



Fluid & Metering



Health & Science



Fire & Safety /
Diversified

Second Quarter 2022 Earnings
July 27, 2022



Trusted Solutions,
Improving Lives™

Agenda

IDEX Business Overview

Q2 2022 Financial Performance

Segment Performance

2022 Guidance Summary

Q&A



Replay Information

- Dial toll-free: 877.660.6853
- International: 201.612.7415
- Conference ID: #13724804
- Log on to: www.idexcorp.com



Cautionary Statement

Cautionary Statement Under the Private Securities Litigation Reform Act; Non-GAAP Measures

This presentation contains “forward-looking” statements within the meaning of the Private Securities Litigation Reform Act of 1995, as amended. These statements may relate to, among other things, the Company’s expected organic sales growth and expected earnings per share, and the assumptions underlying these expectations, anticipated future acquisition behavior and capital deployment, availability of cash and financing alternatives, the intent to refinance or repay the Notes using the available borrowing capacity of the Revolving Facility, the anticipated benefits of the Company’s acquisitions, including the acquisitions of Airtech, Nexsight, LLC and its businesses Envirosight, WinCan, MyTana and Pipeline Renewal Technologies (“Nexsight”), KZValve and ABEL, and are indicated by words or phrases such as “anticipates,” “estimates,” “plans,” “guidance,” “expects,” “projects,” “forecasts,” “should,” “could,” “will,” “management believes,” “the Company believes,” “the Company intends” and similar words or phrases. These statements are subject to inherent uncertainties and risks that could cause actual results to differ materially from those anticipated at the date of this presentation. The risks and uncertainties include, but are not limited to, the following: the impact of health epidemics and pandemics, including the COVID-19 pandemic, and the impact of related governmental actions, on the Company’s ability to operate its business and facilities, on its customers, on supply chains and on the U.S. and global economy generally; economic and political consequences resulting from terrorist attacks and wars, including Russia’s invasion of Ukraine and the global response to this invasion, which, along with the ongoing effects of the COVID-19 pandemic, could have an adverse impact on the Company’s business by creating disruptions in the global supply chain and by potentially having an adverse impact on the global economy; levels of industrial activity and economic conditions in the U.S. and other countries around the world, including uncertainties in the financial markets; pricing pressures, including inflation and rising interest rates, 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; the Company’s ability to make acquisitions and to integrate and operate acquired businesses on a profitable basis; the relationship of the U.S. dollar to other currencies and its impact on pricing and cost competitiveness; political and economic conditions in foreign countries in which the Company operates; developments with respect to trade policy and tariffs; interest rates; capacity utilization and the effect this has on costs; labor markets; supply chain backlogs, including risks affecting component availability, labor inefficiencies and freight logistical challenges; market conditions and material costs; risks related to environmental, social and corporate governance (“ESG”) issues, including those related to climate change and sustainability; and developments with respect to contingencies, such as litigation and environmental matters. Additional factors that could cause actual results to differ materially from those reflected in the forward-looking statements include, but are not limited to, the risks discussed in the “Risk Factors” section included in the Company’s most recent annual report on Form 10-K and the Company’s subsequent quarterly reports filed with the Securities and Exchange Commission (“SEC”) and the other risks discussed in the Company’s filings with the SEC. The forward-looking statements included here are only made as of the date of this presentation, and management undertakes no obligation to publicly update them to reflect subsequent events or circumstances, except as may be required by law. Investors are cautioned not to rely unduly on forward-looking statements when evaluating the information presented here.

This presentation contains non-GAAP financial information. Reconciliations of non-GAAP measures are included either in this presentation or our earnings release for the three-month period ending June 30, 2022, which is available on our website.



Business Update



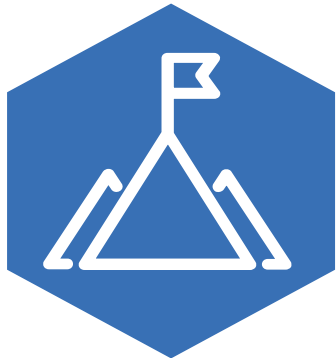
*Trusted Solutions,
Improving Lives™*

IDEX Overview



Strong Demand Continues

- Record Sales and continued backlog build
- Organic sales growth of 12%
- Double-digit growth across all three segments



Driving Operational Excellence

- Managing supply chain environment
- Lead times providing competitive advantage
- Price-cost trending toward historic levels



Focused Capital Deployment

- Completed KZValve acquisition
- Invested \$20 million in capex and growth resources
- Deployed \$88 million for share repurchases
- Increased quarterly dividend by 11%



Financials



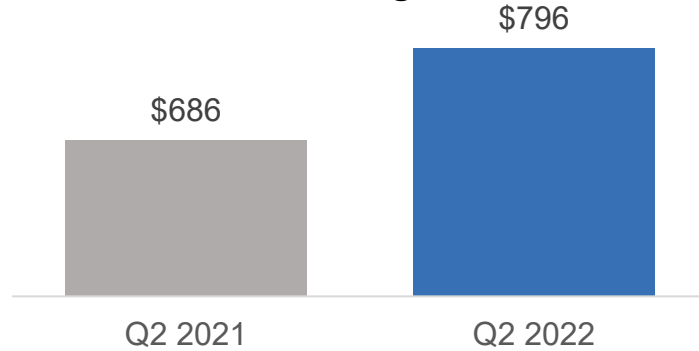
*Trusted Solutions,
Improving Lives™*

IDEX Q2 2022 Financial Performance

(Dollars in millions, excl. EPS)

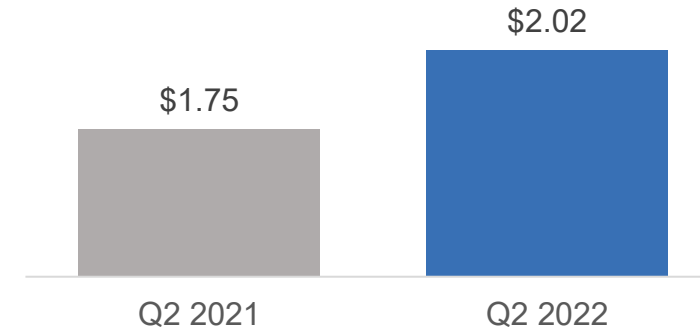
Sales

+12% Organic*



Adjusted Earnings per Share*

15% Increase

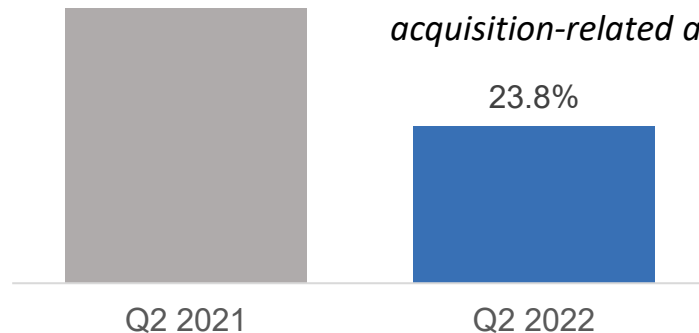


Adjusted Operating Margin*

60 bps decrease

24.4%

Q2 2022 includes incremental impact of acquisition-related amortization of (80) bps*

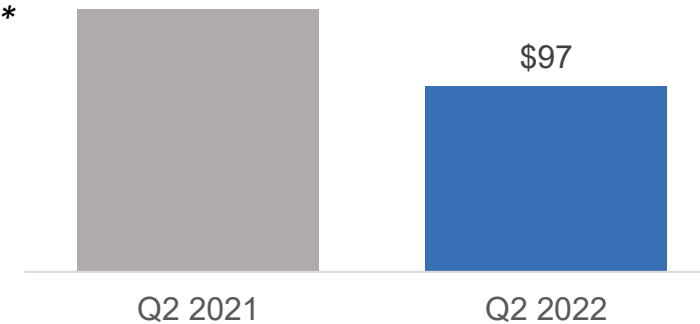


Free Cash Flow*

20% decrease

\$120

\$97



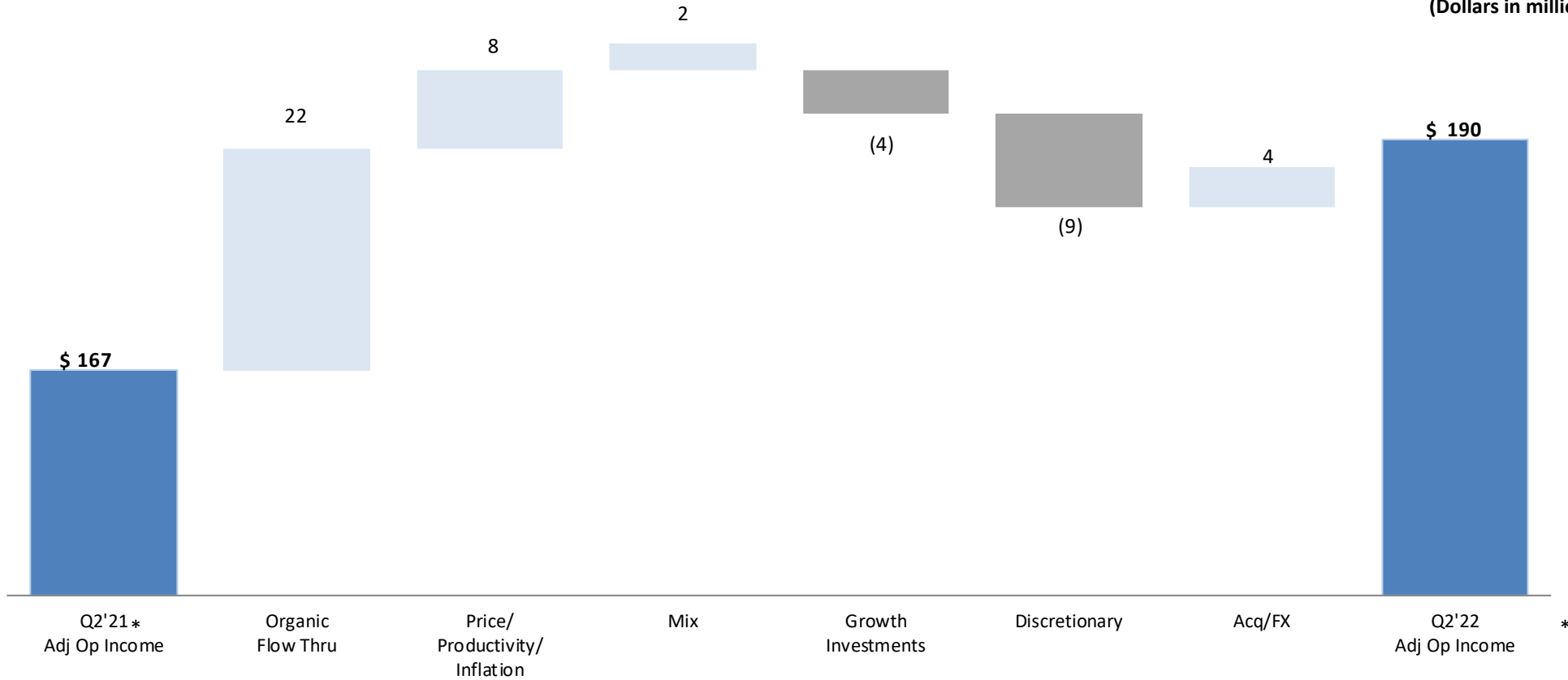
Strong Revenue, Profitability, and Earnings



Trusted Solutions,
Improving Lives™

2022 Adjusted Operating Income Walk

(Dollars in millions)



Volume and productivity partly offset by growth investments and discretionary spend



IDEX Segment Performance



Fluid & Metering Technology

Q2 Revenue \$300M / 38% of Total

- Stable Industrial market
- Strong Water & Ag market
- Improving Energy

Organic Orders V%	8%
Organic Sales V%*	13%
Adj Op Margin vbps*	+170

Q2 2022 includes incremental impact of acquisition-related amortization of (60) bps*



Health & Science Technology

Q2 Revenue \$326M / 41% of Total

- Strong secular growth trends
- Genetic sequencing strong
- Semi and broadband wins

Organic Orders V%	13%
Organic Sales V%*	12%
Adj Op Margin vbps*	(130)

Q2 2022 includes incremental impact of acquisition-related amortization of (130) bps*



Fire & Safety / Diversified

Q2 Revenue \$171M / 21% of Total

- Dispensing project deliveries
- Share gain in Auto / Energy
- Strong Rescue targeted growth

Organic Orders V%	(5%)
Organic Sales V%*	11%
Adj Op Margin vbps*	(280)

*This presentation contains non-GAAP financial information. Reconciliations of non-GAAP measures are included either in this presentation or our earnings release for the three-month period ending June 30, 2022, which is available on our website.

2022 Guidance Summary

		Third Quarter		Full Year	
		Current Guidance		Prior Guidance	Current Guidance
Revenue% vs. Prior Year	Organic*	9-10%		6-8%	~10%
Operating Margin%	Reported	~24%		~24%	~24%
Earnings per Share	Reported	\$1.80-\$1.85		\$6.87-\$7.00	\$7.19-\$7.29
	Adjusted*	\$1.98-\$2.03		\$7.50-\$7.63	\$7.88-\$7.98

Other Modeling Items:

FX Impact on Sales	-3% -a)	-1% -b)	-3% -a)
Acquisition impact on Sales	4%	4%	5%
Corporate Costs	\$23 million	~\$80 million	~\$80 million
Tax Rate	22.5%	22.5%	22.5%
Capital Expenditures		\$90+ million	\$90+ million
Free Cash Flow % of Adjusted Net Income		~105%	75-80%

(a - Based on 6/30/2022 FX rate

(b - Based on 3/31/2022 FX rate

Earnings per share estimates exclude all future acquisitions and any future restructuring expenses



Trusted Solutions,
Improving Lives™

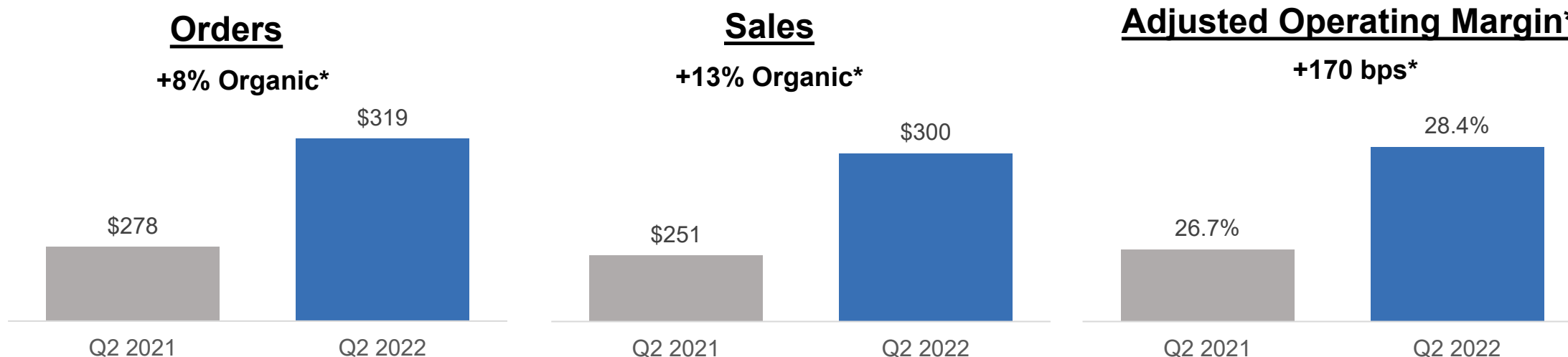
Appendix



*Trusted Solutions,
Improving Lives™*

Fluid & Metering Technologies

(Dollars in millions)



Q2 Highlights:

- ❑ Steady Industrial demand
- ❑ Strong Agriculture market with tailwind to Precision Ag applications
- ❑ Increasing Municipal Water project activity
- ❑ Incremental amortization related to the Nexsight and KZValve acquisitions unfavorably impacted adjusted operating margin by 60 basis points.
- ❑ Strong volume, productivity, and favorable price-cost driving margin expansion

Q2 Sales Mix:		
Organic		13%
Acquisition		9%
FX		<u>(3%)</u>
Reported Sales		19%

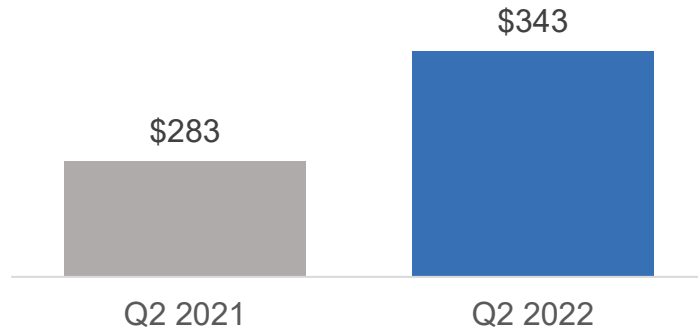
Strong growth and margin expansion



Health & Science Technologies

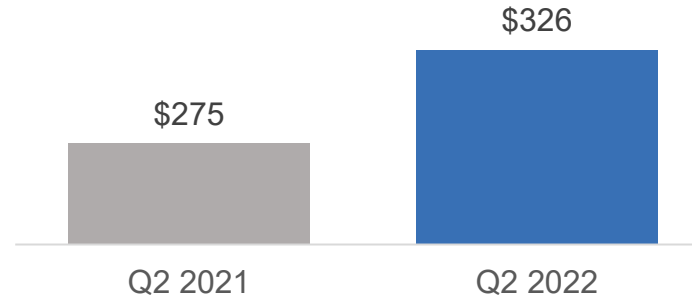
Orders

+13% Organic*



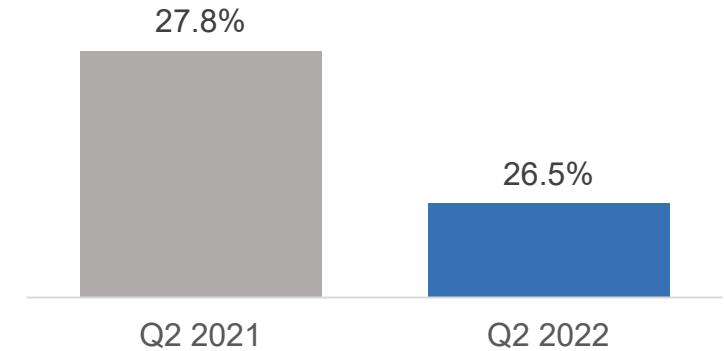
Sales

+12% Organic*



Adjusted Operating Margin*

-130 bps*



Q2 Highlights:

- ❑ Strong Life Sciences, Analytical Instrumentation, Semiconductor, Food & Pharma
- ❑ Continued wins in Genetic Sequencing, Broadband, and Semiconductor
- ❑ Automotive remains challenged due to chip shortages
- ❑ Incremental amortization related to the Airtech acquisition unfavorably impacted adjusted operating margin by 130 basis points
- ❑ Volume leverage offset by discretionary/resource spend

Q2 Sales Mix:		
Organic		12%
Acquisition		10%
FX		<u>(3%)</u>
Reported Sales		19%

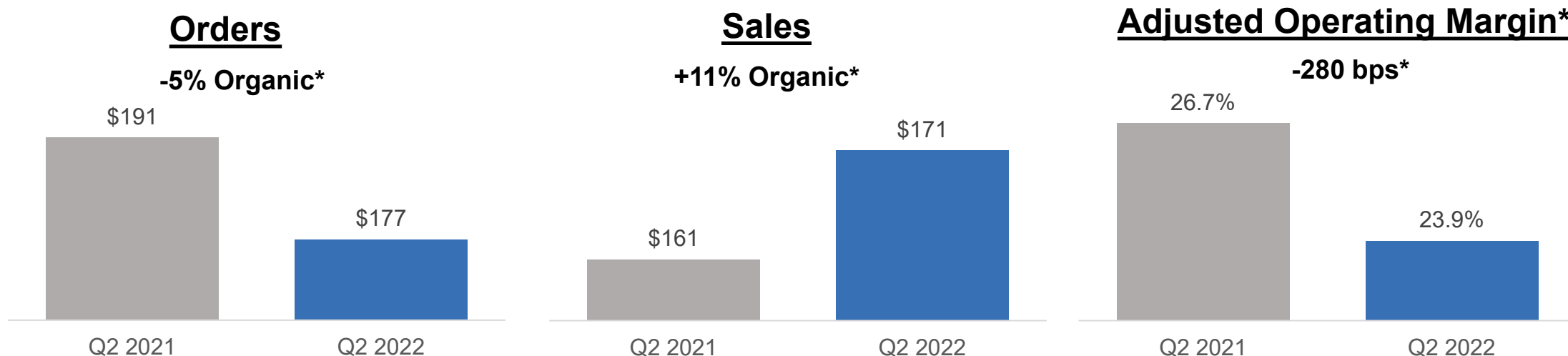
Strong growth enables reinvestment



*This presentation contains non-GAAP financial information. Reconciliations of non-GAAP measures are included either in this presentation or our earnings release for the three-month period ending June 30, 2022, which is available on our website.

Fire & Safety / Diversified Products

(Dollars in millions)



Q2 Sales Mix:		
Organic		11%
FX		(4%)
Reported Sales		7%

Q2 Highlights:

- ❑ Orders driven by non-repeat of Dispensing North America Project Orders from 2021
- ❑ BAND-IT strong Energy and Industrial and share gain in Automotive
- ❑ Strong adoption of E3 Rescue tool
- ❑ Fire continues to lag due to supply chain issues with OEMs but some modest improvement
- ❑ Margin compression mainly driven by unfavorable price/cost
- ❑ Expect price/cost improvement in second half 2022

Strong growth with price-cost tempering margin performance



Reconciliation of Non-GAAP Measures

This information reconciles non-GAAP measures (denoted with a *) with the most directly comparable GAAP measure.
(dollars in millions, except per share amounts)

Reconciliation of the Change in Net Sales to Organic Net Sales

	Three Months Ended June 30, 2022			
	FMT	HST	FSDP	IDEX
Change in net sales	19%	19%	7%	16%
- Net impact from acquisitions/divestitures	9%	10%	—%	7%
- Impact from foreign currency	(3%)	(3%)	(4%)	(3%)
Change in organic net sales	13%	12%	11%	12%



Reconciliation of Non-GAAP Measures

This information reconciles non-GAAP measures (denoted with a *) with the most directly comparable GAAP measure.
(dollars in millions, except per share amounts)

Reconciliation of Reported-to-Adjusted Operating Income and Margin

Three Months Ended June 30,

	2022					2021				
	FMT	HST	FSDP	Corporate	IDEX	FMT	HST	FSDP	Corporate	IDEX
Reported operating income (loss)	\$ 82.9	\$ 86.5	\$ 39.9	\$ (22.7)	\$ 186.6	\$ 63.5	\$ 76.0	\$ 42.8	\$(24.0)	\$ 158.3
+ Restructuring expenses and asset impairments	1.7	0.1	1.0	—	2.8	1.9	0.5	0.1	0.7	3.2
+ Fair value inventory step-up charges	0.4	—	—	—	0.4	1.8	—	—	—	1.8
+ Corporate transaction indemnity	—	—	—	—	—	—	—	—	3.9	3.9
Adjusted operating income (loss)	<u>\$ 85.0</u>	<u>\$ 86.6</u>	<u>\$ 40.9</u>	<u>\$ (22.7)</u>	<u>\$ 189.8</u>	<u>\$ 67.2</u>	<u>\$ 76.5</u>	<u>\$ 42.9</u>	<u>\$(19.4)</u>	<u>\$ 167.2</u>
Net sales (eliminations)	\$ 299.9	\$ 326.0	\$ 171.2	\$ (1.0)	\$ 796.1	\$ 251.3	\$ 275.0	\$ 160.8	\$ (1.1)	\$ 686.0
Reported operating margin	27.7%	26.5%	23.3%	n/m	23.4%	25.3%	27.6%	26.6%	n/m	23.1%
Adjusted operating margin	28.4%	26.5%	23.9%	n/m	23.8%	26.7%	27.8%	26.7%	n/m	24.4%



Reconciliation of Non-GAAP Measures

This information reconciles non-GAAP measures (denoted with a *) with the most directly comparable GAAP measure. (dollars in millions, except per share amounts)

Reconciliation of Reported-to-Adjusted Net Income

	Three Months Ended June 30,	
	2022	2021
Reported net income attributable to IDEX	\$ 138.2	\$ 102.2
+ Restructuring expenses and asset impairments	2.8	3.2
+ Tax impact on restructuring expenses and asset impairments	(0.7)	(0.9)
+ Fair value inventory step-up charges	0.4	1.8
+ Tax impact on fair value inventory step-up charges	(0.1)	(0.5)
- Gains on sales of assets	—	—
+ Tax impact on gains on sales of assets	—	—
+ Corporate transaction indemnity	—	3.9
+ Tax impact on Corporate transaction indemnity	—	(0.9)
+ Loss on early debt redemption	—	8.6
+ Tax impact on loss on early debt redemption	—	(1.8)
+ Termination of the U.S. pension plan	—	9.7
+ Tax impact on termination of the U.S. pension plan	—	(2.1)
+ Acquisition-related intangible asset amortization	16.9	13.5
+ Tax impact on acquisition-related intangible asset	(3.9)	(3.1)
Adjusted net income attributable to IDEX	\$ 153.6	\$ 133.6



Reconciliation of Non-GAAP Measures

This information reconciles non-GAAP measures (denoted with a *) with the most directly comparable GAAP measure. (dollars in millions, except per share amounts)

Reconciliation of Reported-to-Adjusted EPS

	Three Months Ended June 30,	
	2022	2021
Reported diluted EPS attributable to IDEX	\$ 1.81	\$ 1.34
+ Restructuring expenses and asset impairments	0.04	0.04
+ Tax impact on restructuring expenses and asset impairments	(0.01)	(0.01)
+ Fair value inventory step-up charges	—	0.02
+ Tax impact on fair value inventory step-up charges	—	(0.01)
- Gains on sales of assets	—	—
+ Tax impact on gains on sales of assets	—	—
+ Corporate transaction indemnity	—	0.05
+ Tax impact on Corporate transaction indemnity	—	(0.01)
+ Loss on early debt redemption	—	0.11
+ Tax impact on loss on early debt redemption	—	(0.02)
+ Termination of the U.S. pension plan	—	0.13
+ Tax impact on termination of the U.S. pension plan	—	(0.03)
+ Acquisition-related intangible asset amortization	0.22	0.18
+ Tax impact on acquisition-related intangible asset	(0.04)	(0.04)
Adjusted diluted EPS attributable to IDEX	\$ 2.02	\$ 1.75
Diluted weighted average shares outstanding	76.1	76.4



Reconciliation of Non-GAAP Measures

This information reconciles non-GAAP measures (denoted with a *) with the most directly comparable GAAP measure.
(dollars in millions, except per share amounts)

Reconciliation of Cash Flows from Operating Activities to Free Cash Flow

	Three Months Ended June 30,	
	2022	2021
Cash flows from operating activities	\$ 112.3	\$ 136.3
- Capital expenditures	15.6	16.0
Free cash flow	<u>\$ 96.7</u>	<u>\$ 120.3</u>



Reconciliation of Non-GAAP Measures

This information reconciles non-GAAP measures (denoted with a *) with the most directly comparable GAAP measure.
(dollars in millions, except per share amounts)

Reconciliation of Estimated 2022 EPS to Adjusted EPS Attributable to IDEX

	Guidance	
	Third Quarter 2022	Full Year 2022
Estimated EPS attributable to IDEX	\$1.80 - \$1.85	\$7.19 - \$7.29
+ Acquisition-related intangible asset amortization	0.22	0.88
+ Tax impact on acquisition-related intangible asset amortization	(0.04)	(0.20)
- Gains on sales of assets	—	(0.03)
+ Tax impact on gains on sales of assets	—	0.01
+ Restructuring expenses and asset impairments	—	0.04
+ Tax impact on restructuring expenses and asset impairments	—	(0.01)
+ Fair value inventory step-up charges	—	—
+ Tax impact on fair value inventory step-up charges	—	—
Estimated adjusted EPS attributable to IDEX	\$1.98 - \$2.03	\$7.88 - \$7.98

