- Gast Manufacturing
- Micropump
- Pulsafeeder
- Viking Pump
- Warren Rupp

These six business units design, produce and distribute some of the most recognized names in industrial pumps, compressors and related controls. Applications range from pumping chemicals and lubricants; to moving paints, inks and fuels; to providing clean, quiet sources of air in medical and industrial applications. The group's complementary lines of specialized positive displacement pumps and related products include rotary gear, vane and lobe pumps; air-operated diaphragm pumps; miniature gear pumps; peristaltic metering pumps and vacuum pumps; air motors and compressors. These precision-engineered devices give customers an unparalleled range of choices to meet their needs.

The Pump Products Group accounted for 57% of our sales and 56% of our profits in 1999, with 31% of sales to customers outside the United States.

- - - - -
Pulsafeeder PULSAtron(R) PLUS metering pump and controller

- - - - -
Gast regenerative blower

- - - - -
Blagdon (Warren Rupp) high-pressure diaphragm pump

- - - - -
Micropump metal injection molded mag drive pump

Roger Gibbins, President of Band-It, with Tom Roter, Application Engineer, as he demonstrates a new band packaging machine.

DISPENSING EQUIPMENT

- FAST
- Fluid Management
- Lubriquip

This group consists of three business units that produce highly engineered equipment for dispensing, metering and mixing colorants, paints, inks, dyes; refinishing equipment; and centralized lubrication systems. This proprietary equipment is used in a variety of retail and commercial industries around the world. These units provide componentry and systems for applications such as tinting paints and coatings; providing industrial and automotive refinishing equipment; and the precise lubrication of machinery and transportation equipment.

The Dispensing Equipment Group contributed 21% of our sales and 22% of our profits in 1999, and 48% of the group's sales were to international customers.

FAST Help 2000 computerized scale

Lubriquip lubrication system controllers

Fluid Management computer-controlled colorant dispenser

Band-It battery-operated clamping tool

Hurst (Hale Products) telescoping rescue ram

OTHER ENGINEERED PRODUCTS

- Band-It
- Hale Products

The two business units in this group manufacture engineered banding and clamping devices, fire fighting pumps and rescue tools. Our high quality stainless steel bands, buckles and preformed clamps and related installation tools are used worldwide in industrial and commercial markets. Their applications include securing hoses, signals, pipes, poles, electrical lines, sign-mounting systems and numerous other "hold-together" applications. The group also includes the world's leading manufacturer of truck-mounted fire pumps and rescue tool systems, sold under the Hale, Hurst Jaws of Life(R) and Lukas(R) tradenames.

This group represented 22% of our sales and our profits in 1999. Sales to non-U.S. customers accounted for 51% of total group sales.

5

1999 Profits

- - - - -

[PIE CHART APPEARS HERE]

[] 56% Pump Products

[] 22% Dispensing Equipment

[] 22% Other Engineered Products

New Product Sales

[PIE CHART APPEARS HERE]

[] One-quarter of sales come from new products

Leen Hellenberg, President of Fluid Management - Europe/Asia, with a new computer-controlled paint dispenser.

Pump Products

Corken

Gast Manufacturing

Micropump

Pulsafeeder

Viking Pump

Warren Rupp

Dispensing Equipment

FAST

Fluid Management

Lubriquip

Other Engineered Products

Band-It

Hale Products

Photo - 1:

Bill Kysor, President of Hale Products, watches Mike Farmer, Product Specialist, demonstrate how to use the Hurst Jaws of Life(R) to extricate a victim of a car crash.

Photo - 2:

Jeff Fehr, President of Warren Rupp, in the test lab with a next generation aluminum SandPIPER II(R) double-diaphragm pump.

Photo - 3:

Jeff Hohman, President of Micropump (center), with Dan Spencer (left) and Sally DeVore (right) from their Flow Components distributor, observing the new metal injection molded pump.

Photo - 4:

Steve Semmier, President of Lubriquip, stands beside a Trabon(R) Lubrication System installed on an injection molding machine.

Product offerings

CORKEN

Positive displacement rotary vane pumps, single and multistage regenerative turbine pumps, and small horsepower reciprocating piston compressors.

GAST MANUFACTURING

Vacuum pumps, air motors, vacuum generators, regenerative blowers and fractional horsepower compressors.

MICROPUMP

Small, precision-engineered, magnetically and electromagnetically driven rotary gear, piston and centrifugal pumps.

PULSAFEEDER

Metering pumps, special purpose rotary pumps, peristaltic pumps, electronic controls and dispensing equipment.

VIKING PUMP

Rotary gear, lobe and metering pumps, strainers and reducers, and related electronic controls.

WARREN RUPP

Double-diaphragm pumps, both air-operated and motor-driven, and accessories.

FAST

Precision-designed tinting, mixing, measuring and dispensing equipment for refinishing, architectural and industrial paints, inks, dyes, pastes and other liquids.

Brand names*

CORKEN

Corken, Coro-Flo, Coro-Vane, Coro-Vac, Sabre

GAST MANUFACTURING

Gast, Regenair, Smart-Air, Roc-R

MICROPUMP

Micro pump, Delta, Integral Series

PULSAFEEDER

Pulsafeeder, Knight, PULSAR, PULSAtron, PULSATrol, Chem-Tech, Eco, Isochem, Mec-O-Matic

VIKING PUMP

Viking, Vican, Viking Mag Drive, Viking Flow Manager, Vi-Corr, Duralobe, Classic, On-Line, SQ, RTP, Lid Ease

WARREN RUPP

Warren Rupp, SandPIPER, Marathon, PowerRupp, RuppTech, Blagdon

FAST

FAST, Leonardo, Donatello, Michaelangelo, Giotto, Hercules, Galileo, Top Mix, Vincent, Newton, Unicover, Eurocombi, Help 2000

Markets served

CORKEN

Liquefied petroleum gas (LPG), oil and gas, petrochemical, pulp and paper, transportation, marine, food processing and general industrial. 45% of sales outside the U.S.

GAST MANUFACTURING

Medical equipment, environmental equipment, computers and electronics, printing machinery, paint mixing machinery, packaging machinery, graphic arts and industrial manufacturing. 20% of sales outside the U.S.

MICROPUMP

Printing machinery, medical equipment, chemical processing, pharmaceutical, refining, laboratory, electronics, pulp and paper, water treatment and textiles. 50% of sales outside the U.S.

PULSAFEEDER

Water and wastewater treatment, power generation, pulp and paper, chemical and hydrocarbon processing, swimming pool, industrial and commercial laundry and dishwashing. 30% of sales outside the U.S.

VIKING PUMP

Chemical, petroleum, pulp and paper, plastics, paints, inks, tanker trucks, compressor, construction, food, beverage, personal care, pharmaceutical and biotech. 30% of sales outside the U.S.

WARREN RUPP

Chemical, paint, food processing, electronics, construction, utilities, mining and industrial maintenance. 50% of sales outside the U.S.

FAST

Through architectural, refinishing and industrial paint producers, precision equipment is supplied to retail and commercial stores, home centers, and automotive body shops. 95% of sales outside the U.S.

Product applications

CORKEN

Products used for transfer and recovery of non-viscous, toxic, and hazardous fluids in either liquid or vapor form, such as LPG, chlorine, high temperature water, fluorocarbons, carbon dioxide, solvents, ammonia, natural gas, and nitrogen.

PULSAFEEDER

Pumps, controls and dispensing equipment for introducing precise amounts of fluids into processes to manage water quality and chemical composition.

FAST

Dispensing, metering and mixing equipment for precise and reliable reproduction of colors based on paint producers' formulas.

GAST MANUFACTURING

Air motors for industrial equipment applications, and vacuum pumps and fractional horsepower compressors for specialty pneumatic applications requiring a quiet, clean source of moderate vacuum or pressure.

VIKING PUMP

Pumps for transferring and metering thin and viscous liquids, including chemicals, petroleum products, paints, inks, coatings, adhesives, asphalt, foods, pharmaceuticals, soaps, beverages and shampoos.

MICROPUMP

Pumps and fluid management systems for low-flow abrasive and corrosive applications such as inks, dyes, solvents, chemicals, petrochemicals, acids and chlorides.

WARREN RUPP

Pumps for abrasive and semisolid materials as well as for applications where product degradation is a concern or where electricity is not available or should not be used.

Competitive strengths

CORKEN

Market leader for pumps and compressors used in LPG distribution facilities with an estimated 50% U.S. market share.

PULSAFEEDER

A leading manufacturer of metering pumps, controls and dispensing equipment used in water treatment, process applications and warewash institutional applications. Estimated 40% U.S. market share.

FAST

Quality service, innovative components and products for the architectural paint and refinishing markets. Estimated 33% worldwide share of refinishing equipment market.

GAST MANUFACTURING

A leading manufacturer of air-moving products with an estimated one-third U.S. market share in air motors, low and medium range vacuum pumps, vacuum generators, regenerative blowers and fractional horsepower compressors.

VIKING PUMP

Largest internal gear pump producer with an estimated 35% share of U.S. rotary gear pump market. Also a producer of external gear and rotary lobe pumps.

MICROPUMP

Market and technology leader in corrosion-resistant, magnetically and electromagnetically driven, miniature pump technology with an estimated 40% U.S. market share.

WARREN RUPP

A leading double-diaphragm pump producer offering products in several materials, including composites, stainless steel, aluminum and cast iron. Estimated one-quarter U.S. market share.

Website addresses

CORKEN

www.corken.com

PULSAFEEDER

www.pulsa.com
www.knightequip.com

FAST

www.fast.it

GAST MANUFACTURING

www.gastmfg.com
www.gasthk.com
www.gastltd.com
www.yourairstore.com

VIKING PUMP

www.vikingpump.com
www.johnsonpumpuk.co.uk
www.vikingpumpeurope.com
www.vikingpumpcanada.com
www.pumpschool.com

MICROPUMP

www.micropump.com
www.micropump.co.uk

WARREN RUPP

www.warrenrupp.com
www.blagdonpump.com

Examples of recently

introduced products*

CORKEN

High-pressure two-stage vertical compressors used for handling CO2 in the dry cleaning industry and industrial parts cleaning applications. New high-capacity Coro-Vac vacuum pump for purging air from cylinders and tanks prior to filling with LP gas.

GAST MANUFACTURING

New series of regenerative blowers for parts washing, air knives, and cleaning equipment. New series of miniature diaphragm pumps for personal air sampling and gas detection. Linear technology pumps for sewage aeration and air bed inflation systems.

MICROPUMP

Electronic drives for industrial and bench-top laboratory applications and an abrasives handling pump for white inks and pigments. Expanded flow and pressure envelope for new metal injection molded stainless steel pump.

PULSAFEEDER

Two advanced PULSAtron PLUS solenoid metering pumps with innovative monitoring and control features. New high-pressure and high-flow PULSA series diaphragm metering pumps and a series of PULSATrol PLUS multi-purpose cooling tower/boiler water treatment controllers.

VIKING PUMP

A new line of metric gear pumps to run at standard motor speeds. O-ring seal rotary lobe pump that provides ease of maintenance for strip clean applications. Stainless steel rotary lobe pump for synthetic fiber applications. Rotary transport pump, for high-speed unloading of food, beverage and chemical transport trucks.

WARREN RUPP

New series of next generation SandPIPER II non-metallic diaphragm pumps and the SandPIPER II 3" lightweight aluminum diaphragm pump. New series of non-metallic surge dampeners.

FAST

New series of fully automatic dispensers with flat screen technology, and a line of automatic gyroscopic mixers. A new computerized scale for the automotive refinishing market designed exclusively for FAST by Pininfarina, the designer of Ferrari and Alfa Romeo cars.

Manufacturing locations

CORKEN

Oklahoma City, Oklahoma

GAST MANUFACTURING

Benton Harbor, Michigan
Bridgman, Michigan
High Wycombe, England

MICROPUMP

Vancouver, Washington
St. Neots, England

PULSAFEEDER

Rochester, New York
Lake Forest, California
Punta Gorda, Florida
Enschede, The Netherlands

VIKING PUMP

Cedar Falls, Iowa
Windsor, Ontario, Canada
Eastbourne, England
Shannon, Ireland

WARREN RUPP

Mansfield, Ohio
Washington, England

FAST

Cinisello Balsamo (Milan),
Italy

*Brand names shown are registered trademarks of IDEX and/or its subsidiaries.

Product offerings

FLUID MANAGEMENT

Precision-engineered equipment for dispensing, metering and mixing paints, coatings, colorants, inks, dyes, and other liquids and pastes.

HALE PRODUCTS

Truck-mounted and portable fire pumps, and rescue tool systems.

LUBRIQUIP

Centralized oil and grease lubrication systems, force-feed lubricators, metering devices, related electronic controls and accessories.

BAND-IT

Stainless steel bands, buckles, preformed clamps, cable ties, installation tools and modular sign-mounting systems.

Brand names*

FLUID MANAGEMENT

Fluid Management, Harbil, Miller, Blendorama, Tintmaster, Accutinter, Eurotinter, ColorPro, Prisma, EZ Load, GyroMixer

HALE PRODUCTS

Hale, Godiva, LUKAS, Hurst Jaws of Life, FoamMaster, CAFSMaster, Century, Green Cross, Hurst Entry Systems, Typhoon, Qflo, Qmax

LUBRIQUIP

Trabon, Manzel, Kipp, OPCO, Grease Jockey, TrackMaster, Spindl-Gard, Injecto-Flo, Mill-Gard

BAND-IT

Band-It, Signfix, Tespa, Self-Lok, Ultra-Lok, Band-It Jr, Ball-Lok, Band-Lok, Infocurve

Markets served

FLUID MANAGEMENT

Retail and commercial paint stores, hardware stores, home centers, department stores, printers, and paint and ink manufacturers. 50% of sales outside the U.S.

HALE PRODUCTS

Public and private fire and rescue applications. 45% of sales outside the U.S.

LUBRIQUIP

Machine tools, transfer machines, conveyors, packaging machinery, transportation equipment, construction machinery, and food processing and paper machinery. 20% of sales outside the U.S.

BAND-IT

Transportation equipment, oil and gas, industrial maintenance, electronics, electrical, communications, aerospace, traffic and commercial signs. 60% of sales outside the U.S.

Product applications

FLUID MANAGEMENT

Fluid management systems for precise blending of base paint, tints and colorants, and inks and dyes in a broad range of industries from retail point-of-sale equipment to in-plant manufacturing systems.

HALE PRODUCTS

Pumps for water or foam to extinguish fires, rescue equipment for extricating accident victims, forced entry equipment for law enforcement and disaster recovery, and tools for use in the structural collapse of buildings and automotive recycling.

LUBRIQUIP

Lubrication devices to prolong equipment life, reduce maintenance costs and increase productivity.

BAND-IT

Clamps and bands for securing hose fittings, signs, signals, pipes, poles, electrical shielding and bundling and numerous other "hold-together" applications for industrial and commercial use.

Competitive strengths

FLUID MANAGEMENT

Industry innovator and worldwide market leader in automatic and manually operated dispensing, metering and mixing equipment for the paints and coatings market. Estimated 50% worldwide market share.

LUBRIQUIP

Market leader in centralized oil lubrication systems serving a broad range of industries. Estimated one-third U.S. market share.

BAND-IT

World's leading producer of high-quality stainless steel bands, buckles and clamping systems, with an estimated 40% worldwide market share.

HALE PRODUCTS

World's leading manufacturer of truck-mounted fire pumps and rescue systems with an estimated 50% worldwide market share.

Website addresses

FLUID MANAGEMENT

www.fluidman.com
www.fluidman.nl
www.fluidman.com.au

LUBRIQUIP

www.lubriquip.com

BAND-IT

www.band-it-idex.com
www.signfix.co.uk

HALE PRODUCTS

www.haleproducts.com
www.hurstjaws.com
www.lukas.de

Examples of recently introduced products*

FLUID MANAGEMENT

Space saving, stackable, one-gallon orbital mixer with low-maintenance gear drive. Modular industrial coatings dispenser with Colorpro software. ColorPro ink formula and Inventory Management software. New high-speed colorant dispenser for home centers.

LUBRIQUIP

New variable output grease system for on-highway truck chassis/trailer market. OPCOnet Conveyor Monitoring System with chain wear monitoring and data acquisition modules for the conveyor/material handling market.

BAND-IT

Patented Ultra-Lok free-end clamping system for municipal sign, signal and utility pole applications. New Ultra-Lok portable battery-powered installation tool, and 5/8" coated Band-It ties for heavy-duty marine applications.

HALE PRODUCTS

Redesigned line of portable, gasoline and diesel powered pumps. New line of Hurst tools, including the Transformer Spreader and X-Tractor tools. Hurst forcible entry tools for the police and SWAT markets.

Manufacturing locations

FLUID MANAGEMENT

Wheeling, Illinois
Sassenheim, The Netherlands
Unanderra, Australia

LUBRIQUIP

Warrensville Heights, Ohio
Madison, Wisconsin

BAND-IT

Denver, Colorado
Bristol, England
Staveley, England
Tipton, England
Singapore

HALE PRODUCTS

Conshohocken, Pennsylvania
Shelby, North Carolina
St. Joseph, Tennessee
Warwick, England
Erlangen, Germany

Steve Fairbanks, President of Corken, shown with a new high-pressure, two-stage compressor for gas and liquid transfer and recovery.

New Products, New Markets, New Applications

IDEX continually improves product and process technologies and introduces new products to meet the needs of our customers. In fact, one in 10 people at IDEX is directly involved in product or process technology development.

Product innovation is a key factor in our success. This is illustrated by the fact that, for each of the last 12 years, about one-fourth of IDEX sales came from products that were totally redesigned or introduced within the preceding four years.

But our efforts don't stop there. In addition to creating new products and improving our processes, IDEX constantly seeks out new markets and applications for our products, creating greater sales opportunities. Examples of recently identified markets and applications for our products include:

- Hale Products, makers of the Hurst Jaws of Life(R) rescue tools, has redesigned and developed new products for law enforcement and other agencies for use in gaining fast entry into structures during drug enforcement and other emergency procedures. The Hurst and Lukas tools are now also being marketed for use in the structural collapse of buildings and automotive recycling.
- Viking Pump -- long a well-known name in the chemical processing industry -- is making inroads in the sanitary markets for food, pharmaceutical and medical applications through the introduction of new products and the appointment of focused niche distributors.
- Corken -- the established leader in pumps and compressors for liquefied petroleum gas (LPG) -- is utilizing its newly developed products in the emerging CO2 dry cleaning industry, helping to eliminate the use of toxic materials.
- Fluid Management -- the world's leading producer of color-formulation equipment for the paints and coatings industry -- has utilized its technology to automate the dispensing of dye in the hair coloring process in styling salons. In addition, a direct service organization has been established to support and maintain all dispensing and mixing equipment in the paint departments of home improvement stores.

IDEX will continue to tap new markets and applications for its products. We will use a disciplined approach to identify areas with the strongest potential. We have a unique combination of experience, engineering knowledge, and manufacturing capabilities that will enable IDEX to build sales opportunities in diverse markets worldwide.

Whether developing new products or targeting new markets and applications, the foundation for IDEX's success is quality. The internationally recognized ISO 9000 quality standard is the benchmark for quality, and each of our worldwide manufacturing locations is certified under this standard. This certification reinforces our tradition of manufacturing integrity, and ensures our customers always receive first-class, high quality products.

Innovation is the first word in the IDEX acronym. It refers not only to the new products we develop, but also to the innovative ideas we conceive to compete in new markets and develop new applications. IDEX is committed to growing stronger through product, application and market innovation.

Don Rimes, President of Gast, holds a miniature diaphragm vacuum pump for environmental applications, and is next to a new regenerative blower used in material handling and sewage treatment applications.

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1999 Repair & Replacement Sales

[PIE CHART APPEARS HERE]

[] Estimated one-third of sales come from repair & replacement

1999 Sales from Acquisitions

[PIE CHART APPEARS HERE]

[] 18% of sales came from Gast Manufacturing and FAST

Reza Arabnia, President of FAST, IDEX's newest acquisition, at its headquarters in Milan, Italy.

Acquisition Strategy

IDEX has a time-tested acquisition strategy that promotes growth in shareholder value rather than growth for growth's sake. We apply carefully designed criteria to acquire good companies and make them better, through internal benchmarking, sharing of best practices and financial discipline.

IDEX has completed 14 acquisitions since 1989. Each has met our strict criteria and contributes to the strength of our bottom line. We will continue to follow this disciplined approach, and we plan to acquire more companies that produce proprietary industrial products with leading positions in their niche markets.

Our most recently completed acquisitions are:

- FAST, acquired in June 1999, is a Milan, Italy-based leading producer of high-quality refinishing equipment, including stirring lids, mixing racks and mixers for a number of automotive and industrial refinishing applications. It is also a leading manufacturer of color-formulation equipment for dispensing and mixing applications, including paints, coatings, inks, colorants and dyes.

- Gast Manufacturing, purchased in January 1998, is one of the world's leading manufacturers of air-moving products. These include air motors, vacuum pumps and generators, regenerative blowers and fractional horsepower compressors.

The employees and customers of the companies IDEX acquires enjoy many advantages. Because there is commonality in many of our engineering principles, manufacturing methods, distribution channels and business systems, the new operations benefit from sharing best practices with our other business units. They also benefit from implementing financial control systems immediately after the acquisition.

We implement what works successfully and avoid the problems of what does not. The result has been exceptional customer service, improved margins and higher asset utilization in our acquired businesses.

Since IDEX was formed in 1988, acquisitions have been an important part of our growth strategy. We will continue to use our very strong cash flow to acquire companies that meet our criteria and enhance shareholder value.

John McMurray, IDEX Vice President -- Group Executive and President of Viking Pump, with a new sanitary lobe pump for high purity food processing and pharmaceutical applications.

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Market Share Leadership

[PIE CHART APPEARS HERE]

[] Estimated 40% weighted average share of markets served

1999 International Sales

[PIE CHART APPEARS HERE]

[] 61% Domestic

[] 24% Europe

[] 6% Far East & Oceania

[] 9% Rest of World

John Snow, President of Fluid Management - Americas, with Catalina Reyes, Mechanical Assembler, inspecting the Duraflo(R) pump system of an Accutinter 6000 automatic colorant dispensing machine.

Market Leadership

IDEX has leadership positions in the niche markets it serves. Each IDEX business unit holds either the number-one market position or has a sizable share as the number-two producer. On a weighted average basis, we enjoy an estimated 40% share of those markets.

IDEX fosters a company-wide commitment to offer our customers the best overall value in the marketplace. We respond quickly to customer needs with the highest quality products of the latest design. We thrive on the sense of immediacy this requires, and cut through red tape that slows our response to customers.

IDEX companies are market leaders because customers recognize the superior value we offer. We maintain our leadership positions by continually expanding our capabilities in the areas of service, reliability, performance, selection, easy-to-use features, productivity, safety, maintenance, and long-term cost effectiveness.

We continue to build on our market leadership by expanding our e-business capabilities and by strengthening our international presence. IDEX conducts business in more than 100 countries in every corner of the world. International sales have grown from 24% 12 years ago to 39% in 1999, and we expect this trend to continue. By sharing application ideas with agents, distributors and customers, we continue to widen our global customer base. We serve a variety of industries worldwide so we are not significantly affected by business cycles in specific markets or countries.

The well-established industrial distribution network that handles many of IDEX's products continues to play a key role in its market leadership. Our distributors are our partners in assisting thousands of customers worldwide with product selection, installation and service. They share our technological expertise and receive extensive training and support to ensure that IDEX's reputation for excellence continues.

Most of all, our market leadership positions prove IDEX has the best people in the business. Our dedicated employees follow a strict code of ethics and make IDEX a company that people are proud to work for, buy from, sell to and invest in. Through their efforts, our business units are among the most respected in their industries.

IDEX follows ethical business practices; provides top quality, state-of-the-art products; continuously works to introduce innovative new products; seeks new markets and applications for its products; sells to a broad base of customers and industries worldwide; cares for its people; and strives for superiority in everything it does. We believe the very essence of IDEX is defined in its acronym: Innovation, Diversity, and EXcellence.

Markets Served

- - - - -

[PIE CHART APPEARS HERE]

- Paints & Coatings
- Chemical Processing
- Machinery
- Fire & Rescue
- Water Treatment
- Transportation Equipment
- Oil & Refining
- Food Processing
- Medical Equipment
- All Other

16
 Net Sales

(in millions)

[BAR CHART APPEARS HERE]

\$700
 600
 500
 400
 300
 200
 100

Historical Data (dollars in thousands except per share amounts)

88 89 90 91 92 93 94 95 96 97 98 99

Sales have grown at a 15% compound annual rate since 1994.

Operating Margins

[] IDEX
 [] Value Line Industrial Composite Index

[LINE GRAPH APPEARS HERE]

25%
 20
 15
 10
 5

88 89 90 91 92 93 94 95 96 97 98 99

Since its formation, IDEX has continuously achieved significantly higher operating margins than most manufacturers.

Net Income Margins from Continuing Operations

[] IDEX
 [] Value Line Industrial Composite Index

[LINE GRAPH APPEARS HERE]

15%
 10
 5

88 89 90 91 92 93 94 95 96 97 98 99

IDEX's net income margins exceed those of most manufacturers.

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	1999	1998	1997
RESULTS OF OPERATIONS			
Net sales	\$ 655,041	\$ 640,131	\$ 552,163
Gross profit	256,484	252,846	222,357
SG&A expenses	140,495	132,627	110,588
Goodwill amortization	11,312	10,676	8,174
Operating income	104,677	109,543	103,595
Other income (expense) - net	568	479	(693)
Interest expense	18,020	22,359	18,398
Provision for income taxes	32,797	33,267	31,029
Income from continuing operations	54,428	54,396	53,475
Income from discontinued operations	-	10,182	5,151
Extraordinary items	-	(2,514)	-
Net income	54,428	62,064	58,626
Income applicable to common stock	54,428	62,064	58,626
FINANCIAL POSITION			
Current assets	\$ 213,715	\$ 195,900	\$ 197,267
Current liabilities	91,634	80,265	77,801
Working capital	122,081	115,635	119,466
Current ratio	2.3	2.4	2.5
Capital expenditures	18,338	20,763	13,562
Depreciation and amortization	34,835	33,575	24,943
Total assets	738,567	695,811	599,193
Long-term debt	268,589	283,410	258,417
Shareholders' equity	329,024	286,037	238,671
PERFORMANCE MEASURES			
Percent of net sales			
Gross profit	39.2%	39.5%	40.3%

SG&A expenses	21.4	20.7	20.0
Goodwill amortization	1.7	1.7	1.5
Operating income	16.0	17.1	18.8
Income before income taxes	13.3	13.7	15.3
Income from continuing operations	8.3	8.5	9.7
Effective tax rate	37.6	37.9	36.7
Net income return on average assets	7.6	9.6	10.0
Debt as a percent of capitalization	44.9	49.8	52.0
Net income return on average shareholders' equity	17.7	23.7	27.0

PER SHARE DATA

Basic - income from continuing operations \$	1.84	\$ 1.85	\$ 1.83
- net income	1.84	2.12	2.01
Diluted - income from continuing operations	1.81	1.81	1.78
- net income	1.81	2.07	1.95
Cash dividends declared	.560	.545	.495
Shareholders' equity	11.10	9.71	8.16
Stock price - high	34 1/8	38 3/4	36 11/16
- low	21 5/8	19 1/2	23 1/4
- close	30 3/8	24 1/2	34 7/8
Price/earnings ratio at year end	17	14	20

OTHER DATA

Employees at year end	3,773	3,803	3,326
Shareholders at year end	7,000	7,700	7,000
Weighted average shares outstanding - basic	29,544	29,332	29,184
- diluted	30,085	30,052	29,999
Shares outstanding at year end	29,636	29,466	29,250

	1996	1995	1994	1993	1992	1991	1990	1989	1988
\$	474,699	\$ 395,480	\$ 319,231	\$ 239,704	\$ 215,778	\$ 166,724	\$ 160,605	\$ 148,870	\$ 127,048
	187,074	157,677	126,951	96,903	88,312	67,845	65,712	60,584	52,171
	93,217	78,712	66,743	52,950	49,326	34,046	29,930	27,391	23,356
	6,241	4,196	3,025	1,889	1,422	525	487	487	453
	87,616	74,769	57,183	42,064	37,564	33,274	35,295	32,706	28,362
	(696)	524	281	728	602	587	448	951	(1,123)
	17,476	14,301	11,939	9,168	9,809	10,397	11,795	13,989	14,486
	25,020	21,845	16,181	11,187	9,763	8,993	9,221	7,964	5,929
	44,424	39,147	29,344	22,437	18,594	14,471	14,727	11,704	6,824
	5,774	6,178	4,266	2,889	1,552	1,446	976	3,404	3,830
	-	-	-	-	(3,441)	1,214	2,145	2,972	4,583
	50,198	45,325	33,610	25,326	16,705	17,131	17,848	18,080	15,237
	50,198	45,325	33,610	25,326	16,705	17,131	17,848	14,857	10,012
\$	191,599	\$ 173,889	\$ 140,450	\$ 106,864	\$ 107,958	\$ 68,671	\$ 68,807	\$ 66,512	\$ 59,126
	83,286	70,798	58,443	34,038	31,276	25,940	23,852	20,198	18,055
	108,313	103,091	82,007	72,826	76,682	42,731	44,955	46,314	41,071
	2.3	2.5	2.4	3.1	3.5	2.6	2.9	3.3	3.3
	11,634	8,181	6,818	6,120	5,657	2,778	4,025	3,146	1,683
	21,312	15,277	12,515	10,092	8,758	5,750	4,842	4,641	4,499
	569,745	450,077	357,980	245,291	240,175	137,349	127,466	124,998	118,266
	271,709	206,184	168,166	117,464	139,827	65,788	103,863	124,942	143,308
	195,509	150,945	116,305	83,686	58,731	37,112	(4,287)	(23,282)	(84,681)
	39.4%	39.9%	39.8%	40.4%	40.9%	40.7%	40.9%	40.7%	41.1%
	19.6	19.9	20.9	22.1	22.9	20.4	18.6	18.4	18.4
	1.3	1.1	1.0	.8	.7	.3	.3	.3	.4
	18.5	18.9	17.9	17.5	17.4	20.0	22.0	22.0	22.3
	14.6	15.4	14.3	14.0	13.1	14.1	14.9	13.2	10.0
	9.4	9.9	9.2	9.4	8.6	8.7	9.2	7.9	5.4
	36.0	35.8	35.5	33.3	34.4	38.3	38.5	40.5	46.5
	9.8	11.2	11.1	10.4	8.9	12.9	14.1	12.2	8.0
	58.2	57.7	59.1	58.4	70.4	63.9	104.3	122.9	244.4
	29.0	33.9	33.6	35.6	34.9	104.4	-	-	-
\$	1.54	\$ 1.37	\$ 1.03	\$.79	\$.66	\$.57	\$.61	\$.41	\$.10
	1.74	1.58	1.18	.89	.59	.68	.73	.72	.64
	1.49	1.32	1.00	.77	.65	.57	.61	.41	.10
	1.69	1.53	1.15	.87	.59	.68	.73	.72	.64
	.440	.387	.093	-	-	-	-	-	-
	6.76	5.26	4.06	2.93	2.07	1.32	(.18)	(.96)	(5.38)
	27 5/8	29 1/2	19 1/2	16	10 5/8	8 7/8	7 3/4	7 1/2	-
	19 7/8	18 3/8	15 1/8	9 3/4	7 3/8	4 1/4	4 5/8	6 1/8	-
	26 5/8	27 1/8	18 3/4	15 7/8	10 5/8	7 3/8	4 3/4	7 1/2	-
	16	18	16	18	18	11	7	10	-
	3,093	2,680	2,305	1,828	1,864	1,418	1,367	1,391	1,222
	6,100	5,300	4,400	4,300	4,200	3,900	3,700	3,600	-
	28,818	28,662	28,600	28,396	28,353	25,367	24,309	20,537	15,740
	29,779	29,609	29,331	28,976	28,389	25,367	24,309	20,537	15,740
	28,926	28,695	28,619	28,580	28,353	28,184	24,303	24,317	15,740

- - All share and per share data have been restated to reflect the three-for-two stock splits effected in the form of 50% stock dividends in January 1995 and 1997.

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[GRAPH OF EARNINGS PER SHARE]
[GRAPH OF EBITDA AND INTEREST EXPENSE]
[GRAPH OF TOTAL ASSETS AND LONG TERM DEBT]

HISTORICAL OVERVIEW AND OUTLOOK

IDEX sells a broad range of proprietary pump products, dispensing equipment and other engineered products to a diverse customer base in the United States and internationally. Accordingly, IDEX's businesses are affected by levels of industrial activity and economic conditions in the U.S. and in other countries where its products are sold, and by the relationship of the U.S. dollar to other currencies. Among the factors that influence the demand for IDEX's products are interest rates, levels of capacity utilization and capital spending in certain industries, and overall industrial activity.

IDEX has a history of above-average operating margins. The Company's operating margins are affected by, among other things, utilization of facilities as sales volumes change, and inclusion of newly acquired businesses that may have lower margins and whose margins normally are further reduced by purchase accounting adjustments.

IDEX achieved record orders and sales for 1999 while income and earnings per share from continuing operations matched last year's record levels. New orders totaled \$656.4 million and slightly exceeded shipments. IDEX ended 1999 with a typical backlog of unfilled orders of about 1-1/4 months' sales. This customarily low level of backlog allows the Company to provide excellent customer service, but also means that changes in orders are quickly felt in operating results.

The following forward-looking statements are qualified by the cautionary statement under the Private Securities Litigation Reform Act set forth below. As the Company enters the new millennium, management is very optimistic about both its short- and long-term prospects. IDEX anticipates improving results as the new year progresses, and, barring unforeseen circumstances, expects to achieve record orders, sales and earnings per share in 2000. Several factors should contribute to IDEX's sales and earnings growth, including the positive trend of leading economic indicators for its end markets, and an improving international economy led by the rebound underway in the Asia Pacific region. IDEX also will benefit from its continued emphasis on profitable growth initiatives; margin improvement at recently acquired businesses; the use of its strong cash flow to cut debt and interest expense; and the Company's continued pursuit of an active and successful acquisition strategy. Management believes that IDEX is well-positioned to continue its profitable growth.

CAUTIONARY STATEMENT UNDER THE PRIVATE SECURITIES LITIGATION REFORM ACT
 The preceding paragraph, the Shareholders' Letter, and the "Liquidity and Capital Resources" and "Euro Preparations" sections of this Management's discussion and analysis of IDEX's operations contain forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act. Such statements relate to, among other things, capital expenditures, cost reduction, cash flow and operating improvements, and are indicated by words such as "anticipate," "estimate," "expects," "plans," "projects," "should," "will," "management believes," "the Company intends," and similar words or phrases. Such statements are subject to uncertainties and risks which could cause actual results to vary materially from suggested results. These uncertainties and risks include but are not limited to the following: levels of industrial activity and economic conditions in the U.S. and other countries around the world, pricing pressures and other competitive factors, and levels of capital spending in certain industries - all of which could have a material impact on order rates and the Company's results, particularly in light of the low levels of order backlogs typically maintained by the Company; IDEX's ability to integrate and operate acquired businesses, including FAST, on a profitable basis; the relationship of the U.S. dollar to other currencies and its impact on pricing and cost competitiveness; interest rates; utilization of IDEX's capacity and the effect of capacity utilization on costs; labor market conditions and raw material costs; developments with respect to contingencies, such as environmental matters and litigation; and other risks detailed from time to time in the Company's filings with the Securities and Exchange Commission.

RESULTS OF OPERATIONS

For purposes of this discussion and analysis section, reference is made to the table on page 18 and the Company's Statements of Consolidated Operations on page 23.

IDEX consists of three reporting groups: Pump Products, Dispensing Equipment and Other Engineered Products.

The Pump Products Group designs, produces and distributes a wide range of engineered industrial pumps, compressors and related controls for process applications, including mixing paints, inks, chemicals, foods, lubricants and fuels, as well as in medical applications, water treatment and industrial production operations. The Dispensing Equipment Group designs, manufactures and markets precision-engineered equipment for dispensing, metering and mixing paints; refinishing equipment; and automatic lubrication systems. The Other Engineered Products Group designs, produces and distributes proprietary engineered products for industrial and commercial markets including fire and rescue, transportation equipment, oil and gas, electronics, communications, and traffic and commercial signs.

In December 1997, IDEX announced its intention to divest its Strippit and Vibratex business units. The Company completed the sale of Vibratex on June 9, 1998, and Strippit on August 25, 1998. The financial statements report Strippit and Vibratex as discontinued operations. Revenues from the discontinued operations amounted to \$42.1 million and \$83.9 million for the years ended 1998 and 1997, respectively.

PERFORMANCE IN 1999 COMPARED TO 1998

Orders and sales from continuing operations exceeded the levels achieved in all prior years, and income and earnings per share from continuing operations were equal to the record levels achieved in 1998. Incoming orders were 5% higher than in 1998, with the recent acquisitions of Gast Manufacturing (January 1998) and FAST S.p.A. (June 1999) contributing a majority of the growth. Orders in the base businesses increased 2% in 1999 compared to 1998.

Net sales for 1999 reached \$655.0 million and increased \$14.9 million, or 2%, over 1998. The acquisitions of Gast and FAST added 3% to sales volume. However, base business sales were flat with the prior year, and foreign currency translation had a 1% negative effect. In 1999, total domestic sales increased by 3% and total international sales were up 2%. Base business shipments to the Asia Pacific region increased by 14%, while Europe was down 8% and Latin America declined 14%. Sales to customers outside the U.S. were 39% of total sales in both 1999 and 1998.

Pump Products Group sales of \$372.4 million in 1999 decreased by \$3.3 million, or 1%, from 1998. The inclusion of Gast, acquired on January 21, 1998, for a full year in 1999 added 2% to the sales growth, but was offset by a 3% decline in base business activity of the Pump Products Group. This was caused by sales declines at business units serving the process industries. Sales to customers outside the U.S. declined to 31% of total Group sales in 1999 from 32% principally due to lower sales in Europe.

Dispensing Equipment Group sales of \$141.0 million increased \$18.2 million, or 15%, compared to 1998 mainly due to the inclusion of the recently acquired FAST business. Overall base business increased by 5% and foreign currency translation had a 2% negative effect on this Group's sales volume. Sales to customers outside the U.S. were 48% of total Group sales in 1999, up from 46% as the additional international sales from FAST were partially offset by lower sales from the rest of the Group.

Other Engineered Products Group sales of \$144.5 million were essentially equal to 1998 as higher sales volume in the fire and rescue equipment markets was offset by a 1% negative effect in foreign currency translation. Sales to customers outside the U.S. were 51% of total Group sales in 1999, down from 53% in 1998 due to lower sales activity in Europe.

Gross profit of \$256.5 million in 1999 increased by \$3.6 million, or 1%, from 1998. Gross profit as a percent of sales was 39.2% in 1999, down slightly from 39.5% in 1998. Selling, general and administrative expenses increased to \$140.5

million in 1999 from \$132.6 million in 1998, and as a percent of net sales, increased to 21.4% from 20.7% in 1998. Goodwill amortization increased by 6% to \$11.3 million in 1999 from \$10.7 million in 1998. As a percent of sales, goodwill amortization remained flat at about 1.7% for both years. The year-over-year increase in gross profit and goodwill amortization was due primarily to including recently acquired businesses. The increase in selling, general and administrative expenses was attributable to inclusion of acquisitions, and market development initiatives.

Operating income decreased by \$4.9 million, or 4%, to \$104.7 million in 1999 from \$109.5 million in 1998. Operating income as a percent of sales decreased to 16.0% in 1999 from 17.1% in 1998. In the Pump Products Group, operating income of \$65.7 million

MANAGEMENT'S DISCUSSION & ANALYSIS OF
FINANCIAL CONDITION & RESULTS OF OPERATIONS

Company and Business Group Financial Information

(in thousands)

For the years ended December 31, (1)	1999	1998	1997
PUMP PRODUCTS GROUP			
Net sales (2)	\$ 372,440	\$ 375,692	\$ 265,918
Operating income (3)	65,673	74,812	61,443
Operating margin	17.6%	19.9%	23.1%
Identifiable assets	\$ 355,983	\$ 370,578	\$ 237,870
Depreciation and amortization	19,327	19,326	10,193
Capital expenditures	8,616	8,652	6,875
DISPENSING EQUIPMENT GROUP			
Net sales (2)	\$ 140,996	\$ 122,844	\$ 138,202
Operating income (3)	25,614	22,483	25,636
Operating margin	18.2%	18.3%	18.5%
Identifiable assets	\$ 216,273	\$ 151,380	\$ 156,304
Depreciation and amortization	8,124	7,132	7,092
Capital expenditures	5,896	4,000	3,000
OTHER ENGINEERED PRODUCTS GROUP			
Net sales (2)	\$ 144,486	\$ 144,004	\$ 150,455
Operating income (3)	26,660	24,596	26,426
Operating margin	18.5%	17.1%	17.6%
Identifiable assets	\$ 154,490	\$ 158,930	\$ 166,189
Depreciation and amortization	6,769	6,275	6,916
Capital expenditures	3,739	5,328	3,318
COMPANY			
Net sales	\$ 655,041	\$ 640,131	\$ 552,163
Operating income	104,677	109,543	103,595
Operating margin	16.0%	17.1%	18.8%
Income before interest expense and income taxes	\$ 105,245	\$ 110,022	\$ 102,902
Total assets	738,567	695,811	599,193
Depreciation and amortization (4)	34,464	32,935	24,293
Capital expenditures	18,338	20,763	13,562

- (1) Includes acquisition of Blagdon Pump (April 4, 1997), Knight Equipment (December 9, 1997) and Gast Manufacturing (January 21, 1998) in the Pump Products Group; and FAST S.p.A. (June 4, 1999) in the Dispensing Equipment Group.
- (2) Group net sales include intersegment sales.
- (3) Group operating income excludes net unallocated corporate operating expenses.
- (4) Excludes amortization of debt issuance expenses.

and operating margin of 17.6% in 1999 compared to the \$74.8 million and 19.9% recorded in 1998. The declines in operating income and margins for the Company and the Pump Products Group were caused primarily by lower sales from high margin business units in the Pump Products Group that serve the chemical processing, oil and gas, and pulp and paper markets. Operating income of \$25.6 million in the Dispensing Equipment Group increased by \$3.1 million from 1998 principally reflecting improved conditions in the paints and coatings markets, inclusion of the FAST acquisition in 1999, and a one-time charge recorded in 1998 for a plant closing. Operating margins in the Dispensing Equipment Group of 18.2% decreased slightly from the 18.3% achieved in 1998. Operating income in the Other Engineered Products Group of \$26.7 million and operating margin of 18.5% in 1999 increased from \$24.6 million and 17.1% achieved in 1998, principally due to improved efficiencies and cost reduction programs.

Interest expense decreased to \$18.0 million in 1999 from \$22.4 million in 1998. The decrease in interest expense was due to lower interest rates, debt reductions from operating cash flow, and the proceeds from the sales of discontinued businesses during 1998, partially offset by additional debt required for the FAST acquisition.

The provision for income taxes decreased to \$32.8 million in 1999 from \$33.3 million in 1998. The effective tax rate declined to 37.6% in 1999 from 37.9% in 1998.

Income from continuing operations of \$54.4 million in 1999 matched 1998's total. Diluted earnings per share from continuing operations amounted to \$1.81 in 1999, equalling the \$1.81 achieved in 1998.

During 1998, the Company recorded income from discontinued operations of \$10.2 million, or 34 cents per share. This included a net gain of \$9.0 million related to the sale of discontinued businesses during 1998. The Company completed the sale of Vibratex on June 9, 1998, and the sale of Strippit on August 25, 1998.

In the first quarter of 1998, the Company retired, at a premium, its 9-3/4% \$75 million Senior Subordinated Notes due in 2002. The transaction resulted in an extraordinary charge of \$2.5 million, net of income tax benefit.

Total net income of \$54.4 million in 1999 was 12% lower than the net income of \$62.1 million recorded in 1998. Diluted earnings per share on a net income basis were \$1.81 in 1999, a decrease of 26 cents, or 13%, from the \$2.07 achieved in 1998.

PERFORMANCE IN 1998 COMPARED TO 1997

Orders, sales, income from continuing operations, net income and earnings per share exceeded the levels achieved in all prior years. Incoming orders were 15% higher than in 1997, with the recent acquisitions of Blagdon Pump (April 1997), Knight Equipment (December 1997) and Gast Manufacturing (January 1998) contributing all of the growth. Orders in the base businesses decreased 6% in 1998 compared to 1997.

Net sales for 1998 reached \$640.1 million and increased \$87.9 million, or 16%, over 1997 due to inclusion of the recently acquired Blagdon, Knight, and Gast businesses. Overall base business volume was down about 5% in 1998 and foreign currency translation had a negative 1% effect on the Company's sales growth. In 1998, total international sales in base businesses were down 9%, primarily due to economic conditions in Asia and Latin America. Base business domestic sales were down 2%. Sales to the Far East and Asian countries from base businesses declined by about 29%, and represented 6% of total base business sales in 1998 versus 8% in 1997. Sales to customers outside the U.S. were 39% of total sales in 1998 compared with 44% in 1997. The decline in international sales as a percent of total sales was attributable primarily to inclusion in 1998 of Gast, whose international sales represent about 20% of its total sales. Total domestic sales increased by 27% in 1998, while international sales grew only 3%.

Pump Products Group sales of \$375.7 million in 1998 increased by \$109.8 million, or 41%, from 1997 due to the recently acquired Blagdon, Knight and Gast businesses. Base business sales volume was down 4% in 1998, and foreign currency translation had almost no effect on the Group's sales. Sales to customers outside the U.S. declined to 32% of total Group sales in 1998 from 36% in 1997, principally due to the inclusion of Gast in 1998.

Dispensing Equipment Group sales of \$122.8 million decreased \$15.4 million, or 11%, compared to 1997. The decrease reflected conditions in the domestic paint dispensing markets and lower sales to the Far East, Asia and Latin America. Foreign currency translation had a negative 1% effect on this Group's sales volume. Sales to customers outside the U.S. were 46% of total Group sales in 1998, down slightly from 47% in 1997.

Other Engineered Products sales of \$144.0 million decreased by \$6.5 million, or 4%, compared to 1997. The decrease reflected conditions in the fire and rescue markets and lower sales to the Far East and Asia. Foreign currency translation had a negative effect of 1% on this Group's sales volume. Sales to customers outside the U.S. were 53% of total Group sales in 1998, down from 57% in 1997.

Gross profit of \$252.8 million in 1998 increased by \$30.5 million, or 14%, from 1997. Gross profit as a percent of sales was 39.5% in 1998, down slightly from 40.3% in 1997. Selling, general and administrative expenses increased to \$132.6 million in 1998 from \$110.6 million in 1997, and as a percent of net sales, increased to 20.7% from 20.0% in 1997. Goodwill amortization increased by 31% to \$10.7 million in 1998 from \$8.2 million in 1997. As a percent of sales, goodwill amortization amounted to 1.7% in 1998, up from 1.5% in 1997. The year-over-year increases in gross profit; selling, general and administrative expenses; and goodwill amortization were due primarily to including recently acquired businesses.

Operating income increased by \$5.9 million, or 6%, to \$109.5 million in 1998 from \$103.6 million in 1997. Operating income as a percent of sales decreased to 17.1% in 1998 from 18.8% in 1997. In the Pump Products Group, operating income of \$74.8 million and operating margin of 19.9% in 1998 compared to \$61.4 million and 23.1% in 1997. The operating margin decline for the Pump Products Group resulted from the inclusion of recently acquired businesses, whose operating margins were lower than other business units in the Group, and whose operating income was further reduced by purchase accounting adjustments. Operating margins in the base businesses of the Pump Products Group improved slightly despite the sales decline. Operating income in the Dispensing Equipment Group of \$22.5 million decreased by \$3.1 million, principally due to lower sales volume and the cost associated with closing a small plant in McKees Rocks, Pennsylvania. Operating margins in the Dispensing Equipment Group of 18.3% in 1998 decreased slightly from the 18.5% achieved in 1997 due to the costs associated with the plant closing. Without this charge, operating margins would have increased despite the sales decline. Operating income in the Other Engineered Products Group of \$24.6 million and operating margin of 17.1% in 1998 decreased from \$26.4 million and 17.6% achieved in 1997, principally due to lower volume.

Interest expense increased to \$22.4 million in 1998 from \$18.4 million in 1997 because of the additional borrowings to complete the Blagdon, Knight and Gast acquisitions, partially offset by lower interest rates, debt reductions from operating cash flow, and the proceeds from the sale of discontinued businesses.

The provision for income taxes increased to \$33.3 million in 1998 from \$31.0

million in 1997. The effective tax rate increased to 37.9% in 1998 from the 36.7%, mainly due to higher nondeductible goodwill amortization resulting from the recent acquisitions.

Income from continuing operations of \$54.4 million in 1998 was 2% higher than the \$53.5 million recorded in 1997. Diluted earnings per share from continuing operations amounted to \$1.81 in 1998, an increase of 3 cents from the \$1.78 achieved in 1997. Diluted earnings per share in 1998 were adversely affected by about 3 cents per share because of a one-time charge associated with the closing of a small plant in the Dispensing Equipment Group.

MANAGEMENT'S DISCUSSION & ANALYSIS OF
FINANCIAL CONDITION & RESULTS OF OPERATIONS

[GRAPH OF NET SALES BY GROUP]
[GRAPH OF OPERATING INCOME BY GROUP]

During 1998, the Company recorded income from discontinued operations of \$10.2 million, or 34 cents per share. This included a net gain of \$9.0 million related to the sale of discontinued businesses during 1998. The Company completed the sale of Vibratech on June 9, 1998, and the sale of Strippit on August 25, 1998.

In the first quarter of 1998, the Company retired, at a premium, its 9-3/4% \$75 million Senior Subordinated Notes due in 2002. The transaction resulted in an extraordinary charge of \$2.5 million, net of income tax benefit.

Total net income of \$62.1 million in 1998 was 6% higher than net income of \$58.6 million in 1997. Diluted earnings per share on a net income basis were \$2.07 in 1998, an increase of 12 cents, or 6%, from the \$1.95 achieved in 1997.

LIQUIDITY AND CAPITAL RESOURCES

At December 31, 1999, IDEX's working capital was \$122.1 million and its current ratio was 2.3 to 1. The Company's cash flow from continuing operations of \$96.2 million in 1999 remained strong, increasing by \$11.3 million from 1998. The improvement was due primarily to an increase in current liabilities, principally accrued taxes. Cash flow from discontinued operations in 1999 decreased by \$4.2 million as a result of selling the discontinued operations during 1998.

Cash flow provided from operations was more than adequate to fund capital expenditures of \$18.3 million, \$20.8 million and \$13.6 million in 1999, 1998 and 1997, respectively. Capital expenditures were generally for machinery and equipment that improved productivity, although a portion was for repair and replacement of equipment and facilities. Management believes that IDEX has ample capacity in its plant and equipment to meet expected needs for future growth in the intermediate term.

The Company acquired FAST on June 4, 1999, at a cost of approximately \$62 million. The acquisition was accounted for using the purchase method and was financed through borrowings under the Company's U.S. bank credit facilities and debt acquired from FAST. IDEX acquired bank credit facilities and notes payable of 24.3 billion lira (\$13.1 million) in connection with this acquisition. Interest is payable on the outstanding balance at rates ranging from 1.9% to 5.3%.

At December 31, 1999, the maximum amount available under the U.S. Bank Credit Facility was \$235 million of which \$84.3 million was borrowed, including an 82 million Netherlands guilder borrowing (\$37.5 million) and a 90 billion Italian lira borrowing (\$46.8 million). The Netherlands guilder and the Italian lira borrowings provide an economic hedge against the

net investment in Fluid Management's Netherlands operation and FAST's Italian operation, respectively. The availability under the U.S. Bank Credit Facility declines to \$210 million on July 1, 2000. Any amount outstanding at July 1, 2001, becomes due at that date. Interest is payable quarterly on the outstanding balance at the agent bank's reference rate or at LIBOR plus an applicable margin. At December 31, 1999, the applicable margin was 50 basis points. The Company pays an annual facility fee of 15 basis points on the total facility.

The Company has a \$15 million demand line of credit available for short-term borrowing requirements at the bank's reference rate or at an optional rate based on the bank's cost of funds. At December 31, 1999, IDEX had \$6 million borrowed under this short-term line of credit at an interest rate of 6.31% per annum.

At December 31, 1999, the maximum amount available under the Company's German credit agreement was 52.5 million marks (\$27.0 million), of which 26.5 million marks (\$13.6 million) was being used, providing an economic hedge against the net investment in Hale Products' German subsidiary. The availability under this agreement declines to 37 million marks at November 1, 2000. Any amount outstanding at November 1, 2001, becomes due at that date. Interest is payable quarterly on the outstanding balance at LIBOR plus an applicable margin. At December 31, 1999, the applicable margin was 77.5 basis points.

On October 20, 1998, IDEX's Board of Directors authorized the repurchase of up to 1.5 million shares of common stock either at market prices or on a negotiated basis as market conditions warrant. Any such purchases would be funded with borrowings under the Company's existing credit facilities. During 1999, 4,500 shares were repurchased under the program at a cost of approximately \$98,000.

IDEX believes it will generate sufficient cash flow from operations in 2000 to meet its operating requirements, interest and scheduled amortization payments under the U.S. Bank Credit Facility, the Italian credit facilities and notes payable, the demand line of credit, the German credit agreement, interest and principal payments on the Senior Notes, any share repurchases, approximately \$25 million of planned capital expenditures, and approximately \$17 million of annual dividend payments to holders of common stock. From commencement of operations in January 1988 until December 31, 1999, IDEX has borrowed \$639 million under its various credit facilities to complete 14 acquisitions. During this same period IDEX generated, principally from operations, cash flow of \$540 million to reduce its indebtedness. In the event that suitable businesses are available for acquisition by IDEX upon terms acceptable to the Board of Directors, IDEX may obtain all or a portion of the financing for the acquisitions through the incurrence of additional long-term indebtedness.

YEAR 2000

IDEX initiated a Year 2000 compliance program in late 1996 to ensure that its information systems and other date-sensitive equipment continue uninterrupted into the Year 2000. All of the Company's essential processes, systems, and business functions were compliant with the Year 2000 requirements by the end of 1999. IDEX did not experience any Year 2000 consequences that affected its financial position, liquidity, or results of operations.

The costs of IDEX's Year 2000 compliance program were funded with cash flows from operations. Some of these costs related solely to the modification of existing systems, while others were for new systems, that also improved business functionality. In total, these costs were not substantially different from the normal, recurring costs for system development, in part due to the reallocation of internal resources to implement the new business systems. Expenditures related to this multi-year program were approximately \$6 million.

EURO PREPARATIONS

During 1998 and 1999, the Company upgraded its business systems to accommodate the Euro currency. The cost of this upgrade was immaterial to the Company's financial results. Although difficult to predict, any competitive implications or impact on existing financial instruments resulting from the Euro implementation also are expected to be immaterial to the Company's results of operations, liquidity, or financial position.

QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISK

The Company is subject to market risk principally associated with changes in interest rates and foreign currency exchange rates. Interest rate exposure is limited principally to the \$268.6 million of long-term debt outstanding at December 31, 1999. Approximately 15% of the debt is priced at interest rates that float with the market. A 50 basis point movement in the interest rate on the floating rate debt would result in an approximate \$200,000 annualized increase or decrease in interest expense and cash flows. The remaining debt is either fixed-rate debt or debt that essentially has been fixed through the use of interest rate swaps. The Company will from time to time enter into interest rate swaps on its debt when it believes there is a clear financial advantage for doing so. A formalized treasury risk management policy, adopted by the Board of Directors, exists that describes the procedures and controls over derivative financial and commodity instruments, including interest rate swaps. Under the policy, the Company does not use derivative financial or commodity instruments for trading purposes and the use of such instruments is subject to strict approval levels by senior officers. Typically, the use of such derivative instruments is limited to interest rate swaps on the Company's outstanding long-term debt. The Company's exposure related to such derivative instruments is, in the aggregate, not material to the Company's financial position, liquidity, or results of operations.

The Company's foreign currency exchange rate risk is limited principally to the Euro, British Pound Sterling, German Mark, Dutch Guilder, Italian Lira and other Western European currencies. The Company manages its foreign exchange risk principally through the invoicing of customers in the same currency as the source of the products. The implementation of the Euro currency as of January 1, 1999, did not materially affect the Company's foreign currency exchange risk profile, although some customers may require the Company to invoice or pay in

Euros rather than the functional currency of the manufacturing entity.

IDEX CORPORATION & SUBSIDIARIES
Consolidated Balance Sheets

(in thousands except share and per share amounts)

AS OF DECEMBER 31,	1999	1998
=====		
ASSETS		
Current assets		
Cash and cash equivalents	\$ 2,895	\$ 2,721
Receivables - net	100,805	86,006
Inventories	106,141	101,201
Other current assets	3,874	5,972

Total current assets	213,715	195,900
Property, plant and equipment - net	129,917	125,422
Intangible assets - net	385,061	360,810
Other noncurrent assets	9,874	13,679

Total assets	\$ 738,567	\$ 695,811
=====		
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Trade accounts payable	\$ 44,289	\$ 39,521
Dividends payable	4,153	4,125
Accrued expenses	43,192	36,619

Total current liabilities	91,634	80,265
Long-term debt	268,589	283,410
Other noncurrent liabilities	49,320	46,099

Total liabilities	409,543	409,774

Commitments and contingencies (Note 6)		
Shareholders' equity		
Common stock, par value \$.01 per share		
Shares authorized 1999 and 1998 - 75,000,000		
Shares issued and outstanding:		
1999 - 29,635,576; 1998 - 29,466,416	296	295
Additional paid-in capital	99,802	96,064
Retained earnings	233,326	195,465
Minimum pension liability adjustment	(1,759)	(1,489)
Accumulated translation adjustment	(2,543)	(4,298)
Treasury stock	(98)	-

Total shareholders' equity	329,024	286,037

Total liabilities and shareholders' equity	\$ 738,567	\$ 695,811
=====		

See Notes to Consolidated Financial Statements.

IDEX CORPORATION & SUBSIDIARIES
STATEMENTS OF CONSOLIDATED OPERATIONS

(in thousands except per share amounts)

FOR THE YEARS ENDED DECEMBER 31,	1999	1998	1997
Net sales	\$ 655,041	\$ 640,131	\$ 552,163
Cost of sales	398,557	387,285	329,806
Gross profit	256,484	252,846	222,357
Selling, general and administrative expenses	140,495	132,627	110,588
Goodwill amortization	11,312	10,676	8,174
Operating income	104,677	109,543	103,595
Other income (expense) - net	568	479	(693)
Income before interest expense and income taxes	105,245	110,022	102,902
Interest expense	18,020	22,359	18,398
Income before income taxes	87,225	87,663	84,504
Provision for income taxes	32,797	33,267	31,029
Income from continuing operations before extraordinary item	54,428	54,396	53,475
Discontinued operations:			
Income from discontinued operations, net of taxes	-	1,202	5,151
Gain on sale of discontinued operations, net of taxes	-	8,980	-
Income from discontinued operations	-	10,182	5,151
Extraordinary loss from early extinguishment of debt, net of taxes	-	(2,514)	-
Net income	\$ 54,428	\$ 62,064	\$ 58,626
EARNINGS PER COMMON SHARE - BASIC			
Continuing operations	\$ 1.84	\$ 1.85	\$ 1.83
Discontinued operations	-	.36	.18
Extraordinary loss from early extinguishment of debt	-	(.09)	-
Net income	\$ 1.84	\$ 2.12	\$ 2.01
EARNINGS PER COMMON SHARE - DILUTED			
Continuing operations	\$ 1.81	\$ 1.81	\$ 1.78
Discontinued operations	-	.34	.17
Extraordinary loss from early extinguishment of debt	-	(.08)	-
Net income	\$ 1.81	\$ 2.07	\$ 1.95
SHARE DATA			
Weighted average common shares outstanding	29,544	29,332	29,184
Weighted average common shares outstanding assuming full dilution	30,085	30,052	29,999

See Notes to Consolidated Financial Statements.

IDEX CORPORATION & SUBSIDIARIES
STATEMENTS OF CONSOLIDATED SHAREHOLDERS' EQUITY

(in thousands except share and per share amounts)

	COMMON STOCK AND ADDITIONAL PAID-IN CAPITAL	RETAINED EARNINGS	MINIMUM PENSION LIABILITY ADJUSTMENT	ACCUMULATED TRANSLATION ADJUSTMENT	TREASURY STOCK	TOTAL SHAREHOLDERS' EQUITY
Balance, December 31, 1996	\$ 89,946	\$ 105,238	\$ -	\$ 325	\$ -	\$195,509
Net income		58,626				58,626
Other comprehensive income, net of taxes						
Unrealized translation adjustment				(1,099)		(1,099)
Minimum pension adjustment			(756)			(756)
Other comprehensive income			(756)	(1,099)		(1,855)
Comprehensive income		58,626	(756)	(1,099)		56,771
Issuance of 323,741 shares of common stock from exercise of stock options, net of those surrendered	852					852
Cash dividends declared - \$.495 per common share outstanding		(14,461)				(14,461)
Balance, December 31, 1997	90,798	149,403	(756)	(774)	-	238,671
Net income		62,064				62,064
Other comprehensive income, net of taxes						
Unrealized translation adjustment				(3,524)		(3,524)
Minimum pension adjustment			(733)			(733)
Other comprehensive income			(733)	(3,524)		(4,257)
Comprehensive income		62,064	(733)	(3,524)		57,807
Issuance of 216,808 shares of common stock from exercise of stock options, net of those surrendered, and earned compensation	5,561					5,561
Cash dividends declared - \$.545 per common share outstanding		(16,002)				(16,002)
Balance, December 31, 1998	96,359	195,465	(1,489)	(4,298)	-	286,037
Net income		54,428				54,428
Other comprehensive income, net of taxes						
Unrealized translation adjustment				1,755		1,755
Minimum pension adjustment			(270)			(270)
Other comprehensive income			(270)	1,755		1,485
Comprehensive income		54,428	(270)	1,755		55,913
Issuance of 173,660 shares of common stock from exercise of stock options, and deferred compensation plans	3,739					3,739
Purchase of common stock					(98)	(98)
Cash dividends declared - \$.56 per common share outstanding		(16,567)				(16,567)
Balance, December 31, 1999	\$ 100,098	\$ 233,326	\$ (1,759)	\$ (2,543)	\$ (98)	\$329,024

See Notes to Consolidated Financial Statements.

IDEX CORPORATION & SUBSIDIARIES
Statements of Consolidated Cash Flows

(in thousands)

FOR THE YEARS ENDED DECEMBER 31,	1999	1998	1997
=====			
Cash flows from operating activities			
Income from continuing operations	\$ 54,428	\$ 54,396	\$ 53,475
Adjustments to reconcile to net cash provided by continuing operations:			
Depreciation and amortization	21,619	20,747	14,350
Amortization of intangibles	12,845	12,188	9,943
Amortization of debt issuance expenses	371	640	650
Deferred income taxes	3,742	3,445	6,304
(Increase) decrease in receivables	(867)	7,360	3,605
Decrease in inventories	4,797	1,199	7,659
(Decrease) increase in trade accounts payable	(3,057)	10	(2,216)
Increase (decrease) in accrued expenses	3,363	(11,224)	(8,117)
Other - net	(1,085)	(3,867)	(5,107)

Net cash provided by continuing operations	96,156	84,894	80,546
Net cash provided by discontinued operations	-	4,159	5,669

Net cash flows from operating activities	96,156	89,053	86,215

Cash flows from investing activities			
Additions to property, plant and equipment	(18,338)	(20,763)	(13,562)
Acquisition of businesses (net of cash acquired)	(48,497)	(118,088)	(49,744)
Proceeds from sale of businesses	-	39,695	-

Net cash flows from investing activities	(66,835)	(99,156)	(63,306)

Cash flows from financing activities			
Net repayments under credit facilities	(55,718)	(166,314)	(51,909)
Borrowings under credit facilities for acquisitions	48,497	118,088	36,198
(Repayments) borrowings of other long-term debt	(7,455)	(9,962)	13,546
Proceeds from issuance of 6.875% Senior Notes	-	150,000	-
Repayment of 9.75% Senior Subordinated Notes	-	(75,000)	-
Financing payments	-	(5,031)	-
(Decrease) increase in accrued interest	(772)	1,769	(736)
Dividends paid	(16,539)	(15,826)	(13,983)
Proceeds from stock option exercises	2,938	3,329	1,016
Purchase of common stock	(98)	-	-

Net cash flows from financing activities	(29,147)	1,053	(15,868)

Net increase (decrease) in cash	174	(9,050)	7,041
Cash and cash equivalents at beginning of year	2,721	11,771	4,730

Cash and cash equivalents at end of year	\$ 2,895	\$ 2,721	\$ 11,771
=====			
Supplemental cash flow information			
Cash paid for:			
Interest	\$ 18,420	\$ 20,070	\$ 18,781
Income taxes	25,297	36,568	25,446
Significant non-cash activities:			
Debt acquired with acquisition of business	13,065	-	-

See Notes to Consolidated Financial Statements.

IDEX CORPORATION & SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(in thousands except share and per share amounts)

1. SIGNIFICANT ACCOUNTING POLICIES

BUSINESS

IDEX Corporation ("IDEX" or the "Company") is a manufacturer of a broad range of proprietary pump products, dispensing equipment, and other engineered products sold to a diverse customer base in a variety of industries in the U.S. and internationally. Its products include industrial pumps, compressors and related controls for use in a wide variety of process applications; precision-engineered equipment for dispensing, metering and mixing paints, and centralized lubrication systems; and proprietary engineered products for industrial and commercial markets including fire and rescue, transportation equipment, oil and gas, electronics, communications, and traffic and commercial signs. These activities are grouped into three business segments: Pump Products, Dispensing Equipment and Other Engineered Products.

PRINCIPLES OF CONSOLIDATION

The consolidated financial statements include the Company and its subsidiaries. Significant intercompany transactions and accounts have been eliminated.

USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities, and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

REVENUE RECOGNITION

IDEX recognizes revenue from product sales upon shipment. The Company estimates and records provisions for sales returns, allowances and original warranties in the period the sale is reported, based on its experience.

CASH EQUIVALENTS

The Company considers all highly liquid debt instruments purchased with a maturity of three or fewer months to be cash equivalents.

INVENTORIES

Inventories are stated at the lower of cost or market. Cost, which includes labor, material and factory overhead, is determined on the first-in, first-out (FIFO) basis or the last-in, first-out (LIFO) basis.

DEBT EXPENSES

Expenses incurred in securing and issuing long-term debt are amortized over the life of the related debt.

RECLASSIFICATIONS

Certain amounts in the prior years' financial statements have been reclassified to conform to the current year presentation.

EARNINGS PER COMMON SHARE

Earnings per common share (EPS) are computed by dividing net income by the weighted average number of shares of common stock (basic) plus common stock equivalents (diluted) outstanding during the year. Common stock equivalents consist of stock options and have been included in the calculation of weighted average shares outstanding using the treasury stock method.

Basic weighted average shares reconciles to diluted weighted average shares as follows:

	1999	1998	1997
Basic weighted average common shares outstanding	29,544	29,332	29,184
Dilutive effect of stock options	541	720	815
Weighted average common shares outstanding assuming full dilution	30,085	30,052	29,999

DEPRECIATION AND AMORTIZATION

Depreciation is recorded using the straight-line method. The estimated useful lives used in the computation of depreciation are as follows:

Land improvements	10 to 12 years
Buildings and improvements	3 to 30 years
Machinery and equipment and engineering drawings	3 to 12 years
Office and transportation equipment	3 to 10 years

Identifiable intangible assets are amortized over their estimated useful lives using the straight-line method. Cost in excess of net assets acquired is amortized over a period of 30 to 40 years.

The carrying amount of all long-lived assets is evaluated periodically to determine if adjustment to the depreciation or amortization period or to the unamortized balance is warranted. Such evaluation is based on the expected utilization of the long-lived assets and the projected, undiscounted cash flows of the operations in which the long-lived assets are deployed.

RESEARCH AND DEVELOPMENT EXPENDITURES

Expenditures associated with research and development are expensed in the year incurred and included in cost of sales, except for software development capitalized under Statement of Financial Accounting Standards (SFAS) No. 86. Research and development expenses, which include costs associated with the development of new products and major improvements to existing products, were \$6.8 million, \$6.3 million and \$6.7 million in 1999, 1998 and 1997, respectively.

New Accounting Pronouncements

In June 1998, the Financial Accounting Standards Board issued SFAS No. 133, "Accounting for Derivative Instruments and Hedging Activities." SFAS No. 133 establishes accounting and reporting standards for derivative instruments, including certain derivative instruments embedded in other contracts, and for hedging activities. This statement is effective for fiscal years beginning after June 15, 2000. Management is still assessing the effects adoption of SFAS No. 133 will have on its financial position, liquidity, or results of operations.

2. ACQUISITIONS

On June 4, 1999, IDEX acquired FAST S.p.A. at a cost of \$61.6 million, with financing provided by borrowings under the Company's U.S. bank credit facilities and debt acquired. FAST, with headquarters near Milan, Italy, is a leading European manufacturer of refinishing and color-formulation equipment for a number of applications, including paints, coatings, inks, colorants and dyes. FAST is being operated as part of IDEX's Dispensing Equipment Group.

On January 21, 1998, IDEX completed the acquisition of Gast Manufacturing Corporation for a cash purchase price of \$118.1 million, with financing provided by borrowings under the Company's U.S. bank credit facilities. Gast, headquartered in Benton Harbor, Michigan, is one of the world's leading manufacturers of air-moving pumps, compressors and blowers.

Both of these acquisitions were accounted for as purchases, and operating results include the acquisitions from the dates of purchase. Cost in excess of net assets acquired is amortized on a straight-line basis over a period not exceeding 40 years.

The unaudited pro forma consolidated results of operations for the years ended December 31, 1999 and 1998, reflecting the allocation of the purchase price and related financing of the transactions are as follows, assuming that these acquisitions had occurred at the beginning of each of the respective periods.

	1999	1998
Net sales	\$ 674,850	\$ 682,677
Income from continuing operations	55,998	55,766
Net income	55,998	63,434
Basic EPS		
Continuing operations	1.90	1.90
Net income	1.90	2.16
Diluted EPS		
Continuing operations	1.86	1.86
Net income	1.86	2.11

In 1997, the Company acquired Blagdon Pump on April 4 and Knight Equipment on December 9, at an aggregate purchase price of \$49.7 million. Financing was provided by borrowings under the Company's U.S. bank credit facilities and the issuance of notes to the sellers. Blagdon, which manufactures air-operated diaphragm pumps, is located in Washington, Tyne & Wear, England, and is operated as part of Warren Rupp. Knight, based in Lake Forest, California, is a leading manufacturer of pumps and dispensing equipment for industrial laundries, commercial dishwashing and chemical metering, and is operated as part of Pulsafeeder.

The liabilities assumed that represent noncash investing activities in connection with the acquisition of businesses for 1999, 1998 and 1997 were as follows:

	1999	1998	1997
Fair value of assets acquired	\$ 34,743	\$ 71,206	\$ 16,884
Cost in excess of net assets acquired	42,603	75,942	38,599
Cash paid	(48,497)	(118,088)	(49,744)
Debt acquired in connection with acquisition of business	(13,065)	-	-
Liabilities assumed	\$ 15,784	\$ 29,060	\$ 5,739

3. DISCONTINUED OPERATIONS

In December 1997, IDEX announced its intention to divest its Strippit and Vibratex businesses. The Company completed the sale of Vibratex on June 9, 1998, for \$23.0 million in cash, and the sale of Strippit on August 25, 1998, for \$19.5 million in cash and notes. The sale of Vibratex generated a gain on disposition, while the Strippit sale resulted in a small loss. The proceeds were used to repay borrowings under the Company's U.S. bank credit facilities. In 1998, these two businesses contributed net income of \$10.2 million, including a net gain of \$9.0 million (net of taxes of \$3.1 million) from the sale of these units.

Revenues from discontinued operations amounted to \$42.1 million and \$83.9 million in 1998 and 1997, respectively. Income from discontinued operations is net of taxes of \$0.7 million and \$3.1 million in 1998 and 1997, respectively. Interest expense of \$0.1 million and \$0.6 million for 1998 and 1997, respectively, has been allocated to these operations based on their acquisition debt, less repayments generated from operating cash flows that can be specifically attributed to these operations.

4. COMPREHENSIVE INCOME

The tax effects of the components of other comprehensive income for 1999, 1998 and 1997 were:

	1999	1998	1997
Unrealized translation adjustment:			
Pretax amount	\$ 1,755	\$ (3,524)	\$ (1,099)
Income tax	-	-	-

Aftertax amount	\$ 1,755	\$ (3,524)	\$ (1,099)

Minimum pension adjustment:			
Pretax amount	\$ (570)	\$ (1,109)	\$ (1,181)
Tax benefit	300	376	425

Aftertax amount	\$ (270)	\$ (733)	\$ (756)

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5. BALANCE SHEET COMPONENTS

The components of inventories at December 31, 1999 and 1998 were:

	1999	1998
Raw materials	\$ 28,930	\$ 27,361
Work in process	12,722	13,904
Finished goods	64,489	59,936
Total	\$ 106,141	\$ 101,201

Those inventories, which were carried on a LIFO basis, amounted to \$86,587 and \$81,317 at December 31, 1999 and 1998, respectively. The excess of current cost over LIFO inventory value and the impact of using the LIFO method on earnings are not material.

The components of certain other balance sheet accounts at December 31, 1999 and 1998 were:

	1999	1998
Receivables		
Customers	\$ 101,990	\$ 86,915
Other	1,949	1,575
Total	103,939	88,490
Less allowance for doubtful accounts	3,134	2,484
Receivables - net	\$ 100,805	\$ 86,006
Property, plant and equipment, at cost		
Land and improvements	\$ 9,068	\$ 8,069
Buildings and improvements	61,710	52,767
Machinery and equipment	157,872	151,696
Engineering drawings	3,248	3,237
Office and transportation equipment	38,583	33,138
Construction in progress	3,248	2,813
Total	273,729	251,720
Less accumulated depreciation and amortization	143,812	126,298
Property, plant and equipment - net	\$ 129,917	\$ 125,422
Intangible assets		
Cost in excess of net assets acquired	\$ 419,917	\$ 387,209
Other	28,345	24,963
Total	448,262	412,172
Less accumulated amortization	63,201	51,362
Intangible assets - net	\$ 385,061	\$ 360,810
Accrued expenses		
Accrued payroll and related items	\$ 21,421	\$ 22,967
Accrued taxes	9,165	870
Accrued insurance	4,037	3,731
Other	8,569	9,051
Total	\$ 43,192	\$ 36,619
Other noncurrent liabilities		
Pension and retiree medical reserves	\$ 26,887	\$ 26,845
Deferred income taxes	15,824	14,860
Other	6,609	4,394
Total	\$ 49,320	\$ 46,099

6. COMMITMENTS AND CONTINGENCIES

At December 31, 1999, total minimum rental payments under noncancelable operating leases, primarily for office facilities, warehouses and data processing equipment, were \$31.1 million. The minimum rental commitments for each of the next five years are as follows: 2000 - \$6.9 million; 2001 - \$5.3 million; 2002 - \$3.4 million; 2003 - \$2.5 million; 2004 - \$2.1 million; thereafter - \$10.9 million.

Rental expense totaled \$9.0 million, \$8.7 million and \$6.7 million for the years ended December 31, 1999, 1998 and 1997, respectively.

The Company is involved in certain litigation arising in the ordinary course of business. None of these matters is expected to have a material adverse effect on the Company's financial position, liquidity, or results of operations. However, the ultimate resolution of these matters could result in a change in the Company's estimate of its liability for these matters.

7. Stock Options

The Company has stock option plans for outside directors, executives and certain key employees. These options are accounted for using the intrinsic value method and, accordingly, no compensation cost has been recognized. Had compensation cost been determined using the fair value method in 1999, 1998 and 1997, the Company's pro forma net income and EPS would have been as follows:

	1999	1998	1997
Net income			
As reported	\$ 54,428	\$ 62,064	\$ 58,626
Pro forma	51,675	59,602	57,063
Basic EPS			
As reported	1.84	2.12	2.01
Pro forma	1.75	2.03	1.96
Diluted EPS			
As reported	1.81	2.07	1.95
Pro forma	1.72	1.98	1.90

The fair value of each option grant was estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions for 1999, 1998 and 1997, respectively: dividend yield of 2.29%, 1.55% and 1.94%; volatility of 32.5%, 27.7% and 28.9%; risk-free interest rates of 5.2%, 5.6% and 6.6%; and expected lives of 5.5 years.

The Compensation Committee of the Board of Directors administers the plans and approves stock option grants. The Company may grant additional options for up to 1.4 million shares. Stock options granted under the plans are exercisable at a price equal to the market value of the stock at the date of grant. The options become exercisable from one to five years from the date of grant, and generally expire 10 years from the date of grant.

The following table summarizes option activity under the plans:

	NUMBER OF OPTIONS	WEIGHTED AVERAGE OPTION PRICE PER SHARE
Outstanding at December 31, 1996	2,134,692	\$ 14.27
Granted	514,250	24.90
Exercised	(431,748)	2.36
Forfeited	(87,980)	23.47
Outstanding at December 31, 1997	2,129,214	18.87
Granted	605,000	34.86
Exercised	(227,376)	14.01
Forfeited	(111,730)	28.07
Outstanding at December 31, 1998	2,395,108	22.89
Granted	647,039	24.79
Exercised	(170,715)	16.75
Forfeited	(107,010)	28.83
Outstanding at December 31, 1999	2,764,422	23.54
Exercisable at December 31, 1997	943,431	14.25
Exercisable at December 31, 1998	1,124,197	16.43
Exercisable at December 31, 1999	1,485,426	19.98

The following table summarizes information about options outstanding at December 31, 1999:

OPTIONS OUTSTANDING			OPTIONS EXERCISABLE		
RANGE OF EXERCISE PRICES	NUMBER OUTSTANDING	WEIGHTED AVERAGE REMAINING LIFE OF CONTRACT	WEIGHTED AVERAGE EXERCISE PRICE	NUMBER EXERCISABLE	WEIGHTED AVERAGE EXERCISE PRICE
\$0 to 11	119,275	2.0 years	\$ 7.74	119,275	\$ 7.74
12 to 23	823,500	4.3 years	16.14	777,702	15.90
24 to 34	1,821,647	8.2 years	27.91	588,449	27.85
Total	2,764,422	6.8 years	23.54	1,485,426	19.98

8. LONG-TERM DEBT

Long-term debt at December 31, 1999 and 1998 consisted of the following:

	1999	1998
Bank revolving credit facilities, including accrued interest	\$108,753	\$128,692
6.875% Senior Notes	150,000	150,000
Other long-term debt	9,836	4,718
Total	\$268,589	\$283,410

The Company has a \$235 million domestic multi-currency bank revolving credit facility (U.S. Credit Facility). The availability under the U.S. Credit Facility declines to \$210 million on July 1, 2000. Any amount outstanding at July 1, 2001, becomes due at that date. At December 31, 1999, approximately \$146.7 million of the facility was unused.

Interest on the outstanding borrowings under the U.S. Credit Facility is payable quarterly at a rate based on the bank agent's reference rate or, at the Company's election, at a rate based on LIBOR plus 50 basis points per annum. The weighted average interest rate on outstanding borrowings under the U.S. Credit Facility was 3.83% at December 31, 1999. A facility fee equal to 15 basis points per annum is payable quarterly on the entire amount available under the U.S. Credit Facility.

The Company entered into a \$15 million demand line of credit (Short-Term Facility) expiring on March 31, 2000. Borrowings under the Short-Term Facility are at the bank agent's reference rate, or at an optional rate based on the bank's cost of funds. At December 31, 1999, there was \$6 million borrowed under the Short-Term Facility at an interest rate of 6.31% per annum.

The Company's DM 52.5 million (\$27.0 million) credit facility (German Facility) declines to DM 37 million at November 1, 2000. Any amount outstanding at November 1, 2001, becomes due at that date. At December 31, 1999, DM 26.5 million (\$13.6 million) was outstanding. Interest is payable quarterly on the outstanding balance at LIBOR plus 77.5 basis points per annum.

Total long-term debt outstanding at December 31, 1999 and 1998 included \$4.4 million and \$5.2 million, respectively, of accrued interest, as interest generally is paid through borrowings under the U.S. Credit Facility.

In February 1998, the Company sold \$150 million of Senior Notes due February 15, 2008, with a coupon interest rate of 6.875% and an effective rate of 6.919% to maturity. Interest is payable semiannually. The Senior Notes are redeemable at any time at the option of the Company in whole or in part. At December 31, 1999, the fair market value of the Senior Notes was approximately \$135 million, based on the quoted market price. Proceeds from the Senior Note offering were used to reduce bank debt, and to repay in March 1998 the \$75 million principal amount of the 9.75% Senior Subordinated Notes originally due in 2002. After related expenses and fees, this redemption resulted in an extraordinary loss of \$2.5 million, or 8 cents per diluted share, net of an income tax benefit of \$1.5 million.

At December 31, 1999, other long-term debt included \$9.0 million of debt acquired in connection with the acquisition of FAST. Interest is payable on the outstanding balances at rates ranging from 1.9% to 5.3% per annum.

The U.S. Credit Facility and the Indenture for the Senior Notes permit the payment of cash dividends only to the extent that no default exists under these agreements, and limit the amount of cash dividends in accordance with specified formulas. At December 31, 1999, under the most restrictive of these provisions, the Company has available approximately \$95.5 million for the payment of cash dividends in 2000.

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The Company does not use derivative financial instruments for trading or other speculative purposes. Interest rate swaps, a form of derivative, are used to manage interest rate risk. At December 31, 1999, the Company had entered into three interest rate swaps, expiring between August 2000 and August 2001, which have effectively converted approximately \$61 million of floating rate debt into fixed rate debt at rates approximating 4.0%.

9. COMMON AND PREFERRED STOCK

On October 20, 1998, IDEX's Board of Directors authorized the repurchase of up to 1.5 million shares of its common stock either at market prices or on a negotiated basis as market conditions warrant. During 1999, the Company repurchased 4,500 shares of common stock at a cost of approximately \$98,000.

At December 31, 1999 and 1998, the Company had 5 million shares of preferred stock with a par value of \$.01 per share authorized but unissued.

10. BUSINESS SEGMENTS AND GEOGRAPHIC INFORMATION

IDEX's operations have been aggregated (primarily on the basis of products, production processes, distribution methods and management organizations) into three reportable segments: Pump Products Group, Dispensing Equipment Group and Other Engineered Products Group. The Pump Products Group designs, produces and distributes a wide range of engineered industrial pumps, compressors and related controls for process applications. The Dispensing Equipment Group designs, manufactures and markets precision-engineered equipment for dispensing, metering and mixing paints; refinishing equipment; and centralized lubrication systems. The Other Engineered Products Group designs, produces and distributes proprietary engineered equipment for industrial and commercial markets including fire and rescue, transportation equipment, oil and gas, electronics, communications, and traffic and commercial signs. No single customer accounted for more than 2% of net sales in 1999.

Information on IDEX's business segments is presented below, based on the nature of products and services offered. IDEX evaluates performance based on several factors, of which operating income is the primary financial measure. The accounting policies of the business segments are described in Note 1. Intersegment sales are accounted for at fair value as if the sales were to third parties.

	1999	1998	1997
=====			
Net sales			
Pump Products			
From external customers	\$ 369,568	\$ 373,333	\$ 263,581
Intersegment sales	2,872	2,359	2,337

Total group sales	372,440	375,692	265,918

Dispensing Equipment			
From external customers	140,989	122,796	138,129
Intersegment sales	7	48	73

Total group sales	140,996	122,844	138,202

Other Engineered Products			
From external customers	144,484	144,002	150,453
Intersegment sales	2	2	2

Total group sales	144,486	144,004	150,455

Intersegment elimination	(2,881)	(2,409)	(2,412)

Total net sales	\$ 655,041	\$ 640,131	\$ 552,163
=====			
Operating income (1)			
Pump Products	\$ 65,673	\$ 74,812	\$ 61,443
Dispensing Equipment	25,614	22,483	25,636
Other Engineered Products	26,660	24,596	26,426
Corporate office & other	(13,270)	(12,348)	(9,910)

Total operating income	\$ 104,677	\$ 109,543	\$ 103,595
=====			
Assets			
Pump Products	\$ 355,983	\$ 370,578	\$ 237,870
Dispensing Equipment	216,273	151,380	156,304
Other Engineered Products	154,490	158,930	166,189
Corporate office & other (2)	11,821	14,923	38,830

Total assets	\$ 738,567	\$ 695,811	\$ 599,193
=====			

Depreciation and amortization (3)

Pump Products	\$ 19,327	\$ 19,326	\$ 10,193
Dispensing Equipment	8,124	7,132	7,092
Other Engineered Products	6,769	6,275	6,916
Corporate office & other	244	202	92

Total depreciation and amortization	\$	34,464	\$	32,935	\$	24,293
=====						
Capital expenditures						
Pump Products	\$	8,616	\$	8,652	\$	6,875
Dispensing Equipment		5,896		4,000		3,000
Other Engineered Products		3,739		5,328		3,318
Corporate office & other		87		2,783		369

Total capital expenditures	\$	18,338	\$	20,763	\$	13,562
=====						

- (1) Represents business segment operating income after noncash amortization of intangible assets.
- (2) Includes assets held for disposition of \$29.3 million at December 31, 1997.
- (3) Includes amortization relating to all business combinations accounted for by the purchase method, but excludes amortization of debt issuance expenses.

Information about the Company's operations in different geographical regions for the years ended December 31, 1999, 1998 and 1997 is shown below. Net sales were attributed to geographic areas based on location of the customer, and no country outside the U.S. was deemed material.

	1999	1998	1997
Net sales			
U.S.	\$ 399,286	\$ 389,185	\$ 307,492
Europe	154,907	153,988	141,371
Other countries	100,848	96,958	103,300
Total net sales	\$ 655,041	\$ 640,131	\$ 552,163
Long-lived assets			
U.S.	\$ 384,389	\$ 396,826	\$ 301,034
Europe	135,942	98,667	96,160
Other countries	4,521	4,418	4,732
Total long-lived assets	\$ 524,852	\$ 499,911	\$ 401,926

11. INCOME TAXES

Pretax income for the years ended December 31, 1999, 1998 and 1997 was taxed under the following jurisdictions:

	1999	1998	1997
Domestic	\$ 59,042	\$ 61,139	\$ 58,748
Foreign	28,183	26,524	25,756
Total	\$ 87,225	\$ 87,663	\$ 84,504

The provision for income taxes for the years ended December 31, 1999, 1998 and 1997 was as follows:

Current			
U.S.	\$ 17,329	\$ 21,899	\$ 17,178
State and local	2,334	1,476	1,379
Foreign	9,392	6,447	6,168
Total current	29,055	29,822	24,725
Deferred			
U.S.	2,983	800	3,125
State and local	321	400	500
Foreign	438	2,245	2,679
Total deferred	3,742	3,445	6,304
Total provision for income taxes	\$ 32,797	\$ 33,267	\$ 31,029

Deferred (prepaid) income taxes resulted from the following:

	1999	1998	1997
Employee and retiree benefit plans	\$ (349)	\$ 959	\$ 1,481
Depreciation and amortization	1,578	2,848	3,536
Inventories	1,260	(895)	323
Allowances and accruals	624	79	2,103
Other	629	454	(1,139)
Total deferred tax provision	\$ 3,742	\$ 3,445	\$ 6,304

Deferred tax assets (liabilities) related to the following at December 31, 1999 and 1998:

	1999	1998
Employee and retiree benefit plans	\$ 6,741	\$ 6,764
Depreciation and amortization	(25,424)	(23,846)
Inventories	(5,757)	(4,716)
Allowances and accruals	4,437	5,165
Other	1,792	2,713
Total	\$(18,211)	\$ (13,920)

The consolidated balance sheet at December 31, 1999, included a current deferred tax liability of \$2,387 in "Accrued expenses" and a noncurrent deferred tax liability of \$15,824 in "Other noncurrent liabilities." The consolidated balance sheet at December 31, 1998, included a current deferred tax asset of \$940 in "Other current assets" and a noncurrent deferred tax liability of \$14,860 in "Other noncurrent liabilities."

The provision for income taxes differs from the amount computed by applying the statutory federal income tax rate to pretax income. The computed amount and the differences for the years ended December 31, 1999, 1998 and 1997 were as follows:

	1999	1998	1997
Pretax income	\$ 87,225	\$ 87,663	\$ 84,504
Provision for income taxes:			
Computed amount at statutory rate of 35%	\$ 30,529	\$ 30,682	\$ 29,576
State and local income tax (net of federal tax benefit)	1,726	1,219	1,221
Amortization of cost in excess of net assets acquired	1,643	1,583	941
Foreign sales corporation	(1,074)	(1,031)	(1,192)
Other - net	(27)	814	483

Total provision for income taxes	\$ 32,797	\$ 33,267	\$ 31,029

No provision has been made for U.S. or additional foreign taxes on \$29.3 million of undistributed earnings of foreign subsidiaries, which are permanently reinvested. It is not practical to estimate the amount of additional tax that might be payable if these earnings were repatriated. However, the Company believes that U.S. foreign tax credits would, for the most part, eliminate any additional U.S. tax and offset any additional foreign tax.

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12. RETIREMENT BENEFITS

The Company sponsors several qualified and nonqualified pension plans and other postretirement plans for its employees. The following table provides a reconciliation of the changes in the benefit obligations and fair value of plan assets over the two-year period ended December 31, 1999, and a statement of the funded status at December 31 for both years:

	Pension Benefits		Other Benefits	
	1999	1998	1999	1998

Change in benefit obligation				
Obligation at January 1	\$ 58,842	\$ 49,718	\$ 11,186	\$ 6,297
Service cost	3,017	3,056	395	367
Interest cost	3,707	3,398	752	698
Plan amendments	968	232	--	--
Acquisitions	--	--	--	3,877
Benefits paid	(9,337)	(1,822)	(536)	(332)
Actuarial (gain) loss	(2,093)	4,260	(151)	279

Obligation at December 31	\$ 55,104	\$ 58,842	\$ 11,646	\$ 11,186
=====				
Change in plan assets				
Fair value of plan assets at January 1	\$ 46,504	\$ 41,859	\$ --	\$ --
Actual return on plan assets	8,548	2,367	--	--
Employer contributions	6,275	4,337	536	332
Benefits paid	(9,337)	(1,822)	(536)	(332)
Administrative expenses	--	(237)	--	--

Fair value of plan assets at December 31	\$ 51,990	\$ 46,504	\$ --	\$ --
=====				
Funded status				
Funded status at December 31	\$(3,114)	\$(12,338)	\$(11,646)	\$(11,186)
Unrecognized (gain) loss	(1,210)	5,452	(169)	(156)
Unrecognized transition obligation	392	380	--	--
Unrecognized prior service cost	3,278	2,167	(747)	(842)

Net amount recognized at December 31	\$ (654)	\$ (4,339)	\$(12,562)	\$(12,184)
=====				

The following table provides the amounts recognized in the consolidated balance sheets at December 31 for both years:

Prepaid benefit cost	\$ 4,577	\$ 5,665	\$ --	\$ --
Accrued benefit liability	(10,154)	(13,440)	(12,562)	(12,184)
Intangible asset	2,063	1,146	--	--
Accumulated other comprehensive income	2,860	2,290	--	--

Net amount recognized	\$ (654)	\$ (4,339)	\$(12,562)	\$(12,184)
=====				

The Company's nonqualified retirement plans and the retirement plan at a German subsidiary are not funded. The accumulated benefit obligation for these plans was \$9,118 and \$12,199 at December 31, 1999 and 1998, respectively. The Company's plans for postretirement benefits other than pensions also have no plan assets. The accumulated benefit obligation for these plans was \$11,646 and \$11,186 at December 31, 1999 and 1998, respectively.

The assumptions used in the measurement of the Company's benefit obligation at December 31, 1999 and 1998 were as follows:

	U.S. PLANS		NON U.S. PLANS	
	1999	1998	1999	1998

Weighted-averaged assumptions				
Discount rate	7.50%	6.75%	6.0%	6.0%
Expected return on plan assets	9.00%	9.00%	7.5%	7.0%
Rate of compensation increase	4.00%	4.00%	4.5%	4.0%

The discount rate assumption for benefits other than pension benefit plans was 7.50% and 6.75% at December 31, 1999 and 1998, respectively.

The following table provides the components of net periodic benefit cost for the plans in 1999, 1998 and 1997:

	PENSION BENEFITS			OTHER BENEFITS		
	1999	1998	1997	1999	1998	1997
Service cost	\$ 3,017	\$ 3,056	\$ 2,525	\$ 395	\$ 367	\$ 277
Interest cost	3,707	3,398	3,031	752	698	395
Expected return on plan assets	(4,219)	(3,697)	(2,742)	-	-	-
Net amortization	282	295	202	(91)	(148)	(57)
Net periodic benefit cost	\$ 2,787	\$ 3,052	\$ 3,016	\$ 1,056	\$ 917	\$ 615

The amounts included in other comprehensive income arising from a change in the minimum pension liability was \$(270) and \$(733) at December 31, 1999 and 1998, respectively.

Prior service costs are amortized on a straight-line basis over the average remaining service period of active participants. Gains and losses in excess of 10% of the greater of the benefit obligation and the market value of assets are amortized over the average remaining service period of active participants.

Contributions to bargaining unit-sponsored multiemployer plan and defined contribution plans were \$6,166, \$5,272 and \$4,423 for 1999, 1998 and 1997, respectively.

For measurement purposes, a 10% annual rate of increase in the per capita cost of covered health care benefits was assumed for 1999. The rate was assumed to decrease gradually each year to a rate of 6% for 2008, and remain at that level thereafter.

Assumed health care cost trend rates have a significant effect on the amounts reported for the health care plans. A 1% change in assumed health care cost trend rates would have the following effects:

	1% Increase	1% Decrease
Effect on the service and interest cost components of the net periodic benefit cost	\$ 135	\$ (111)
Effect on the health care component of the accumulated postretirement benefit obligation	\$ 1,386	\$ (1,131)

13. QUARTERLY RESULTS OF OPERATIONS (UNAUDITED)

The following is a summary of the unaudited quarterly results of operations for the years ended December 31, 1999 and 1998:

	1999 QUARTERS				1998 QUARTERS			
	FIRST	SECOND	THIRD	FOURTH	FIRST	SECOND	THIRD	FOURTH
Net sales	\$156,488	\$ 161,484	\$169,892	\$ 167,177	\$159,084	\$ 169,461	\$159,406	\$152,180
Gross profit	61,320	64,730	65,827	64,607	64,397	67,335	62,443	58,671
Operating income	23,625	27,008	27,505	26,539	28,392	30,443	27,517	23,191
Income from continuing operations	11,921	14,121	14,451	13,935	13,889	15,144	13,662	11,701
Net income	11,921	14,121	14,451	13,935	12,193	23,914	14,256	11,701
Basic EPS								
Continuing operations	\$.40	\$.48	\$.49	\$.47	\$.47	\$.52	\$.47	\$.40
Net income	.40	.48	.49	.47	.42	.82	.49	.40
Weighted average shares outstanding	29,464	29,484	29,594	29,633	29,267	29,308	29,339	29,413
Diluted EPS								
Continuing operations	\$.40	\$.47	\$.48	\$.46	\$.46	\$.50	\$.46	\$.39
Net income	.40	.47	.48	.46	.40	.79	.48	.39
Weighted average shares outstanding	29,880	30,109	30,301	30,176	30,207	30,311	29,980	29,930

INDEPENDENT AUDITORS' REPORT

To the Board of Directors and Shareholders of IDEX Corporation

We have audited the accompanying consolidated balance sheets of IDEX Corporation and its subsidiaries as of December 31, 1999 and 1998 and the related statements of consolidated operations, consolidated shareholders' equity, and consolidated cash flows for each of the three years in the period ended December 31, 1999. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such consolidated financial statements present fairly, in all material respects, the financial position of the Company and its subsidiaries at December 31, 1999 and 1998 and the results of their operations and their cash flows for each of the three years in the period ended December 31, 1999 in conformity with generally accepted accounting principles.

Deloitte & Touche LLP

Chicago, Illinois
January 18, 2000

MANAGEMENT REPORT

IDEX Corporation's management is responsible for the fair presentation and consistency of all financial data included in this Annual Report in accordance with generally accepted accounting principles. Where necessary, the data reflect management's best estimates and judgments.

Management also is responsible for maintaining a system of internal control with the objectives of providing reasonable assurance that IDEX's assets are safeguarded against material loss from unauthorized use or disposition, and that authorized transactions are properly recorded to permit the preparation of accurate financial data. Cost benefit judgments are an important consideration in this regard. The effectiveness of internal control is maintained by personnel selection and training, division of responsibilities, establishment and communication of policies, and ongoing internal review programs and audits. Management believes that IDEX's system of internal control as of December 31, 1999, is effective and adequate to accomplish the above described objectives.

Frank J. Hansen
President and Chief Executive Officer

Wayne P. Sayatovic
Senior Vice President - Finance and Chief Financial Officer

Northbrook, Illinois
January 18, 2000

Business Units

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From left to right: Vice Presidents -
Dave Windmuller (Operations), Jim Fluharty
(Corporate Marketing and Group Executive),
John McMurray (Group Executive), Rod Usher
(Group Executive)

BAND-IT-IDEX, INC.
4799 Dahlia St.
Denver, CO 80216
(303) 320-4555

ROGER N. GIBBINS
President
Age: 54
Years of Service: 15

CORKEN, INC.
3805 N.W. 36th St.
Oklahoma City, OK 73112
(405) 946-5576

STEVEN C. FAIRBANKS
President
Age: 40
Years of Service: 4

FLUID MANAGEMENT, INC.
1023 S. Wheeling Rd.
Wheeling, IL 60090
(847) 537-0880

JOHN P. SNOW
President - Americas
Age: 55
Years of Service: 23

FLUID MANAGEMENT EUROPE B.V.
Hub van Doorneweg 31
2171 KZ Sassenheim
The Netherlands
011-31-252-230604

LEENDERT HELLENBERG
President - Europe/Asia
Age: 54
Years of Service: 15

FAST S.R.L.
Via Pelizza da Volpedo, 109
20092 Cinisello Balsamo, Italy
011-39-02-66091-432

A. REZA ARABNIA
President
Age: 44
Years of Service: 12

GAST MANUFACTURING, INC.
2300 Highway M-139
Benton Harbor, MI 49023
(616) 926-6171

DONALD D. RIMES
President
Age: 54
Years of Service: 29

HALE PRODUCTS, INC.
700 Spring Mill Ave.
Conshohocken, PA 19428
(610) 825-6300

WILLIAM D. KYSOR
President
Age: 52
Years of Service: 3

LUBRIQUIP, INC.
18901 Cranwood Pkwy.
Warrensville Heights, OH 44128
(216) 581-2000

STEVEN E. SEMMLER
President
Age: 44
Years of Service: 20

MICROPUMP, INC.
1402 N.E. 136th Ave.
Vancouver, WA 98684
(360) 253-2008

JEFFREY L. HOHMAN
President
Age: 46
Years of Service: 9

PULSAFEEDER, INC.
2883 Brighton-Henrietta Town Line Rd.
Rochester, NY 14623
(716) 292-8000

RODNEY L. USHER
President
Age: 54
Years of Service: 19

VIKING PUMP, INC.
406 State St.
Cedar Falls, IA 50613
(319) 266-1741

JOHN L. MCMURRAY
President
Age: 49
Years of Service: 7

WARREN RUPP, INC.
800 North Main St.
Mansfield, OH 44902
(419) 524-8388

JEFFERY F. FEHR
President
Age: 48
Years of Service: 8

NOTE: Years of service include periods prior to acquisition by IDEX.

Corporate Officers & Directors

36

CORPORATE OFFICERS

Frank J. Hansen
 President and Chief Executive Officer
 Age: 58
 Years of Service: 24

Wayne P. Sayatovic
 Senior Vice President -- Finance
 and Chief Financial Officer
 Age: 53
 Years of Service: 27

Jerry N. Derck
 Vice President -- Human Resources
 Age: 52
 Years of Service: 7

James R. Fluharty
 Vice President -- Corporate Marketing and Group Executive
 Age: 56
 Years of Service: 12

Clinton L. Kooman
 Vice President -- Controller
 Age: 56
 Years of Service: 35

Douglas C. Lennox
 Vice President -- Treasurer
 Age: 47
 Years of Service: 20

John L. McMurray
 Vice President -- Group Executive
 Age: 49
 Years of Service: 7

Dennis L. Metcalf
 Vice President -- Corporate Development
 Age: 52
 Years of Service: 26

Frank J. Notaro
 Vice President -- General Counsel and Secretary
 Age: 36
 Years of Service: 2

Rodney L. Usher
 Vice President -- Group Executive
 Age: 54
 Years of Service: 19

David T. Windmuller
 Vice President -- Operations
 Age: 42
 Years of Service: 19

NOTE: Years of service for corporate officers includes periods with predecessor to IDEX.

DIRECTORS

Donald N. Boyce []
 Chairman of the Board
 IDEX Corporation
 Northbrook, Illinois
 Age: 61
 Years of Service: 12

Frank J. Hansen []
 President and Chief Executive Officer
 IDEX Corporation
 Northbrook, Illinois
 Age: 58
 Years of Director Service: 2

Richard E. Heath
 Partner
 Hodgson, Russ, Andrews, Woods & Goodyear
 Buffalo, New York
 Age: 69
 Years of Service: 11

Henry R. Kravis
 Member
 Kohlberg Kravis Roberts & Co., L.L.C.
 New York, New York
 Age: 55
 Years of Service: 12

William H. Luers [] []
 Chairman, Chief Executive Officer and President

United Nations Association of the United States of America
New York, New York
Age: 70
Years of Service: 11

Paul E. Raether
Member
Kohlberg Kravis Roberts & Co., L.L.C.
New York, New York
Age: 53
Years of Service: 12

George R. Roberts
Member
Kohlberg Kravis Roberts & Co., L.L.C.
San Francisco, California
Age: 56
Years of Service: 12

Neil A. Springer [] [] []
Managing Director
Springer Souder & Assoc. L.L.C.
Chicago, Illinois
Age: 61
Years of Service: 10

Michael T. Tokarz []
Member
Kohlberg Kravis Roberts & Co., L.L.C.
New York, New York
Age: 50
Years of Service: 12

Member of:
[] Executive Committee
[] Audit Committee
[] Compensation Committee

Shareholder Information

Corporate Executive Office
 IDEX Corporation
 630 Dundee Road
 Northbrook, Illinois 60062
 (847) 498-7070

Investor Information

Shareholders and prospective investors are welcome to call or write with questions or requests for additional information. Please direct inquiries to: Wayne P. Sayatovic, Senior Vice President -- Finance and Chief Financial Officer. Further information on IDEX can be found at www.idexcorp.com on the Internet.

Registrar and Transfer Agent

Inquiries about stock transfers, address changes or IDEX's dividend reinvestment program should be directed to:

Harris Trust and Savings Bank
 311 West Monroe Street
 Chicago, Illinois 60690
 (312) 360-5100

Independent Auditors

Deloitte & Touche LLP
 Two Prudential Plaza
 180 North Stetson Avenue
 Chicago, Illinois 60601

Dividend Policy

IDEX paid a quarterly dividend on its common stock on January 31, 2000, of \$0.14 per share, which is unchanged from last year's quarterly dividend rate. The declaration of future dividends, subject to certain limitations, is within the discretion of the Board of Directors and will depend upon, among other things, business conditions, earnings, and IDEX's financial condition. See Note 8 of the Notes to Consolidated Financial Statements.

Stock Market Information

IDEX common stock was held by an estimated 7,000 shareholders at December 31, 1999, and is traded on the New York Stock Exchange and the Chicago Stock Exchange under the ticker symbol IEX.

Form 10-K

Shareholders may obtain a copy of the Form 10-K filed with the Securities and Exchange Commission by directing a request to IDEX or through its Website at www.idexcorp.com.

Annual Meeting

The Annual Meeting of IDEX Shareholders will be held on Wednesday, April 19, 2000, at 10:00 a.m. in the:

Shareholders Room of Bank of America NT&SA
 231 South LaSalle Street
 Chicago, Illinois 60697

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Stock History

[GRAPH APPEARS HERE]

Quarterly Stock Price

[GRAPH APPEARS HERE]

SUBSIDIARIES OF IDEX CORPORATION

SUBSIDIARY	JURISDICTION OF INCORPORATION	OTHER NAME WHICH DOING BUSINESS IF ANY
BAND-IT-IDEX, INC.	DELAWARE	
BAND-IT COMPANY LTD.	UNITED KINGDOM	
BAND-IT CLAMPS (ASIA) PTE., LTD.	SINGAPORE	
BAND-IT R.S.A. (PTY) LTD. (51% OWNED)	SOUTH AFRICA	
CORKEN, INC.	DELAWARE	
IDEX HOLDINGS, INC.	DELAWARE	
IDEX FINANCE, INC.	DELAWARE	
FAST LLC	DELAWARE	
FAST SRL	ITALY	
FAST IBERICA S.A.	SPAIN	
FAST U.K. LTD.	UNITED KINGDOM	
FLUID MANAGEMENT, INC.	DELAWARE	
FLUID MANAGEMENT EUROPE B.V.	NETHERLANDS	
FLUID MANAGEMENT U.K., LTD.	UNITED KINGDOM	
FLUID MANAGEMENT FRANCE SARL	FRANCE	
FLUID MANAGEMENT ESPANA SLU	SPAIN	
FLUID MANAGEMENT EASTERN EUROPE SP. Z O.O.	SWEDEN	
FLUID MANAGEMENT GMBH	GERMANY	
FLUID MANAGEMENT AUSTRALIA PTY., LTD.	AUSTRALIA	
FLUID MANAGEMENT CANADA, INC.	CANADA	
FLUID MANAGEMENT SERVICOS E VENDAS LTD.	BRAZIL	
GAST MANUFACTURING, INC.	MICHIGAN	
GAST ASIA, INC.	MICHIGAN	
GAST FSC, INC.	U.S. VIRGIN ISLANDS	
GAST MANUFACTURING COMPANY LTD.	UNITED KINGDOM	
HALE PRODUCTS, INC.	PENNSYLVANIA	
HALE PRODUCTS EUROPE GMBH	GERMANY	
GODIVA PRODUCTS LTD.	UNITED KINGDOM	
GODIVA LIMITED	UNITED KINGDOM	
HALE PRODUCTS EUROPE LIMITED	UNITED KINGDOM	
GINSWAT LTD. (35% OWNED)	HONG KONG	
HALE PRODUCTS BET. GMBH	GERMANY	
LUKAS HYDRAULIK VER. GMBH	GERMANY	
LUKAS HYDRAULIK GMBH & CO. KG	GERMANY	
LUBRIQUIP, INC.	DELAWARE	
MICROPUMP, INC.	DELAWARE	
MICROPUMP LIMITED	UNITED KINGDOM	
PULSAFEEDER, INC.	DELAWARE	
PULSAFEEDER PTE., LTD.	SINGAPORE	
KNIGHT, INC.	DELAWARE	
KNIGHT INTERNATIONAL B.V.	NETHERLANDS	
KNIGHT EQUIPMENT INTERNATIONAL B.V.	NETHERLANDS	
KNIGHT U.K. LTD.	UNITED KINGDOM	
KNIGHT EQUIPMENT AUSTRALIA PTY., LTD.	AUSTRALIA	
KNIGHT EQUIPMENT (CANADA) LTD.	CANADA	
SIGNFIX HOLDINGS LIMITED	UNITED KINGDOM	
SIGNFIX LIMITED	UNITED KINGDOM	
TESPA GMBH	GERMANY	
VIKING PUMP, INC.	DELAWARE	
VIKING PUMP (EUROPE) LTD.	IRELAND	
JOHNSON PUMP (UK) LTD.	UNITED KINGDOM	
VIKING PUMP OF CANADA, INC.	ONTARIO	
VIKING PUMP LATIN AMERICA S.A. DE C.V.	MEXICO	
WARREN RUPP, INC.	DELAWARE	MARATHON PUMP COMPANY
WARREN RUPP (EUROPE) LTD.	IRELAND	
BLAGDON PUMP HOLDINGS, LTD.	UNITED KINGDOM	
BLAGDON PUMP LTD.	UNITED KINGDOM	
IDEX FOREIGN SALES CORP.	BARBADOS	

INDEPENDENT AUDITORS' CONSENT

IDEX Corporation:

We consent to the incorporation by reference in the Registration Statement of IDEX Corporation on Form S-3 (File Number 333-41627) and in the Registration Statements of IDEX Corporation on Form S-8 (File Numbers 33-47678, 33-56586, 33-67688 and 333-18643) of our reports dated January 18, 2000, appearing in and incorporated by reference in this Annual Report on Form 10-K of IDEX Corporation for the year ended December 31, 1999.

Deloitte & Touche LLP

Chicago, Illinois
February 4, 2000

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JAN-01-1999
DEC-31-1999
2,895
0
103,939
3,134
106,141
213,715
273,729
143,812
738,567
91,634
268,589
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0
296
328,728
738,567
655,041
655,041
398,557
550,364
(568)
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18,020
87,225
32,797
54,428
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0
54,428
1.84
1.81