



Fluid & Metering



Health & Science



Fire & Safety /
Diversified

Fourth Quarter & Full Year 2021 Earnings
February 2, 2022



Trusted Solutions,
Improving Lives™

Agenda

IDEX Business Overview

- IDEX Overview
- 2022 Segment Outlook

Financials

- Q4 & Full Year Performance
- Full Year Operating Income Walk

2022 Guidance

Q&A



Replay Information

- Dial toll-free: 877.660.6853
- International: 201.612.7415
- Conference ID: #13724802
- Log on to: www.idexcorp.com



Cautionary Statement

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

This presentation and discussion will include “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, plant and equipment capacity for future growth, the duration of supply chain challenges, anticipated future acquisition behavior, availability of cash and financing alternatives, the anticipated timing of the closing of the Company’s acquisition of Nexsight and the anticipated benefits of the Company’s acquisitions of ABEL Pumps, Airtech, and Nexsight, 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 news release. The risks and uncertainties include, but are not limited to, the following: the duration of the COVID-19 pandemic and the continuing effects of the COVID-19 pandemic (including the emergence of variant strains) on our ability to operate our business and facilities, on our customers, on supply chains and on the U.S. and global economy generally; economic and political consequences resulting from terrorist attacks and wars; 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; 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; 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 SEC as well as the other risks discussed in the Company’s filings with the SEC. The forward-looking statements included in this presentation and discussion are only made as of today’s date, 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 in this presentation and discussion.

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Business Update



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IDEX Overview



Strong Year in a Challenging Environment

- Record financial results
- Strong rebound in demand
- Margin expansion despite inflationary environment
- All time high capital deployment



Manage the Short Term with Focus on the Long Term

- Supply chain disruptions persist in near term
- Continued organic investments
- Ample capital available to support M&A strategy
- Nexsight acquisition to close in first quarter 2022



2022 Segment Outlook

Fluid & Metering Technology



FY Revenue \$999M / 36% of Total

- Positive industrial book & ship
- Energy & Chemical improving
- Large projects lag in first half '22

Health & Science Technology



FY Revenue \$1,122M / 41% of Total

- Strong secular growth trends
- Wins in Life Science & Semicon
- Well positioned for Auto recovery

Fire & Safety / Diversified



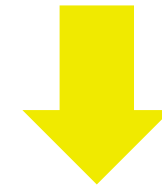
FY Revenue \$648M / 23% of Total

- Fire & Rescue OEM challenges
- Paint capital investment slowing
- Aero & Auto bounce

Key
Market
Drivers

Growth vs
IDEX 5-8%
Guide

Key
Margin
Drivers



- Strong Price/Cost
- Site consolidation benefits
- Balanced OpEx & Investment

- Favorable Price/Cost
- Leverage on strong volume
- Significant growth investments

- Rebounding Price/Cost
- Marginal mix pressure
- Targeted investments

Financials

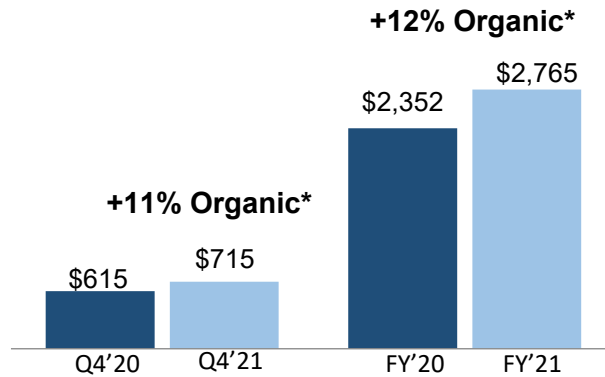


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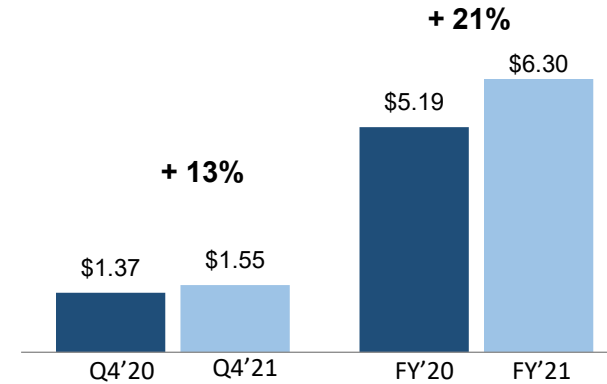
IDEX 2021 Financial Performance

(Dollars in millions, excl. EPS)

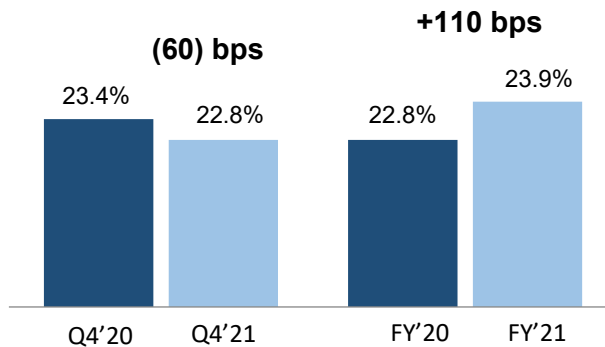
Sales



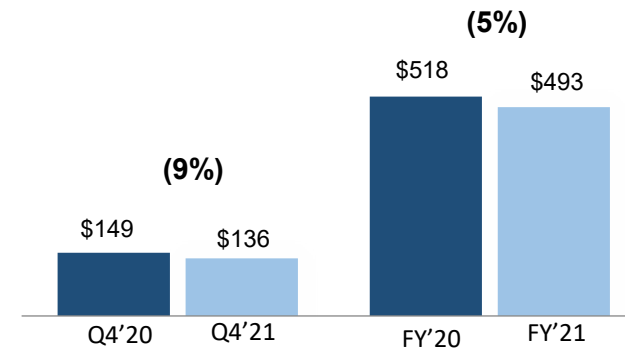
Adjusted Earnings Per Share*



Adjusted Operating Margin*



Free Cash Flow*



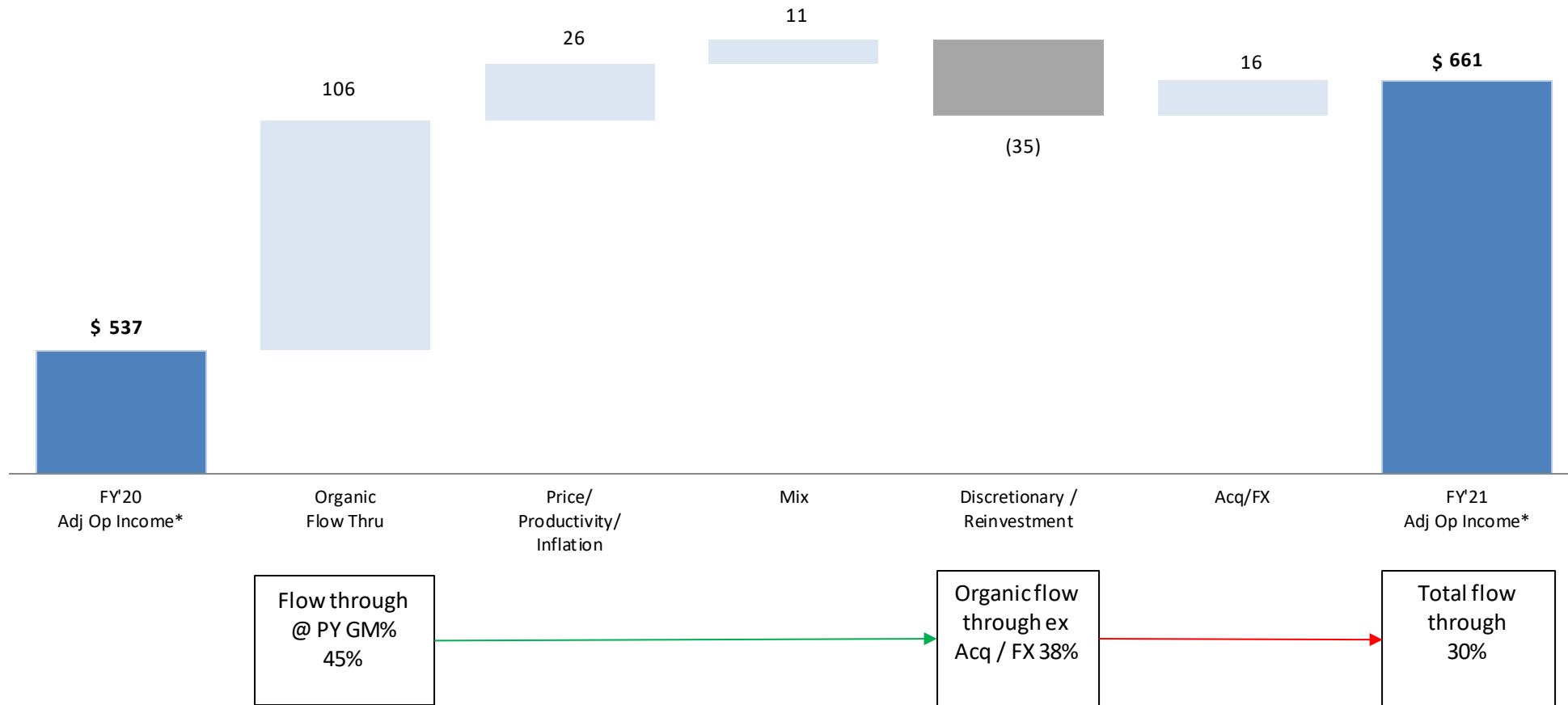
Strong Revenue, Profitability, Earnings, and Cash Generation

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2021 Adjusted Operating Income Walk

(Dollars in millions)



Volume rebound and strong demand tempered by supply chain pressure and reinvestment



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2022 Guidance Summary

Q1 2022

GAAP EPS estimate range: \$1.57 – \$1.60 and Adjusted EPS estimate range*: \$1.73 - \$1.76

Reported Revenue Growth of 9 - 10% and Organic revenue growth*: 6% - 7%

Operating margin: ~23.0%

Tax rate: ~22.5%

FX impact: ~(1%) unfavorable topline impact based on December 31, 2021 FX rates

Acquisition impact: ~4% favorable top line impact.

Corporate costs: ~\$19 million

FY 2022

GAAP EPS estimate range: \$6.70 – \$7.00 and Adjusted EPS range*: \$7.33 - \$7.63

Reported Revenue Growth of 6 - 9% and Organic revenue growth*: 5% – 8%

Operating margin: ~24%

FX impact: ~(1%) unfavorable topline impact based on December 31, 2021 FX rates

Acquisition impact: ~2% favorable top line impact.

Other modeling items:

- Tax rate: ~22.5%
- Cap Ex: \$90M+
- Free cash flow expected to be approximately 105% of adjusted net income
- Corporate costs: approximately \$80 million
- EPS estimate excludes all future acquisitions and any future restructuring expenses
- EPS ranges exclude Nexsight acquisition

4Q 2021 Adjusted, Restated EPS* = \$1.71
FY 2021 Adjusted, Restated EPS* = \$6.87



2022 Guidance Bridge

Figures below are reported net of taxes

FY 2021 Actuals - Reported

Restructuring expenses and asset impairments
 Fair value inventory step-up charges
 Loss on early debt redemption
 Termination of the U.S. pension plan, net of curtailment
 Corporate transaction indemnity

FY 2021 Actuals - Adjusted

Amortization of intangible assets

FY 2021 Actuals - Adjusted, Restated

Organic Growth 5-8% (Incl Price/Cost)
 Net Productivity
 Growth Investments
 Discretionary Spend Rebound
 Acquisition / Divestiture
 Incremental amortization of intangible assets

Operational Range

Tax Impact
 FX

FY 2022 Guidance Range

	Sales (\$M)	EPS
	\$2,765	\$5.88
	-	0.09
	-	0.11
	-	0.09
	-	0.09
	-	0.04
	\$2,765	\$6.30
	-	0.57
	\$2,765	\$6.87
	\$140 - \$220	\$0.60-0.95
	-	0.20 - 0.25
	-	(0.20) - (0.25)
	-	(0.20) - (0.25)
	54	0.08
		0.05
	\$2,959 - \$3,039	\$7.40 - \$7.70
	7% - 10% growth	8% - 12% growth
	-	-
	\$(25)	(0.07)
	\$2,934 - \$3,014	\$7.33 - \$7.63
	6% - 9% growth	7% - 11% growth



IDEX 2022 Focus



Navigate the Short Term while Innovating for the Future

- Leverage 8020 principles
- Invest for growth
- Solving our customers most challenging problems



Build Great Global Teams

- Develop great leaders and build high performing teams
- Continue Diversity, Equity & Inclusion (DE&I) trajectory
- Diversity and belonging key to long term vitality



Capital Deployment

- Strong cash flow and balance sheet flexibility
- Internal capacity and Industrial automation build out
- Continued ramp in M&A



Appendix

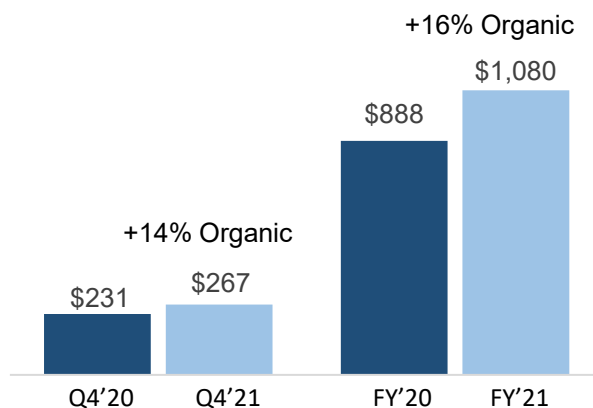


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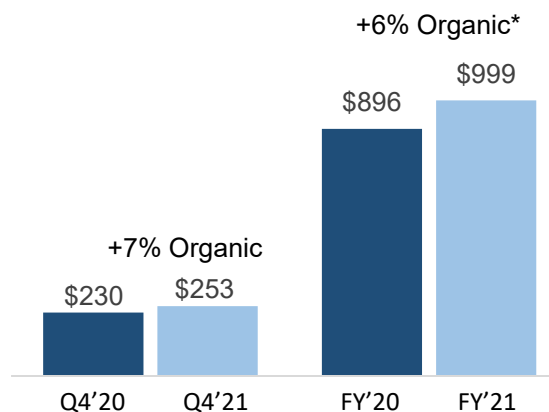
Fluid & Metering Technologies

(Dollars in millions)

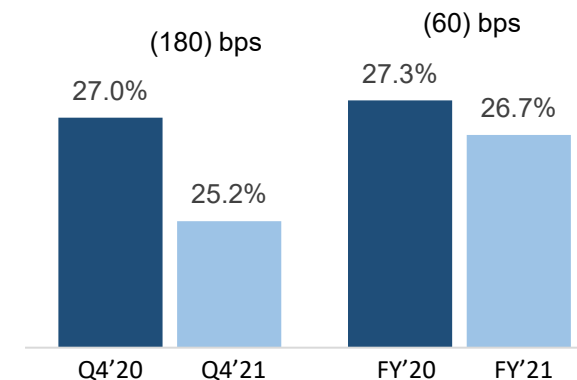
Orders



Sales



Adjusted Operating Margin*



Q4 Sales Mix:		
Organic		7%
Acquisition		4%
FX		<u>(1%)</u>
Reported Sales		10%

Q4 Highlights:

- ❑ FMT organic sales for the year excluding Flow MD would have been 11%
- ❑ Industrial market order rates increased sequentially vs third quarter
- ❑ Agriculture remains positive as crop price and farmer sentiment grow
- ❑ Water has remained stable as we see increasing project activity
- ❑ Op Margin driven by dilutive impact of acquisitions, resource additions, and discretionary spending rebound, partially offset by favorable price cost.

Continued positive day rate business with lag in larger projects

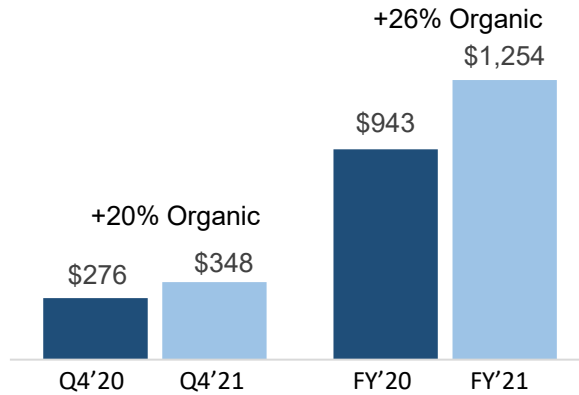
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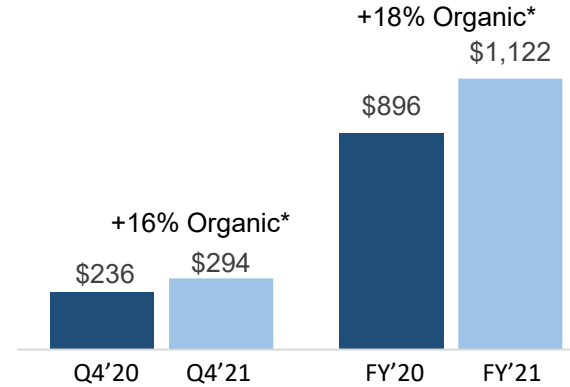
Health & Science Technologies

(Dollars in millions)

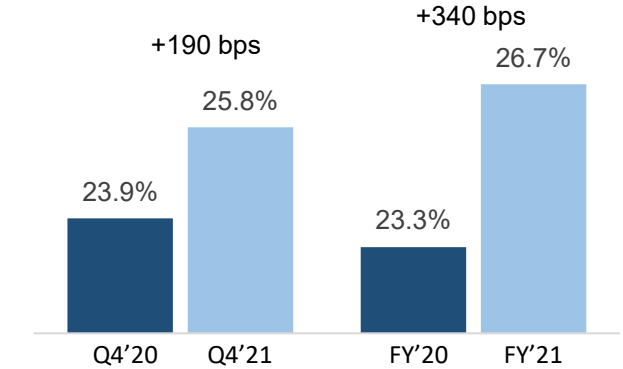
Orders



Sales



Adjusted Operating Margin*



Q4 Highlights:

Q4 Sales Mix:		
Organic		16%
Acquisition		<u>9%</u>
Reported Sales		25%

- ❑ Scientific Fluidics & Optics continued strong AI and Life Sciences growth
- ❑ Sealing Solutions saw continued strength in the Semiconductor market
- ❑ MPT experiencing continued wins in Food and Pharma markets
- ❑ Gast industrial strong 4Q bookings
- ❑ Margin expanding on strong leverage and favorable price/cost partly offset by targeted resource additions and acquisition related amortization

Strong growth on optimized cost position drives profitability

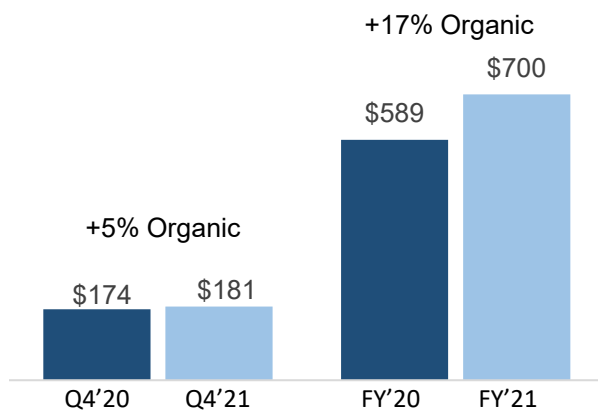


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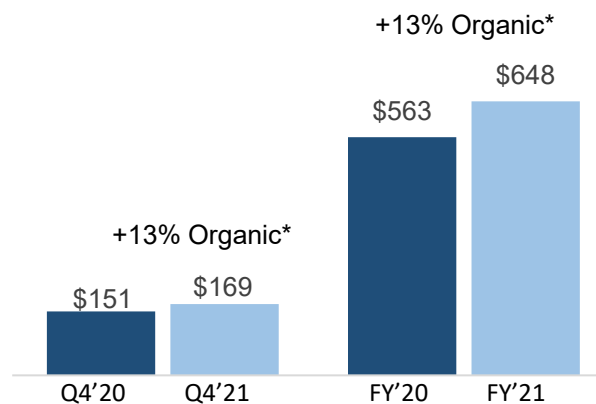
Fire & Safety / Diversified Products

(Dollars in millions)

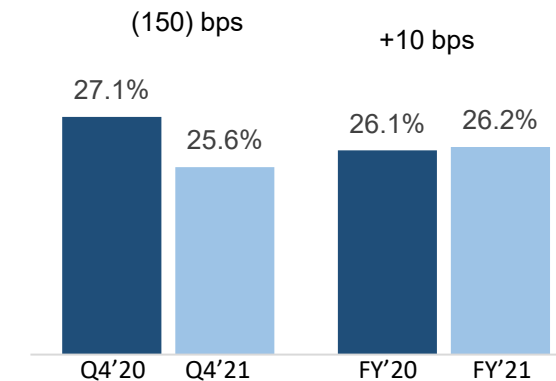
Orders



Sales



Adjusted Operating Margin*



Q4 Sales Mix:	
Organic	13%
FX	(1%)
Reported Sales	12%

Q4 Highlights:

- ❑ Fire & Rescue continues to lag due to supply chain issues with OEMs
- ❑ Band-IT Industrial recovery muted by Automotive and Energy volatility
- ❑ Dispensing strong demand within paint markets globally
- ❑ Profitability impacted by unfavorable price/cost and a rebound in discretionary spending partly offset by volume leverage

Supply Chain factors continue to temper segment performance

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Reconciliation of Non-GAAP Measures

(Dollars in millions excl. EPS)

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

	For the Quarter Ended December 31, 2021				For the Year Ended December 31, 2021			
	FMT	HST	FSDP	IDEX	FMT	HST	FSDP	IDEX
Change in net sales	10%	25%	12%	16%	11%	25%	15%	18%
- Net impact from acquisitions/divestitures	4%	9%	—%	5%	4%	5%	—%	4%
- Impact from foreign currency	(1%)	—%	(1%)	—%	1%	2%	2%	2%
Change in organic net sales	7%	16%	13%	11%	6%	18%	13%	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

	For the Quarter Ended December 31,									
	2021					2020				
	FMT	HST	FSDP	Corporate	IDEX	FMT	HST	FSDP	Corporate	IDEX
Reported operating income (loss)	\$ 63.9	\$ 75.9	\$ 42.8	\$ (20.6)	\$ 162.0	\$ 58.9	\$ 55.8	\$ 40.2	\$ (15.9)	\$ 139.0
+ Restructuring expenses and asset impairments	(0.3)	—	0.4	0.6	0.7	3.1	0.6	0.6	0.7	5.0
+ Fair value inventory step-up charges	—	—	—	—	—	—	—	—	—	—
+ Corporate transaction indemnity	—	—	—	—	—	—	—	—	—	—
Adjusted operating income (loss)	<u>\$ 63.6</u>	<u>\$ 75.9</u>	<u>\$ 43.2</u>	<u>\$ (20.0)</u>	<u>\$ 162.7</u>	<u>\$ 62.0</u>	<u>\$ 56.4</u>	<u>\$ 40.8</u>	<u>\$ (15.2)</u>	<u>\$ 144.0</u>
Net sales (eliminations)	\$ 252.8	\$ 294.1	\$ 168.5	\$ (0.6)	\$ 714.8	\$ 229.6	\$ 235.9	\$ 150.6	\$ (1.3)	\$ 614.8
Reported operating margin	25.3%	25.8%	25.4%	n/m	22.7%	25.7%	23.7%	26.7%	n/m	22.6%
Adjusted operating margin	25.2%	25.8%	25.6%	n/m	22.8%	27.0%	23.9%	27.1%	n/m	23.4%



Reconciliation of Non-GAAP Measures

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(dollars in millions, except per share amounts)

Reconciliation of Reported-to-Adjusted Operating Income and Margin

	For the Year Ended December 31,									
	2021					2020				
	FMT	HST	FSDP	Corporate	IDEX	FMT	HST	FSDP	Corporate	IDEX
Reported operating income (loss)	\$ 259.3	\$ 288.9	\$ 169.3	\$ (80.5)	\$ 637.0	\$ 235.0	\$ 206.4	\$ 144.2	\$ (64.9)	\$ 520.7
+ Restructuring expenses and asset impairments	4.5	1.7	0.5	2.6	9.3	5.6	2.7	2.5	1.0	11.8
+ Fair value inventory step-up charges	2.5	9.1	—	—	11.6	4.1	—	—	—	4.1
+ Corporate transaction indemnity	—	—	—	3.5	3.5	—	—	—	—	—
Adjusted operating income (loss)	<u>\$ 266.3</u>	<u>\$ 299.7</u>	<u>\$ 169.8</u>	<u>\$ (74.4)</u>	<u>\$ 661.4</u>	<u>\$ 244.7</u>	<u>\$ 209.1</u>	<u>\$ 146.7</u>	<u>\$ (63.9)</u>	<u>\$ 536.6</u>
Net sales (eliminations)	\$ 998.7	\$ 1,121.8	\$ 647.9	\$ (3.6)	\$ 2,764.8	\$ 896.3	\$ 896.0	\$ 562.9	\$ (3.6)	\$ 2,351.6
Reported operating margin	26.0%	25.8%	26.1%	n/m	23.0%	26.2%	23.0%	25.6%	n/m	22.1%
Adjusted operating margin	26.7%	26.7%	26.2%	n/m	23.9%	27.3%	23.3%	26.1%	n/m	22.8%



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 attributable to IDEX

	For the Quarter Ended December 31		For the Year Ended December 31	
	2021	2020	2021	2020
Reported diluted EPS attributable to IDEX	\$ 1.55	\$ 1.32	\$ 5.88	\$ 4.94
+ Restructuring expenses and asset impairments	0.01	0.06	0.12	0.15
+ Tax impact on restructuring expenses and asset impairments	—	(0.01)	(0.03)	(0.03)
+ Fair value inventory step-up charges	—	—	0.15	0.05
+ Tax impact on fair value inventory step-up charges	—	—	(0.04)	(0.01)
+ Loss on early debt redemption	—	—	0.11	0.11
+ Tax impact on loss on early debt redemption	—	—	(0.02)	(0.02)
+ Termination of the U.S. pension plan, net of curtailment	(0.01)	—	0.11	—
+ Tax impact on termination of the U.S. pension plan, net of curtailment	—	—	(0.02)	—
+ Corporate transaction indemnity	—	—	0.05	—
+ Tax impact on Corporate transaction indemnity	—	—	(0.01)	—
Adjusted diluted EPS attributable to IDEX - as reported	1.55	1.37	6.30	5.19
+ Acquisition-related intangible asset amortization	0.21	0.14	0.74	0.55
+ Tax impact on acquisition-related intangible asset amortization	(0.05)	(0.04)	(0.17)	(0.13)
Adjusted diluted EPS attributable to IDEX - restated	\$ 1.71	\$ 1.47	\$ 6.87	\$ 5.61
Diluted weighted average shares outstanding	76.5	76.4	76.4	76.4

Note: Starting in 2022, IDEX will revise adjusted EPS attributable to IDEX to exclude the impact of after-tax acquisition-related intangible asset amortization.



Reconciliation of Non-GAAP Measures

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(dollars in millions, except per share amounts)

Reconciliation of Cash Flows from Operating Activities to Free Cash Flow

	For the Quarter Ended December 31,		For the Year Ended December 31,	
	2021	2020	2021	2020
Cash flow from operating activities	\$ 163.1	\$ 161.4	\$ 565.3	\$ 569.3
- Capital expenditures	27.2	12.2	72.7	51.6
Free cash flow	\$ 135.9	\$ 149.2	\$ 492.6	\$ 517.7



Reconciliation of Non-GAAP Measures

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(dollars in millions, except per share amounts)

Reconciliation of Estimated 2022 EPS to Adjusted EPS Attributable to IDEX

	Guidance	
	First Quarter 2022	Full Year 2022
Estimated EPS attributable to IDEX	\$1.57 - \$1.60	\$6.70 - \$7.00
+ Acquisition-related intangible asset amortization	\$0.20	\$0.80
+ Tax impact on acquisition-related intangible asset amortization	\$(0.04)	\$(0.17)
Estimated adjusted EPS attributable to IDEX	\$1.73 - \$1.76	\$7.33 - \$7.63

Note: Starting in 2022, IDEX will revise adjusted EPS attributable to IDEX to exclude the impact of after-tax acquisition-related intangible asset amortization.

