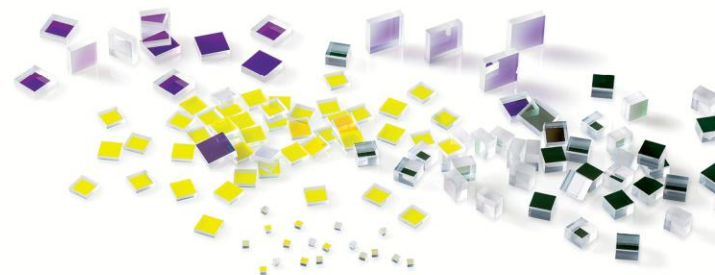
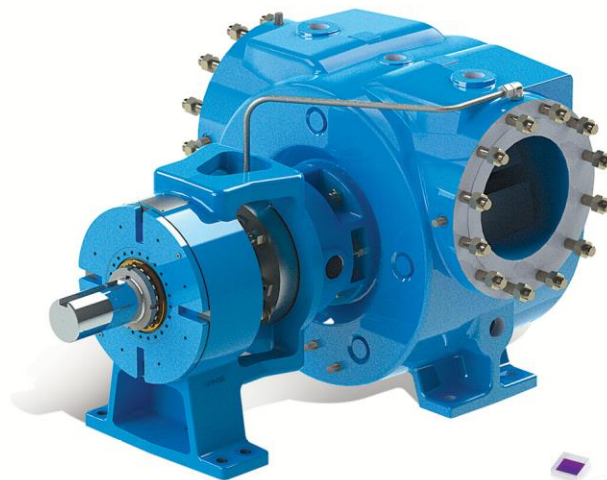


# Fourth Quarter Earnings

JANUARY 29, 2015



## AGENDA

- IDEX's Outlook
- Q4 & 2014 Financial Performance
- Q4 & 2014 Segment Performance
  - Fluid & Metering
  - Health & Science
  - Fire & Safety / Diversified Products
- 2015 Guidance Detail
- Q&A

## REPLAY INFORMATION

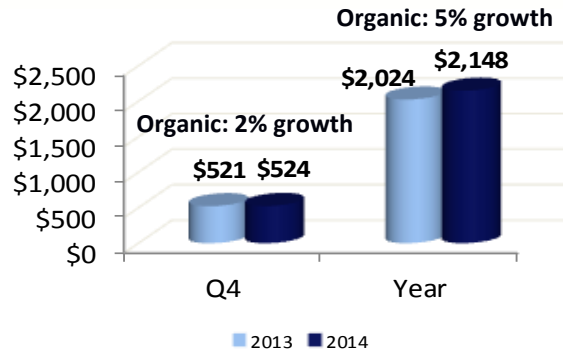
- Dial toll-free: 877.660.6853
- International: 201.612.7415
- Conference ID: #13598705
- Log on to: [www.idexcorp.com](http://www.idexcorp.com)

## Cautionary Statement Under the Private Securities Litigation Reform Act

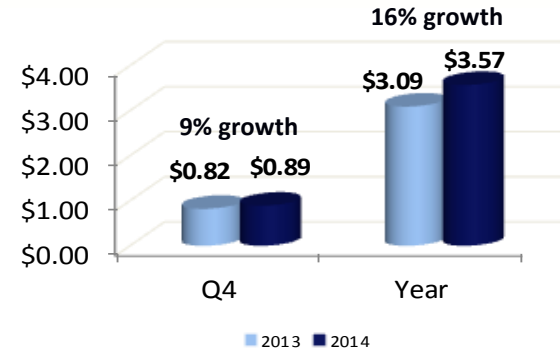
This presentation and discussion will include forward-looking statements.

Our actual performance may differ materially from that indicated or suggested by any such statements. There are a number of factors that could cause those differences, including those presented in our most recent annual report and other company filings with the SEC.

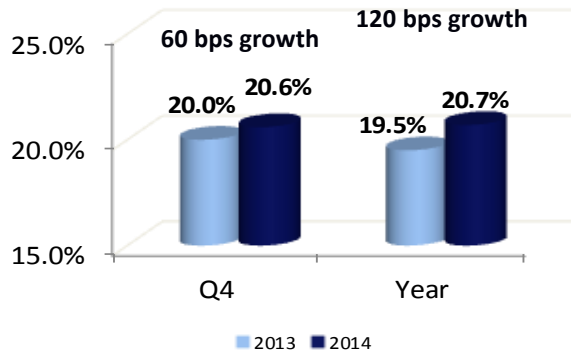
## Revenue



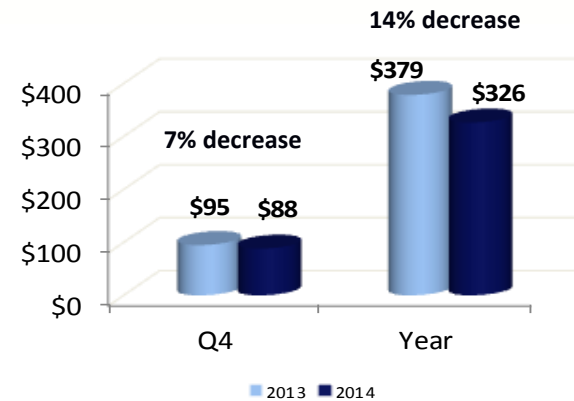
## Adjusted EPS\*



## Adjusted Operating Margin\*



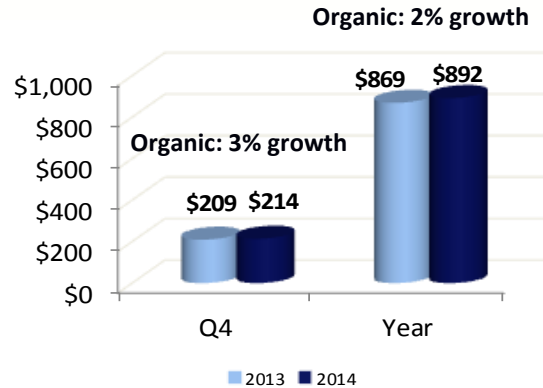
## Free Cash Flow



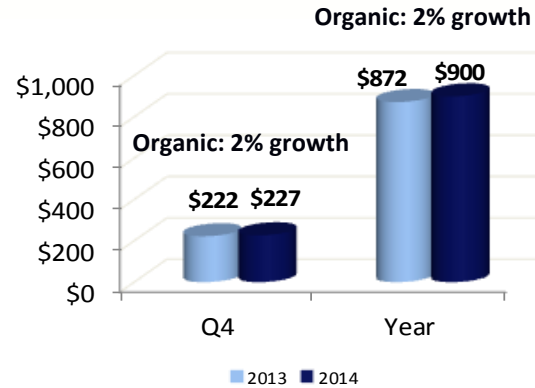
\* 2014 EPS / Operating Margin data adjusted for restructuring expenses (\$13.7M for Q4 and full year)

2014 delivered 5 percent organic sales growth and 120 bps of margin expansion

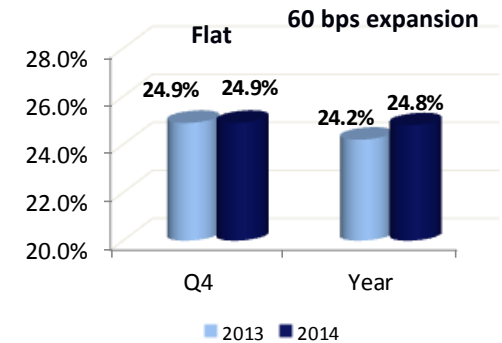
## Orders



## Revenue



## Adjusted Operating Margin\*



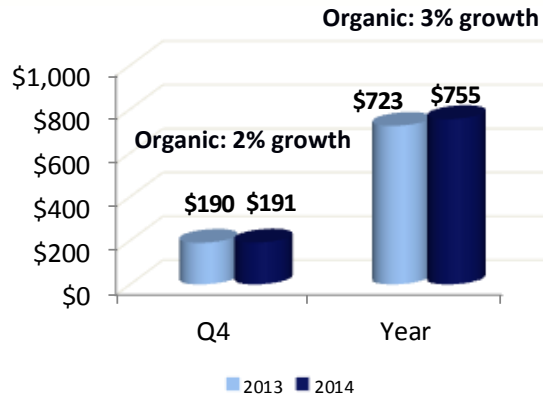
Q4 Revenue Mix:	Component	Change
	Organic	2%
	Acquisition	2%
	Fx	-2%
	Total	2%

### Q4 Summary:

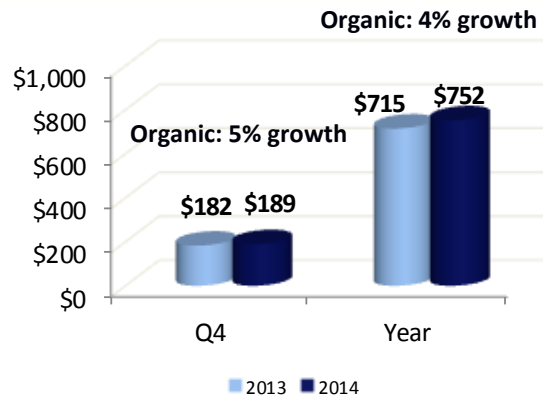
- North American industrial and chemical markets are forecasted to remain solid in 2015
- Energy's core business will feel pressure on project activity, based on the decline of fuel prices
- Water Services growth continues to outpace low-growth municipal spending, driven by share gain from successful new products
- Agriculture market, particularly OEMs, remains soft, but we are positioned to grow in both the aftermarket and industrial markets

\* 2014 Operating Margin data adjusted for restructuring expenses (\$6.4M for Q4 and full year)

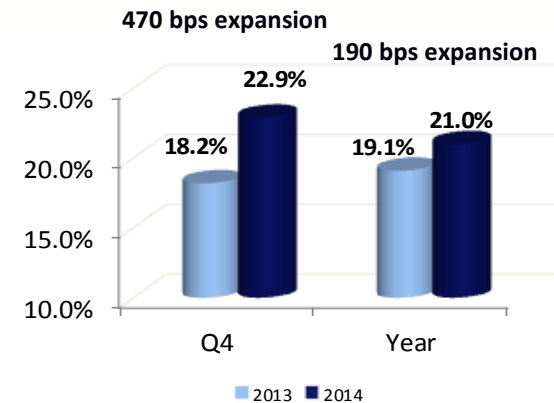
## Orders



## Revenue



## Adjusted Operating Margin\*



Organic	5%
Acquisition	0%
Fx	<u>-1%</u>
Total	4%

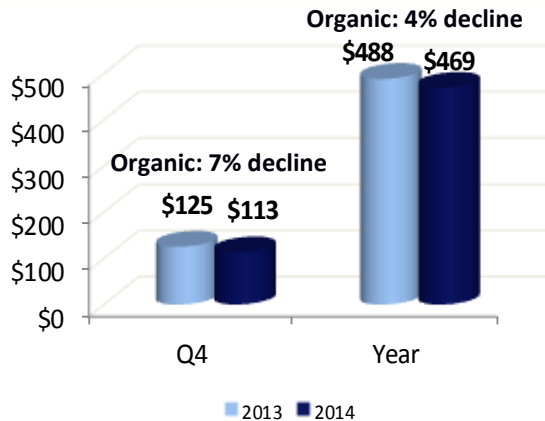
### Q4 Summary:

- ❑ Profit growth in Q4 and 2014 driven by volume and productivity improvements in the IOP, MPT and Industrial platforms
- ❑ Scientific Fluidics saw improvement in market conditions, with a strong backlog going into 2015
- ❑ Industrial business order and sales growth driven by continued growth in North American distribution markets and new product opportunities
- ❑ IOP's 2014 profitability improvement is sustainable in 2015

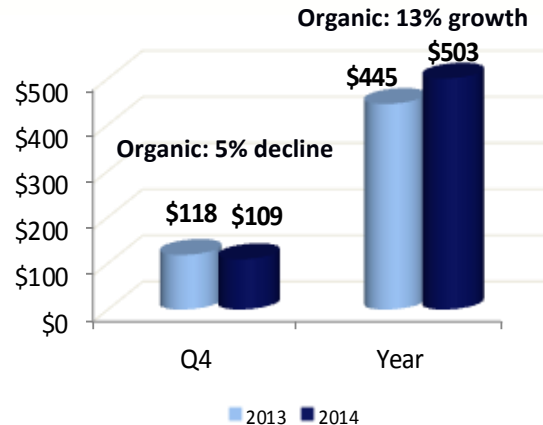
\* 2014 Operating Margin data adjusted for restructuring expenses (\$4.9M for Q4 and full year)

2014 revenue grew 4% organically, while operating margin increased 190 bps

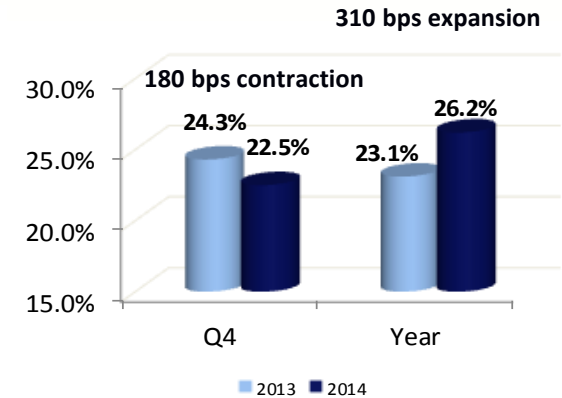
## Orders



## Revenue



## Adjusted Operating Margin\*



Q4 Revenue Mix:		
Organic	-5%	
Acquisition	0%	
Fx	<u>-3%</u>	
<b>Total</b>	<b>-8%</b>	

### Q4 Summary:

- ❑ Lower seasonal volume in the Dispensing equipment business contributed to the decline in Q4 orders and revenue
- ❑ Dispensing faces pressure from non-recurring large projects, but core North American and Asian markets remain solid
- ❑ Band-It challenged by lower oil prices, but orders and sales continue to grow
- ❑ Rescue continues facing challenges from delays in municipal spending in Asia, and exposure to currency fluctuations

\* 2014 Operating Margin data adjusted for restructuring expenses (\$1.0M for Q4 and full year)

2014 revenue grew 13% organically, while operating margin increased 310 bps



## 2015 Growth Expectations

- 1% -- 2% organic revenue growth
- Future acquisitions not contemplated in the growth below

	<b>Sales</b> (in M's)	<b>EPS</b>
<b>FY 2014 -- GAAP</b>	<b>\$ 2,148</b>	<b>\$ 3.45</b>
Restructuring Expenses	-	0.12
<b>FY 2014 -- Adjusted</b>	<b>\$ 2,148</b>	<b>\$ 3.57</b>
Organic Growth	~ 20 – 40	~ 0.05 – 0.10
FX	(85)	(0.15)
Higher Tax Rate		(0.05)
Lower Share Count		0.11
Restructuring Savings		0.14
Net Productivity		0.08
Growth Investments		(0.10) – (0.05)
<b>FY 2015 Forecast</b>	<b><u>\$2,083 – \$2,103</u></b>	<b><u>\$3.65 – \$3.75</u></b>

## Q1 2015

- EPS estimate range: \$0.81 – \$0.83
- Operating margin: ~ 20%
- Tax rate: ~ 29.5%
- Fx impact: ~5% topline headwind, or 5 cents of EPS based on current Fx rates

## FY 2015

- EPS estimate range: \$3.65 – \$3.75
- Organic revenue growth: ~ 1% – 2%
- Operating margin: ~ 21%
- Fx impact: ~4% topline headwind, or 15 cents of EPS based on current Fx rates
- Other modeling items
  - Tax rate: ~ 29.5%
  - Cap Ex: ~ \$45M
  - Free Cash Flow will be ~120% of net income
  - Continued share repurchases: ~ net 2% reduction
  - EPS estimate excludes future acquisitions and associated costs and charges

# Q&A