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

FORM 10-K

FOR ANNUAL AND TRANSITION REPORTS PURSUANT TO SECTIONS 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

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

FOR THE FISCAL YEAR ENDED DECEMBER 31, 2003

[ ] 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	36-3555336
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
630 DUNDEE ROAD, NORTHBROOK, ILLINOIS	60062
(Address of principal executive offices)	(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 [X] 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. [X]

Indicate by check mark whether the registrant is an accelerated filer (as defined in Rule 12b-2 of the Exchange Act). Yes [X] No [ ]

The aggregate market value of the voting stock (based on the June 30, 2003 closing price of $36.24) held by non-affiliates of IDEX Corporation was $1,152,017,741.

The number of shares outstanding of IDEX Corporation's common stock, par value $.01 per share (the "Common Stock"), as of January 31, 2004 was 33,108,535 (net of treasury shares).

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the 2003 Annual Report to Shareholders of IDEX Corporation (the "2003 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 "2004 Proxy Statement") with respect to the 2004 annual meeting of shareholders are incorporated by reference into Part III of this Form 10-K.

PART I

ITEM 1. BUSINESS.

We manufacture an extensive array of engineered industrial products sold to customers in a variety of industries around the world. We believe that each of our business units is a leader in its niche market. We also believe that our consistent financial performance has been attributable to the manufacture of quality products designed and engineered by us, coupled with our ability to identify and successfully consummate and integrate strategic acquisitions. IDEX Corporation ("IDEX" or the "Company") consists of three reportable business segments: Pump Products Group, Dispensing Equipment Group, and Other Engineered Products Group.

PUMP PRODUCTS GROUP

The Pump Products Group produces a wide variety of pumps, compressors, flow meters, injectors and valves and related controls for the movement of liquids 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, liquid petroleum distribution, oil and refining, food and beverage, biotech, life sciences and drug processing. The seven business units that comprise this group are Gast Manufacturing, Liquid Controls, Micropump, Pulsafeeder, Rheodyne, Viking Pump and Warren Rupp. The group accounted for 57% of sales and 55% of operating income in 2003, with 39% of sales to customers outside the U.S.

Gast Manufacturing. Gast Manufacturing, acquired in 1998, is a leading manufacturer of air-moving products, including air motors, low- and medium-range vacuum pumps, vacuum generators, regenerative blowers and fractional horsepower compressors. Gast's products are used in a variety of long-life 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. Gast is based in Benton Harbor, Michigan, with additional facilities in England. Approximately 20% of Gast's 2003 sales were to customers outside the U.S.

Liquid Controls. Liquid Controls, acquired in January 2001, is a leading manufacturer of positive displacement flow meters and electronic registration and control products. Applications for its products include mobile and stationary metering installations for wholesale and retail distribution of petroleum and liquefied petroleum gas, aviation refueling, and industrial metering and dispensing of liquids and gases. Liquid Controls is headquartered in Lake Bluff, Illinois, with additional operations in Italy and India. During 2001, the Company decided to operate its previously acquired Corken business unit as part of Liquid Controls. Corken, based in Oklahoma City, Oklahoma and acquired by IDEX in 1991, is a leading producer of positive displacement rotary vane pumps, single and multistage regenerative turbine pumps, and small horsepower reciprocating piston compressors. Sponsler Co., Inc., with headquarters in Westminster, South Carolina, was acquired in June 2003. Sponsler, which operates as part of Liquid Controls, is a manufacturer of a line of precision turbine flowmeters to meet all flow applications, including low-flow and applications where viscosity, corrosive media, extreme temperature or hazardous materials are factors. Approximately 50% of Liquid Controls' 2003 sales were outside the U.S.

Micropump. Micropump, acquired in 1995, is a leader in small, precision-engineered, magnetically and electromagnetically driven rotary gear, piston and centrifugal pumps. Micropump's products are used in low-flow applications, including 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 is based in Vancouver, Washington, and also has operations in England. In April 2000, IDEX acquired Ismatec SA. Ismatec is a leading manufacturer of peristaltic metering pumps, analytical process controllers, and sample preparation systems. Headquartered near Zurich, Switzerland, the business operates as part of Micropump and provides Micropump with entry into scientific R&D markets including pharmaceutical, medical, biotech and institutional laboratory. In May 2000, IDEX acquired Trebor International, which also now operates as part of Micropump. Trebor is headquartered in Salt Lake City, Utah, and is a leader in high-purity fluid handling products, including air-operated diaphragm pumps and deionized water-heating systems. Its products are used in the manufacturing of semiconductors, disk drives and flat panel displays. Approximately 65% of Micropump's 2003 sales were to customers outside the U.S.

Pulsafeeder. Pulsafeeder, acquired in 1992, is a leading manufacturer of metering pumps, special purpose rotary pumps, peristaltic pumps, electronic controls and dispensing equipment. 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 and swimming pools. This business is headquartered in Rochester, New York, with additional operations in Punta Gorda, Florida. Knight Equipment, Inc. was acquired in 1997 and is operated as part of the Pulsafeeder business unit. Knight, headquartered in Lake Forest, California, also has additional operations in The Netherlands. Knight is a leading manufacturer of pumps and dispensing equipment for industrial laundries, commercial dishwashing and chemical metering. Halox Technologies, Inc. was acquired in April 2002 and is also operated as part of the Pulsafeeder business unit. Halox is a small Bridgeport, Connecticut-based manufacturer of point-of-use chlorine dioxide equipment. Its products produce chlorine dioxide for use in water treatment and disinfectant applications. Chlorine dioxide is an effective biocide treatment of legionella and other water-borne pathogens. Halox products can be used in a wide variety of end markets including food and beverage, cooling towers and potable water treatment. Classic Engineering, Inc. was acquired in September 2003 and operates as part of the Pulsafeeder group. Classic, based in Jacksonville, Florida, is a supplier of fully integrated pump and metering systems to chemical companies and municipal water treatment facilities. Classic also engineers, designs and manufactures a line of standard and custom chemical-feed systems for the water, wastewater, chemical OEM, pulp and paper, cement and general industrial markets. In 2003, approximately 30% of Pulsafeeder's sales were to customers outside the U.S.

Rheodyne. Rheodyne, acquired in July 2002, is a leading manufacturer of injectors, valves, fittings and accessories for the analytical instrumentation market. Its products are used by manufacturers of high performance liquid chromatography equipment servicing the pharmaceutical, biotech, life science, food and beverage, and chemical markets. Rheodyne, based in Rohnert Park, California, became IDEX's twelfth stand-alone business unit and its activities are closely coordinated with those of Ismatec, Trebor and Micropump. Approximately 40% of Rheodyne's 2003 sales were to customers outside the U.S.

Viking Pump. Viking Pump is one of the world's largest internal gear pump producers. Viking also produces lobe and external gear 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 and beverage, personal care, pharmaceutical and biotech. Viking operates two foundries that supply a portion of Viking's castings requirements and also sells a variety of castings to outside customers. Viking is based in Cedar Falls, Iowa, with additional operations in Canada, England and Ireland. Wrightech Corporation was acquired in October 2002 and is headquartered in Waukesha, Wisconsin. Wrightech, which operates as part of Viking Pump, is a small manufacturer of stainless-steel positive displacement pumps and replacement parts for the sanitary product marketplace. This market includes beverage, food processing, pharmaceutical, cosmetics and other industries that require sanitary processing. Approximately 35% of Viking's 2003 sales were to customers outside the U.S.

Warren Rupp. Warren Rupp is a leading producer of double-diaphragm pumps, both air-operated and motor-driven. 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. This business serves markets including chemical, paint, food processing, electronics, construction, utilities, mining and industrial maintenance. Warren Rupp is based in Mansfield, Ohio. Blagdon Pump, located in the U.K., was acquired in 1997 and is operated as part of the Warren Rupp business unit. Versa-Matic Tool, Inc. was acquired in June 2001 and also operates as part of Warren Rupp. Headquartered in Export, Pennsylvania, Versa-Matic is also a manufacturer and distributor of air-operated double-diaphragm pumps and pump replacement parts. Warren Rupp's sales to customers outside the U.S. in 2003 were approximately 50%.

DISPENSING EQUIPMENT GROUP

The Dispensing Equipment Group produces highly engineered equipment for dispensing, metering and mixing colorants, paints, inks and dyes; refinishing equipment; and centralized lubrication systems. This equipment is used in a variety of retail and commercial industries around the world. This group provides equipment, systems and services for applications such as tinting paints and coatings, industrial and automotive refinishing, and the precise lubrication of machinery and transportation equipment. The three business units that comprise this group are FAST, Fluid Management and Lubriquip. The group accounted for 20% of both sales and operating income in 2003, with 62% of sales to customers outside the U.S.

FAST. The Company acquired FAST (now Fast & Fluid Management Srl -- Italy) in 1999. F&FM 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. F&FM'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. F&FM is headquartered in Milan, Italy, with additional operations in France, Spain and the United Kingdom. Over 95% of F&FM's sales in 2003 were to customers outside the U.S.

Fluid Management. Fluid Management, acquired in 1996, is the market leader in automatic and manually operated dispensing, metering and mixing equipment for the paints and coatings market. Fluid Management's products are used for the precise blending and mixing 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, paint and ink manufacturers and point of purchase dispensers and mixing equipment for the personal care and health and beauty industry. Fluid Management is based in Wheeling, Illinois. Additional operations are located in The Netherlands and Australia. Approximately 55% of Fluid Management's 2003 sales were to customers outside the U.S.

Lubriquip. Lubriquip is a market leader in centralized oil and grease lubrication systems, force-feed lubricators, metering devices, related electronic controls and accessories. 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. Lubriquip is headquartered in Warrensville Heights, Ohio, with an additional operation in Madison, Wisconsin. Approximately 25% of Lubriquip's sales in 2003 were to customers outside the U.S.

OTHER ENGINEERED PRODUCTS GROUP

The Other Engineered Products Group produces firefighting pumps, rescue tools and other components and systems for the fire and rescue industry, and engineered stainless steel banding and clamping devices used in a variety of industrial and commercial applications. The two business units that comprise this group are Hale Products and Band-It. The group accounted for 23% of sales and 25% of operating income in 2002, with 43% of sales to customers outside the U.S.

Band-It. Band-It is a leading producer of high-quality stainless steel banding, buckles and clamping systems. The Band-It brand is highly recognized worldwide. Band-It's products are used for securing exhaust system heat and sound shields, industrial hose fittings, traffic signs and signals, electrical cable shielding, identification and bundling, and numerous other industrial and commercial applications. Band-It's markets include transportation equipment, oil and gas, general industrial maintenance, electronics, electrical, communications, aerospace, utility and municipal. Band-It is based in Denver, Colorado, with additional manufacturing operations in the United Kingdom, Singapore and South Africa. In 2003, approximately 45% of Band-It's sales were to customers outside the U.S.

Hale Products. Hale Products, acquired in 1994, is a leading manufacturer of rescue systems and truck-mounted fire pumps. Hale's products include the Hurst Jaws of Life(R) and LUKAS(R) rescue tool and re-railing systems. Hale's pumps are used to pump water or foam to extinguish fires; its rescue equipment is used to extricate accident victims; its forced-entry equipment is used for law enforcement; and its hydraulic products are used for re-railing, disaster recovery and recycling. Hale's markets include public and private fire and rescue organizations. LUKAS Hydraulik was acquired in 1995 and is operated as part of the Hale business unit. In January 2001, IDEX acquired Class 1, Inc., headquartered in Ocala, Florida, which now is also operated as part of Hale. Class 1 is a leading supplier of components and systems to the fire and rescue vehicle market. Its primary products include electronic information controls, engine information systems, electronic multiplexing units, electrical monitoring equipment and systems and fire truck mechanical components. Hale is headquartered in Ocala, Florida, with additional operations in Conshohocken, Pennsylvania, Shelby, North Carolina, England and Germany. Approximately 40% of Hale's 2003 sales were to customers outside the U.S.

GENERAL ASPECTS APPLICABLE TO THE COMPANY'S BUSINESS GROUPS

COMPETITORS

The Company's businesses participate in highly competitive markets. 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 and Tuthill Corporation (with respect to rotary gear pumps); Wilden Pump and Engineering Co., a division of Dover Corporation (with respect to air-operated double-diaphragm pumps); and Thomas Industries (with respect to vacuum pumps and compressors.)

The principal competitors of the Dispensing Equipment Group are Corob S.p.A. (with respect to dispensing and mixing equipment for the paint industry) and Lincoln Industrial (with respect to centralized lubrication systems).

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

EMPLOYEES

At December 31, 2003, IDEX had approximately 3,700 employees. Approximately 13% were represented by labor union with various contracts expiring though February 2008. 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

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 2003, 2002, and 2001, see the table titled "Company and Business Group Financial Information" presented on page 20 under "Management's Discussion and Analysis of Financial Condition and Results of Operations" and Note 6 of the "Notes to Consolidated Financial Statements" starting on page 32 of the 2003 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
Dennis K. Williams.............	58	4	Chairman of the Board, President and Chief Executive Officer
Wayne P. Sayatovic.............	58	31	Senior Vice President-Finance and Chief Financial Officer
Dominic A. Romeo...............	44	--	Vice President and Chief Financial Officer
Kimberly K. Bors...............	43	1	Vice President-Human Resources
Clinton L. Kooman..............	60	39	Vice President-Controller
Douglas C. Lennox..............	51	24	Vice President-Treasurer
John L. McMurray...............	53	11	Vice President-Group Executive of Pumps and Operational Excellence
Dennis L. Metcalf..............	56	30	Vice President-Corporate Development
Frank J. Notaro................	40	6	Vice President-General Counsel and Secretary
David T. Windmuller............	46	23	Vice President-Group Executive of Dispensing Equipment and Engineered Products

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

Mr. Williams was appointed Chairman of the Board, President and Chief Executive Officer by the Board of Directors, effective May 1, 2000. Prior to joining IDEX, Mr. Williams was a senior executive of the General Electric Company, most recently serving as President and Chief Executive Officer of GE Power Systems Industrial Products, a global business with $4 billion in sales, based in Florence, Italy. Prior to heading GE Power Systems Industrial Products, he was President and Chief Executive Officer of GE's Nuovo Pignone business, one of the world's leading manufacturers of gas turbines and high-pressure industrial compressors.

Mr. Sayatovic has been Senior Vice President-Finance and Chief Financial Officer of the Company since January 1992. Mr. Sayatovic retired from the Company in January 2004.

Mr. Romeo has been Vice President and Chief Financial Officer of the Company since January 2004. Prior to joining IDEX, Mr. Romeo was Vice President - - Chief Financial Officer of Honeywell Aerospace, a segment of Honeywell International, from August 2001 to January 2004. He also held the position of Chief Financial Officer of Engine Systems and Services from April 1999 to August 2001, and Avionics and Electronics Systems from July 1997 to April 1999, both units of Honeywell International.

Ms. Bors has been Vice President-Human Resources of the Company since January 2003. Prior to joining IDEX, Ms. Bors was vice president of people and process integration from December 2000 to December 2002 for Brunswick Corporation's Boat Group, a $1.4 billion manufacturer of recreational boats. From December 1998 to December 2000, Ms. Bors was president of Chris Craft Boats, a division of Outboard Marine Corporation, a $1 billion recreational marine company.

Mr. Kooman has been Vice President-Controller of the Company since November 1995.

Mr. Lennox has served as Vice President-Treasurer of the Company since November 1995.

Mr. McMurray has been Vice President-Group Executive of Pumps and Operational Excellence since August 2003. Prior to that, Mr. McMurray was Vice President-Operational Excellence since October 2000.

Mr. McMurray also served as Vice President-Group Executive from November 1998 through September 2000, and President of Viking Pump from January 1997 through September 2000.

Mr. Metcalf has served as Vice President-Corporate Development of the Company since March 1997.

Mr. Notaro has served as Vice President-General Counsel and Secretary since March 1998.

Mr. Windmuller has served as Vice President-Group Executive of Dispensing Equipment and Engineered Products since April 2003. Prior to that, Mr. Windmuller was Vice President-Group Executive since October 2000. Mr. Windmuller served as Vice President-Operations of the Company from January 1998 through September 2000.

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.

PUBLIC FILINGS

Copies of the Company's annual report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and amendments to those reports are made available free of charge through the Company's web site at www.idexcorp.com as soon as reasonably practicable after we electronically file them with the SEC.

ITEM 2. PROPERTIES.

The Company's principal plants and offices have an aggregate floor space area of approximately 2.9 million square feet, of which 2.0 million square feet (70%) are located in the U.S. and approximately 0.9 million square feet (30%) are located outside the U.S., primarily in Italy (8%), the U.K. (6%), The Netherlands (5%) and Germany (4%). These facilities are considered to be suitable and adequate for their operations. Management believes that utilization of manufacturing capacity ranges from 40% to 70% in each facility. The Company's executive office occupies approximately 19,000 square feet of leased space in Northbrook, Illinois.

Approximately 2.2 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 1.7 million square feet (57%) of the principal plant and office floor area is held by business units in the Pump Products Group; 0.6 million square feet (21%) is held by business units in the Dispensing Equipment Group; and 0.6 million square feet (19%) is held by business units in the Other Engineered Products Group.

ITEM 3. LEGAL PROCEEDINGS.

IDEX and nine of its subsidiaries have been named as defendants in a number of lawsuits claiming various asbestos-related personal injuries, allegedly as a result of exposure to products manufactured with components that contained asbestos. Such components were acquired from third party suppliers, and were not manufactured by any of the subsidiaries. To date, all of the Company's settlements and legal costs, except for costs of coordination, administration, insurance investigation and a portion of defense costs, have been covered in full by insurance. However, the Company cannot predict whether and to what extent insurance will be available to continue to cover such settlements and legal costs, or how insurers may respond to claims that are tendered to them.

Claims have been filed in Alabama, California, Connecticut, Georgia, Illinois, Louisiana, Michigan, Mississippi, Nevada, New Jersey, New York, Ohio, Pennsylvania, Texas and Washington. A few claims have been settled for minimal amounts and some have been dismissed without payment. None have been tried.

No provision has been made in the financial statements of the Company, and IDEX does not currently believe the asbestos-related claims will have a material adverse effect on the Company's business or financial position.

IDEX is also party to various other legal proceedings arising in the ordinary course of business, none of which is expected to have a material adverse effect on its business, financial condition or results of operations.

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

None.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED SHAREHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES.

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 44 of the 2003 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 31, 2004, Common Stock was held by approximately 5,700 shareholders and there were 33,108,535 shares of Common Stock outstanding, net of treasury shares.

ITEM 6. SELECTED FINANCIAL DATA.

The information set forth under "Historical Data" on pages 16 and 17 of the 2003 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 and Analysis of Financial Condition and Results of Operations" on pages 18 to 25 of the 2003 Annual Report is incorporated herein by reference.

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

The information set forth under the caption "Market Risk" on page 25 of the 2003 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 26 to 39 of the 2003 Annual Report are incorporated herein by reference.

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

None.

ITEM 9A. CONTROLS AND PROCEDURES.

The Company maintains disclosure controls and procedures that are designed to ensure that information required to be disclosed in the Company's Exchange Act reports is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to the Company's management, including its Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure. In designing and evaluating the disclosure controls and procedures, management recognized that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, and management is required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures.

As required by SEC Rule 13a-15(b), the Company carried out an evaluation, under the supervision and with the participation of the Company's management, including the Company's Chief Executive Officer and the Company's Chief Financial Officer, of the effectiveness of the design and operation of the Company's disclosure controls and procedures as of the end of the period covered by this report. Based on the foregoing, the Company's Chief Executive Officer and Chief Financial Officer concluded that the Company's disclosure controls and procedures were effective at the reasonable assurance level.

There has been no change in the Company's internal controls over financial reporting during the Company's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

PART III

ITEM 10. DIRECTORS AND EXECUTIVE OFFICERS OF THE REGISTRANT.

Information under the headings "Election of Directors" and "Section 16(a) Beneficial Ownership Reporting Compliance," and the information under the subheading "Information Regarding the Board of Directors and Committees," in the Company's 2004 Proxy Statement is incorporated herein by reference. Information regarding executive officers of the Company is located in Part I, Item 1 of this report under the caption "Executive Officers of the Registrant."

The Company has adopted a Code of Business Conduct and Ethics applicable to the Company's directors, officers (including the Company's principal executive officer and principal financial & accounting officer) and employees. The Code of Business Conduct and Ethics, along with the Audit Committee Charter, Nominating and Corporate Governance Committee Charter, Compensation Committee Charter and Corporate Governance Guidelines are available on the Company's website at www.idexcorp.com. In the event that we amend or waive any of the provisions of the Code of Business Conduct and Ethics applicable to our principal executive officer or principal financial & accounting officer, we intend to disclose the same on the Company's website.

ITEM 11. EXECUTIVE COMPENSATION.

Information under the heading "Compensation of Executive Officers" in the Company's 2004 Proxy Statement is incorporated herein by reference.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS.

Information under the heading "Security Ownership" and the information under the subheading "Equity Compensation Plan Information" in the Company's 2004 Proxy Statement is incorporated herein by reference.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS.

Information under the subheading "Certain Interests" in the Company's 2004 Proxy Statement is incorporated herein by reference.

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

Information under the heading "Principal Accountant Fees and Services" in the Company's 2004 Proxy Statement is incorporated herein by reference.

PART IV

ITEM 15. 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 2003 Annual Report.

2. Financial Statement Schedule

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

On October 16, 2003, we furnished a Current Report on Form 8-K of a press release reporting our financial results for the third quarter and nine months ended September 30, 2003.

(c) Exhibit Index

Reference is made to the Exhibit Index beginning on page 14 hereof.

INDEPENDENT AUDITORS' REPORT

To the Board of Directors and Shareholders of IDEX Corporation:

We have audited the consolidated financial statements of IDEX Corporation and its Subsidiaries as of December 31, 2003 and 2002 and for each of the three years in the period ended December 31, 2003, and have issued our report thereon dated January 22, 2004; such financial statements and report are included in your 2003 Annual Report to Shareholders and are incorporated herein by reference. Our audits also included the financial statement schedule of IDEX Corporation, listed in Item 15. 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 taken as a whole, presents fairly, in all material respects, the information set forth therein.

DELOITTE & TOUCHE LLP

Chicago, Illinois
January 22, 2004

IDEX CORPORATION AND SUBSIDIARIES

SCHEDULE II -- VALUATION AND QUALIFYING ACCOUNTS
FOR THE YEARS ENDED DECEMBER 31, 2003, 2002 AND 2001

DESCRIPTION	BALANCE BEGINNING OF YEAR	CHARGED TO COSTS AND EXPENSES(1)	DEDUCTIONS(2)	OTHER(3)	BALANCE END OF YEAR
	(IN THOUSANDS)				
Allowance for Doubtful Accounts					
Year Ended December 31, 2003:					
Deducted from assets to which they apply:					
Allowance for Doubtful Accounts....	$3,089	$1,150	$ 565	$120	$3,794
Year Ended December 31, 2002:					
Deducted from assets to which they apply:					
Allowance for Doubtful Accounts....	3,375	75	533	172	3,089
Year Ended December 31, 2001:					
Deducted from assets to which they apply:					
Allowance for Doubtful Accounts....	3,342	830	1,269	472	3,375

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(1) Includes provision for doubtful accounts, sales returns and sales discounts granted to customers.

(2) Represents uncollectible accounts, net of recoveries.

(3) Represents acquisition, divestiture, 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.

IDEX CORPORATION

By: /s/ DOMINIC A. ROMEO

Dominic A. Romeo
Vice President and Chief Financial Officer

Date: March 5, 2004

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

SIGNATURE
TITLE DATE

----- ----
/s/ DENNIS
K.
WILLIAMS
Chairman
of the
Board,
President,
March 5,
2004 -----

--- Chief
Executive
Officer
Dennis K.
Williams
(Principal
Executive
Officer)
and
Director
/s/
DOMINIC A.
ROMEO Vice
President
and Chief
Financial
March 5,
2004 -----

Officer
Dominic A.
Romeo
(Principal
Financial
and
Accounting
Officer)
/s/
BRADLEY J.
BELL
Director
March 5,
2004 -----

Bradley J.
Bell /s/
FRANK S.
HERMANCE
Director
March 5,
2004 -----

--- Frank

S.
Hermance
/s/
GREGORY B.
KENNY
Director
March 5,
2004 -----

Gregory B.
Kenny /s/
PAUL E.
RAETHER
Director
March 5,
2004 -----

--- Paul
E. Raether
/s/ NEIL
A.
SPRINGER
Director
March 5,
2004 -----

--- Neil
A.
Springer
/s/
MICHAEL T.
TOKARZ
Director
March 5,
2004 -----

Michael T.
Tokarz

EXHIBIT INDEX

EXHIBIT NUMBER DESCRIPTION - ------ ------ ----- 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 Credit Agreement, dated as of June 8, 2001, among IDEX Corporation, Bank of America N.A.

as Agent and Issuing Bank, and the Other Financial Institutions Party Herto: (incorporated by reference to Exhibit No. 4.5 to the Quarterly Report of IDEX on Form 10-Q for the quarter ended June 30, 2001, Commission File No. 1-10235) 4.6 Credit Lyonnais Uncommitted Line of Credit, dated as of December 3, 2001 (incorporated by reference to Exhibit 4.6 to the Annual Report of IDEX on Form 10-K for the year ended December 31, 2001, Commission File No. 1-10235) 4.6(a) Amendment No. 2 dated as of May 24, 2003 to the Credit Lyonnais Uncommitted Line of Credit Agreement dated December 3, 2001 (incorporated by reference to Exhibit 4.6(a) to the Quarterly Report of IDEX on Form 10-Q for the quarter ended June 30, 2003, Commission File No. 1-10235) 4.7 Receivables Purchase Agreement dated as of December 20, 2001 among IDEX Receivables Corporation, as Seller, IDEX Corporation, as Servicer, Falcon Asset Securitization Corporation, the Several Financial Institutions from Time to Time Party Hereto, and Bank One, NA (Main Office Chicago), as Agent

(incorporated by reference to Exhibit 4.7 to the Annual Report of IDEX on Form 10-K for the year ended December 31, 2001, Commission File No. 1-10235)

*4.7(a) Second Amended and Restated Fee Letter dated as of December 17, 2003 of the Receivables Purchase Agreement dated as of December 20, 2001

10.1** Employment Agreement between IDEX Corporation and Dennis K. Williams, dated April 14, 2000 (incorporated by reference to Exhibit No. 10.6 to the Quarterly Report of IDEX on Form 10-Q for the quarter ended June 30, 2000, Commission File No. 1-10235)

10.2** Amended and Restated Employment Agreement between IDEX Corporation and Wayne P. Sayatovic, dated March 31, 2000 (incorporated by reference to Exhibit No. 10.2 to the Quarterly Report of IDEX on Form 10-Q for the quarter ended March 31, 2000, Commission File No. 1-10235)

EXHIBIT NUMBER DESCRIPTION --- ---- ---------- - 10.2(a)** Letter Agreement between IDEX Corporation and Wayne P. Sayatovic dated April 24, 2000 (incorporated by reference to Exhibit No. 10.7 to the Quarterly Report of IDEX on Form 10-Q for the quarter ended June 30, 2000, Commission File No. 1-10235) 10.3** Revised and Restated IDEX Management Incentive Compensation Plan for Key Employees Effective January 1, 2003 10.4** 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) 10.5** Form of Shareholder Purchase and Sale Agreement of IDEX Corporation (filed as Exhibit No. 4.8) 10.6** IDEX Corporation Amended and Restated Stock Option Plan for Outside Directors adopted by resolution of the Board of Directors dated as of January 25, 2000 (incorporated by reference to Exhibit No. 10.1 of the Quarterly Report of IDEX on Form 10-Q for the quarter ended March 31, 2000, Commission File No. 10-10235) *10.6(a) First Amendment to IDEX Corporation Amended and Restated Stock Option Plan for Outside

Directors, adopted by resolution of the Board of Directors dated as of November 20, 2003 10.7** 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. 1-102351) 10.8** Third Amended and Restated 1996 Stock Option Plan for Non-Officer Key Employees of IDEX Corporation dated January 9, 2003 (incorporated by reference to Exhibit 4.1 to the Registration Statement on Form S-8 of IDEX, Registration No. 333-104768, as filed on April 25, 2003) 10.9** 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. 1-102351) 10.10** First Amended and Restated 1996 Stock Plan for Officers of IDEX Corporation (incorporated by reference to Exhibit No. 10.1 to the Quarterly Report of IDEX on Form 10-Q for the quarter ended March 31, 1998, Commission File No. 1-102351) 10.11** 2001 Stock Plan for Officers dated March 27, 2001 (incorporated by reference to Exhibit No. 10.2 to the

Quarterly Report of IDEX on Form 10-Q for the quarter ended March 31, 2001, Commission File No. 1-10235)

10.12** Executive Incentive Bonus Plan dated March 27, 2001 (incorporated by reference to Exhibit No. 10.1 to the Quarterly Report of IDEX on Form 10-Q for the quarter ended March 31, 2001, Commission File No. 1-10235)

10.13** 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. 1-102351)

10.14** 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 ended 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 April 24, 2000 incorporated by reference to Exhibit No. 10.9 to the Quarterly Report of IDEX on Form 10-Q for the quarter ended June 30, 2000, Commission File No. 1-10235) 10.18** Letter Agreement between IDEX Corporation and John L. McMurray, dated April 24, 2000 (incorporated by reference to Exhibit No. 10.17(a) to the Annual Report of IDEX on Form 10-K for the year ended December 31, 2001, Commission File No. 1-10235)

EXHIBIT NUMBER	DESCRIPTION
*10.19**	Letter Agreement between IDEX Corporation and Kimberly K. Bors, dated November 13, 2002
*10.20**	Letter Agreement between IDEX Corporation and Kimberly K. Bors, dated November 22, 2002
*10.21**	Letter Agreement between IDEX Corporation and Dominic A. Romeo, dated December 1, 2003
*10.22**	Restricted Stock Award Agreement between IDEX Corporation and Dominic A. Romeo, dated January 14, 2004
*12	Ratio of Earnings to Fixed Charges
*13	The portions of IDEX Corporation's 2003 Annual Report to Shareholders, which are specifically incorporated by reference.
*21	Subsidiaries of IDEX
*23	Consent of Deloitte & Touche LLP
*31.1	Certification of Chief Executive Officer Pursuant to Rule 13a-14(a) or Rule 15d-14(a)
*31.2	Certification of Chief Financial Officer Pursuant to Rule 13a-14(a) or Rule 15d-14(a)
*32.1	Certification pursuant to Section 1350 of Chapter 63 of Title

18 of the
United
States Code
*32.2
Certification
pursuant to
Section 1350
of Chapter
63 of Title
18 of the
United
States Code

- ---------------

* Filed herewith

** Management contract or compensatory plan or agreement.

EXHIBIT 4.7 (a)

SECOND AMENDED AND RESTATED FEE LETTER

Dated as of December 17, 2003

IDEX Receivables Corporation
630 Dundee Road, Suite 400
Northbrook, IL 60062

Re: Receivables Purchase Agreement

Ladies and Gentlemen:

Reference is hereby made to that certain Receivables Purchase Agreement (as amended by Amendment No. 1 thereto dated as of December 18, 2002, by Amendment No. 2 thereto dated as of even date herewith and as may be further amended, restated or otherwise modified from time to time, the "Purchase Agreement"), dated as of December 20, 2001, among IDEX Receivables Corporation, as seller (the "Seller"), IDEX Corporation, as servicer (the "Servicer"), Falcon Asset Securitization Corporation ("Falcon"), certain entities party thereto as "Financial Institutions" and Bank One, NA (Main Office Chicago), as Agent (the "Agent") for Falcon and the Financial Institutions. This letter constitutes the "Fee Letter" referred to in the Purchase Agreement and sets forth our understanding in respect of certain fees payable by the Seller and the obligations of the Seller in connection therewith. Capitalized terms that are used herein and not otherwise defined herein shall have the respective meanings assigned thereto under the Purchase Agreement.

SECTION 1. Fees. Notwithstanding any limitation on recourse contained in the Purchase Agreement:

(a) Amendment and Renewal Fee. On the date hereof, the Seller shall pay to Falcon an amendment and renewal fee in the amount of $18,750.00.

(b) On-Going Fees. The following fees shall be due and payable on each Settlement Date of the type described in clause (A) of the definition of "Settlement Date" in the Purchase Agreement, or such other day as agreed to by the Seller and the Agent in writing (each such date, a "Payment Date"), during the period commencing on December 18, 2003 until the date occurring after the Facility Termination Date on which the amount of the Aggregate Unpaids shall be reduced to zero. All such fees shall accrue from and including the date hereof and shall, as provided in Section 1.4 of the Purchase Agreement, be calculated on the basis of a 360-day year for the actual number of days elapsed (including the first but excluding the last such day).

Signature Page to Second Amended and Restated Fee Letter

(i) Administration Fee. On each Payment Date, the Seller shall pay to Falcon a fee equal to 0.50% per annum times 102% of the Purchase Limit.

(ii) Program Fee. On each Payment Date, the Seller shall pay to Falcon a fee equal to 0.27% times the average daily outstanding Capital during the immediately preceding calendar month or portion thereof.

SECTION 2. Independent Nature of Fees. Each of the fees described in Section 1 above shall be in addition to, and not in lieu of any other fees, expenses, reimbursements, indemnities and any other amounts payable by the Seller under or in connection with the Purchase Agreement. Nothing contained in this Fee Letter shall limit in any way the obligation of the Seller to pay any amount required to be paid by it in accordance with the terms of the Purchase Agreement.

SECTION 3. Termination. This Fee Letter shall terminate immediately following the later to occur of (a) the Facility Termination Date and (b) the repayment in full of all of the Aggregate Unpaids.

SECTION 4. Amendments and Waivers. No amendment, waiver, supplement or other modification of this Fee Letter shall be effective unless made in writing and executed by each of the parties hereto.

SECTION 5. Counterparts. This Fee Letter may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which when taken together shall constitute one and the same agreement.

SECTION 6. Successors and Assigns. This Fee Letter shall be binding upon, and shall inure to the benefit of, the parties hereto and their respective successors and assigns; provided that the Seller may not assign any of its obligations hereunder without the prior written consent of the Agent and each of the Purchasers.

SECTION 7. Governing Law. This Fee Letter shall be governed and construed in accordance with the internal laws (and not the law of conflicts) of the State of Illinois.

SECTION 8. Amendment and Restatement; Effectiveness. This letter agreement amends and restates in its entirety that certain Amended and Restated Fee Letter dated as of December 18, 2002 among the parties hereto (the "Existing Fee Letter"). This letter agreement is not intended to constitute a novation of the Existing Fee Letter, and all fees that have accrued under the Existing Fee Letter up to (but not including) the date hereof shall have accrued at the rates specified in the Existing Fee Letter and shall be payable as and when required in accordance with the terms thereof. All fees accruing from and after the date hereof shall accrue at the rates specified in this letter agreement and shall be payable as and when required in accordance with the terms hereof.

If the foregoing agreements evidence your understanding, please acknowledge by executing this letter in the space provided below.

Very truly yours,

BANK ONE, NA (MAIN OFFICE CHICAGO),
as Agent and as a Financial Institution

By____

Director, Capital Markets

FALCON ASSET SECURITIZATION CORPORATION

By____

Authorized Signatory

Acknowledged and Agreed:

IDEX RECEIVABLES CORPORATION

By____________________________
Name:
Title:

Execution Copy

AMENDMENT NO. 2
to
RECEIVABLES PURCHASE AGREEMENT
Dated as of December 17, 2003

THIS AMENDMENT NO. 2 ("Amendment") is entered into as of December 17, 2003 by and among IDEX Receivables Corporation (the "Seller"), IDEX Corporation (the "Servicer"), Falcon Asset Securitization Corporation ("Falcon"), the Financial Institutions party hereto and Bank One, NA, as Agent (the "Agent").

PRELIMINARY STATEMENT

A. The Seller, the Servicer, Falcon, the Financial Institutions and the Agent are parties to that certain Receivables Purchase Agreement dated as of December 20, 2001 (as amended by Amendment No. 1 thereto dated as of December 18, 2002 and as otherwise amended, restated, supplemented or otherwise modified from time to time, the "Purchase Agreement"). Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the Purchase Agreement.

B. The Seller, the Servicer, Falcon, the Financial Institutions and the Agent have agreed to amend the Purchase Agreement on the terms and subject to the conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the premises set forth above, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

I. Amendment. Effective as of the date hereof and subject to the satisfaction of the conditions precedent set forth in Section 2 below, the Purchase Agreement is hereby amended as follows:

A. Section 14.5 of the Purchase Agreement is hereby amended by adding the following paragraph (c) at the end thereof:

"(c) Anything herein to the contrary notwithstanding, the Agent, each Purchaser, each Indemnified Party and any successor or assign of any of the foregoing (and each employee, representative or other agent of any of the foregoing) may disclose to any and all Persons, without limitation of any kind, the "tax treatment" and "tax structure" (in each case, within the meaning of Treasury Regulation Section 1.6011-4) of the transactions contemplated herein and in the other Transaction Documents and all materials of any kind (including opinions or other tax analyses) that are or have been provided to any of the foregoing relating to such tax treatment or tax structure, and it is hereby confirmed that each of the foregoing have been so authorized at all times since the date of this Agreement."

B. Exhibit I to the Purchase Agreement is hereby amended as follows:

1. The definition of "Liquidity Termination Date" is amended by deleting "December 17, 2003" therefrom and replacing it with "December 15, 2004".

2. The definition of "Purchase Limit" is amended by deleting "$50,000,000" therefrom and replacing it with "$25,000,000".

C. Schedule A to the Purchase Agreement is hereby amended by deleting "$51,000,000" therefrom and replacing it with "$25,500,000".

II. Conditions Precedent. This Amendment shall become effective and be deemed effective, as of the date first above written, upon the latest to occur of (i) the date hereof, (ii) receipt by the Agent of one copy of each of (a) this Amendment and (b) the Second Amended and Restated Fee Letter dated as of the date hereof (the "Fee Letter"), among the Agent, Falcon and the Seller, in each case duly executed by each of the parties hereto or thereto, and (iii) payment by the Seller to Falcon of all fees due and payable on the date hereof under the Fee Letter.

III. Covenants, Representations and Warranties of the Seller and the Servicer.

A. Upon the effectiveness of this Amendment, each of the Seller and the Servicer hereby reaffirms all covenants, representations and warranties made by it in the Purchase Agreement, as amended, and agrees that all such covenants, representations and warranties shall be deemed to have been re-made as of the effective date of this Amendment.

B. Each of the Seller and the Servicer hereby represents and warrants as to itself (i) that this Amendment constitutes the legal, valid and binding obligation of such party enforceable against such party in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and general principles of equity which may limit the availability of equitable remedies and (ii) upon the effectiveness of this Amendment, that no event shall have occurred and be continuing which constitutes an Amortization Event or a Potential Amortization Event.

IV. Fees, Costs, Expenses and Taxes. Without limiting the rights of the Agent and the Purchasers set forth in the Purchase Agreement and the other Transaction Documents, the Seller agrees to pay on demand all reasonable fees and out-of-pocket expenses of counsel for the Agent and the Purchasers incurred in connection with the preparation, execution and delivery of this Amendment and the other instruments and documents to be delivered in connection herewith and with respect to advising the Agent and the Purchasers as to their rights and responsibilities hereunder and thereunder.

V. Reference to and Effect on the Purchase Agreement.

Upon the effectiveness of this Amendment, each reference in the Purchase Agreement to "this Agreement," "hereunder," "hereof," "herein," "hereby" or words of like import shall mean and be a reference to the Purchase Agreement as amended hereby, and each reference to the Purchase Agreement in any other document, instrument or agreement executed and/or delivered in connection with the Purchase Agreement shall mean and be a reference to the Purchase Agreement as amended hereby.

Except as specifically amended hereby, the Purchase Agreement and other documents, instruments and agreements executed and/or delivered in connection therewith shall remain in full force and effect and are hereby ratified and confirmed.

The execution, delivery and effectiveness of this Amendment shall not operate as a waiver of any right, power or remedy of any Purchaser or the Agent under the Purchase Agreement or any of the other Transaction Documents, nor constitute a waiver of any provision contained therein.

VI. GOVERNING LAW. THIS AMENDMENT SHALL BE GOVERNED AND CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS (AND NOT THE LAW OF CONFLICTS) OF THE STATE OF ILLINOIS.

VII. Execution in Counterparts. This Amendment may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which taken together shall constitute but one and the same instrument.

VIII. Headings. Section headings in this Amendment are included herein for convenience of reference only and shall not constitute a part of this Amendment for any other purpose.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed on the date first set forth above by their respective officers thereto duly authorized, to be effective as hereinabove provided.

IDEX RECEIVABLES CORPORATION, as Seller

By:____
Name:
Title:

IDEX CORPORATION, individually and as Servicer

By:____
Name:
Title:

FALCON ASSET SECURITIZATION CORPORATION

By:____
Name:
Title: Authorized Signatory

BANK ONE, NA,
as a Financial Institution and as Agent

By:____
Name:
Title: Director, Capital Markets

EXHIBIT 10.6 (a)

FIRST AMENDMENT TO
IDEX CORPORATION AMENDED AND RESTATED
STOCK OPTION PLAN FOR OUTSIDE DIRECTORS

WHEREAS, this corporation has adopted the IDEX Corporation Amended and Restated Stock Option Plan for Outside Directors (the "Plan");

WHEREAS, the Plan currently prohibits a non-employee director who is a general partner, limited partner or full-time employee of either KKR Associates, L.P. or Kohlberg Kravis Roberts & Co., LLC (collectively "KKR") from participating in the Plan;

WHEREAS, all historical equity and contractual relationships between KKR and the Company have or will have ceased by December 31, 2003; thus, it is desirable to amend the Plan to remove the restriction on partners, limited partners and full-time employees of KKR from participating in the Plan;

NOW, THEREFORE, it is resolved that the Plan is amended effective January 1, 2004 by substituting the following for the definition of "Outside Director" contained in Article 1 thereof:

> "Outside Director - a Director who is not then a full-time employee (as defined in accordance with the regulations and revenue rulings then applicable under Section 3401(c) of the Code) of the Company or of any corporation that is then a Parent Corporation or a Subsidiary."

In all other respects the Plan shall remain in full force and effect.

FURTHER RESOLVED, that the officers of this corporation are authorized to produce a copy of the Plan as conformed to reflect the foregoing amendment and to take all action appropriate and necessary to effectuate the foregoing amendment.

* * * * * *

I, Frank J. Notaro, the Secretary of IDEX Corporation, do hereby certify that the foregoing resolutions were adopted by the Board of Directors of IDEX Corporation at a duly held meeting on November 20, 2003.

____
Secretary as Aforesaid

EXHIBIT 10.19

PERSONAL AND CONFIDENTIAL
VIA OVERNIGHT MAIL

November 13, 2002

Ms. Kimberly Bors
728 Westgate Road
Deerfield, Illinois 60015

Dear Kim:

We are pleased to offer you the position of Vice President - Human Resources for IDEX. The position is situated at the Executive Office in Northbrook, Illinois. In this position you will report directly to Dennis Williams, IDEX Chief Executive Officer, Chairman, and President.

The following terms apply to this offer:

- Your annual base salary will be $220,000, payable on a monthly basis at the rate of $18,333 per month. You will be eligible for a review of your salary with consideration for an increase on January 1, 2004. While we hope that you have a long and mutually beneficial relationship with IDEX, your employment will not be for any fixed term or definite period and may be terminated at any time.

- You will be eligible for participation in our Management Incentive Compensation Plan (MICP), which provides annual incentive earnings opportunity based on group and personal performance. You will be placed in Salary Range 24, which means your target level of extra compensation will be 57% of your annual base pay in effect at the beginning of the plan year. The actual payout under the plan could be more or less than the target level and will depend on the performance of your operations and your performance. Enclosed is a copy of the IDEX MICP plan document.

  For the 2003 MICP plan year, we will guarantee a minimum pay-out of $95,000, provided your employment with IDEX begins on or before January 2, 2003 and you remain employed with IDEX on December 31, 2003. If actual unit and personal performance earn a higher bonus (prorated for the number of months of participation rounded to full months), the higher amount will be payable. The 2003 bonus is payable in late January or early February 2004.

For the 2004 MICP plan year, your bonus will be based on actual unit and personal performance.

- You will be eligible for the full range of ChoiceComp benefits for IDEX employees at the Executive Office, including defined benefit pension, 401(k) IDEX Savings Plan, medical and dental coverage, short-term and long-term disability coverage, and life insurance. A ChoiceComp folder describing our flexible benefit plan is enclosed. You will be eligible for medical coverage on the first of the month following your employment date.

- As an IDEX officer, you are eligible to use a company-provided car under the IDEX Car Policy. Currently, you would be eligible for a Buick Park Avenue, Chrysler 300 LX, BMW 325i, Lexus ES 300, or several other specified similar-valued cars. You will be subject to taxable income for the personal use of this car under current IRS regulations. Please work with Doug Lennox, Treasurer, to place the order through Wheels, Inc., which supplies our company cars.

- Subject to approval of our Board of Directors, we expect to award you an appropriate number of stock options under the IDEX Corporation Stock Option Plan. This plan is designed to provide an incentive and reward to key employees who are in a position to make substantial contributions to the success of the company. Stock options are normally awarded to MICP participants at the Annual Shareholders' Meeting in March.

  The initial price at which the options are granted will be the fair market value on the day prior to the meeting at which the shares are approved (or the day before the date if issue, if they are issued at a later date). If and when the options are granted, we will notify you, provide you with a Stock Option Agreement, and ask that you sign the agreement and complete a beneficiary designation form.

  A special stock option grant of 15,000 shares will be awarded to you immediately following your starting employment with IDEX

The initial price at which the options are granted will be the fair market value on the day immediately prior to the effective date of the grant.

- Effective January 1, 2004, you will be eligible to participate in the IDEX Deferred Compensation Plan for Officers, which provides an alternative to defer income and subsequent earnings on that income until after retirement.

- You will be eligible for three (3) weeks of vacation during the vacation year from June 1 through May 31, and in each succeeding vacation year. We will work with you to schedule vacation you may require between now and May 31, 2003.

- As discussed with you, we expect that IDEX will continue to grow and prosper as an independent publicly-owned company. However, in the event of a "Change in Control," as defined in the Amended and Restated IDEX Corporation Supplemental Executive Retirement Plan, that results in your termination from service within 24 months of the Change of Control, the Company would be obligated to pay your salary at the rate then in effect and your then current target MICP bonus for a minimum of 36 months following the date of termination. This payment would not be applicable in the event of your resignation.

- We are agreeable to delaying the start date for your employment until January 2, 2003 to enable you to complete your long-term project and to enhance the possibility of your access to earned annual and longer-term incentive payments. In order to reflect equity that may be jeopardized in making the transition between companies, a signing bonus of $25,000, less appropriate deductions for taxes, will be payable on February 1, 2003.

This offer of employment is subject to your satisfactory completion of a drug and alcohol abuse-screening test. The test may be scheduled at a qualified laboratory. The results should be communicated to me.

At IDEX we have a strong standard of conduct and ethics policy, a copy of which is enclosed. Immediately upon accepting employment, we ask that you sign a statement indicating that you have read the policy and will abide by it.

The company does require that all salaried employees agree to and sign a Confidentiality and Invention Agreement. A copy is enclosed.

Two copies of this offer letter are enclosed. Please indicate your acceptance of this offer by signing on the line provided below and return a signed copy to me by Wednesday, November 20, 2002.

Kim, we have discussed some of the critical challenges that our team faces. We are confident that your leadership skills and experience can make a significant contribution to the success of the IDEX Corporation, and that this position can be a positive professional step for you.

Sincerely,
/s/ Jerry N. Derck
Jerry N. Derck

_________________________________ ____________________

Acceptance of Employment Offer Date
Kim Bors

c: D. K. Williams

Enclosures:

- - MICP Plan Document

- - ChoiceComp benefit folder

- - Ethics policy

- - Ethics acknowledgement form

- - Confidentiality Agreement - Exhibit A

EXHIBIT 10.20

PERSONAL AND CONFIDENTIAL
VIA OVERNIGHT MAIL

November 22, 2002

Ms. Kimberly Bors
728 Westgate Road
Deerfield, Illinois 60015

Dear Kim:

The purpose of this letter is to confirm the commitment made verbally to you on Tuesday, November 19,2002 relating to your employment status with IDEX.

If, in the future, your employment with IDEX Corporation is terminated without cause ("cause" defined as willful misconduct or fraudulent behavior), IDEX will pay you a minimum of 12 months' salary at the then current monthly base rate as severance. Such benefit will not be applicable if you resign.

Kim, we are delighted that you have decided to join IDEX. We look forward to working closely with you as well as to the significant contributions you will make to IDEX in the years ahead.

Sincerely,
/s/ Jerry N. Derck
Jerry N. Derck

c: D. K. Williams

EXHIBIT 10.21

PERSONAL AND CONFIDENTIAL
VIA OVERNIGHT MAIL

December 1, 2003

Mr. Dominic A. Romeo
10831 East Fanfol
Scottsdale, AZ 85259

Dear Dom:

We are pleased to confirm our offer to you for the position of Vice President - Chief Financial Officer for IDEX Corporation. The position is situated at the Executive Office in Northbrook, Illinois. In this position, you will report directly to Dennis Williams, IDEX Chief Executive Officer, Chairman, and President.

This letter supercedes the prior letter dated November 26, 2003 and encompasses all parts of our final employment offer to you. The following terms apply:

- Your annual base salary will be $315,000, payable on a biweekly basis at the rate of $12,115.38 per pay period. You will be eligible for a review of your salary with consideration for an increase on January 1, 2005. While we hope that you have a long and mutually beneficial relationship with IDEX, your employment will not be for any fixed term or definite period and may be terminated at any time.

- You will be eligible for participation in our Management Incentive Compensation Plan (MICP), which provides an annual incentive earnings opportunity based on company and personal performance. You will be placed in Salary Range 26, which means your target level of extra compensation will be 65% of your annual base pay in effect at the beginning of the plan year. The actual payout under the plan could be more or less than the target level and will depend on the performance of IDEX and your individual performance. Enclosed is a copy of the IDEX MICP plan document.

- You will be eligible for the full range of ChoiceComp benefits for IDEX employees at the Executive Office, including the IDEX Corporation Retirement Plan (defined benefit pension), IDEX Corporation Supplemental Executive Retirement Plan (benefits in excess of the IRS limits), 401(k) IDEX Savings Plan, medical and dental coverage, short-term and long-term disability coverage, life insurance, and enhanced one million-dollar business travel accident coverage. A ChoiceComp folder describing our flexible benefit plan is enclosed. You will be eligible for medical coverage on the first of the month following your employment date.

- As an IDEX officer, you are eligible to use a company-provided car under the IDEX Car Policy. Currently, you would be eligible for a BMW 325i, Lexus 300, Buick Park Avenue, Chrysler 300 LX, or other similar-valued cars. You will be subject to taxable income for the personal use of this car under current IRS regulations. Doug Lennox, Treasurer, will assist you to place the order through Wheels, Inc., which supplies our company cars.

- Subject to approval of our Board of Directors, we expect to award you an annual grant of stock options under the IDEX Corporation Stock Option Plan. This plan is designed to provide an incentive and reward to key employees who are in a position to make substantial contributions to the success of the company. Stock options are normally awarded to Officers at the Annual Shareholders' Meeting in March.

  The initial price at which the options are granted will be the fair market value on the day prior to the meeting at which the shares are approved (or the day before the date of issue, if they are issued at a later date). If and when the options are granted, we will notify you, provide you with a Stock Option Agreement, and ask that you sign the agreement and complete a beneficiary designation form.

- An initial, special stock option grant of 50,000 shares will be awarded to you immediately following your starting employment with IDEX. The initial price at which the options are granted will be the fair market value on the day immediately prior to the effective date of the grant. Vesting will occur in five annual installments of twenty percent (20%) each, commencing on the first anniversary of the grant date. Accelerated vesting would occur in the event of change in control.

- As a special sign-on incentive, you will be awarded 20,000 shares of restricted stock with a five-year cliff-vesting requirement. Accelerated vesting would occur in the event of a change in control or termination of employment by the Company without cause. We will also provide a Restricted Stock Agreement for you to sign upon employment.

- As a replacement for your forfeited 2003 Honeywell annual bonus, we have agreed to pay you an amount equal to what you would have received had you remained employed at Honeywell through the payout date. You have indicated that this amount is approximated at $150,000. We will provide this payment as soon as practical following your employment date and the determination that the Honeywell bonus has actually been forfeited.

- Effective January 1, 2004, you will be eligible to participate in the IDEX Deferred Compensation Plan for Officers, which provides an alternative to defer income and subsequent earnings on that income until after retirement.

- You will be eligible for three (3) weeks of vacation during the vacation year from June 1 through May 31, and in each succeeding vacation year. In addition, we will accommodate vacation time you may require between now and May 31, 2004. Additionally, the IDEX Holiday schedule typically contains 14 paid holidays, including a shutdown period during the December holiday season.

- You will be eligible for the complete provisions of the IDEX moving policy, as it applies to current employees, including the third-party purchase of your home in Scottsdale, reimbursement of fees involved in the sale of your Scottsdale home and the purchase of a Chicago-area home, and payment of moving expenses. A copy of the moving policy is attached.

We are in agreement that you may delay the physical relocation of your home and family until mid-2004 to accommodate the completion of your children's current school year. To further support you through this transition, the Company will extend the temporary housing provisions of the moving policy and reimburse you for twice monthly return trips to your Scottsdale home through June 2004.

- As discussed with you, we expect that IDEX will continue to grow and prosper as an independent publicly-owned company. However, in the event of a "Change in Control," as defined in the 2001 Stock Option Plan for Officers of IDEX Corporation, that results in your termination from service within 24 months of the Change in Control, the Company would be obligated to pay your salary at the rate then in effect and your then current target MICP bonus for a minimum of 24 months following the date of termination. This payment would not be applicable in the event of your resignation.

- In other than a Change in Control event, should your employment with IDEX Corporation be terminated without cause ("cause" defined as willful misconduct or fraudulent behavior), you shall be entitled to 18 months salary continuation at your then current base salary. This benefit would not be applicable in the event of your resignation.

This offer of employment is subject to your satisfactory completion of a drug and alcohol abuse-screening test. The test may be scheduled at a qualified laboratory. The results should be communicated to me.

At IDEX we have a strong standard of conduct and ethics policy, a copy of which is enclosed. Immediately upon accepting employment, we ask that you sign a statement indicating that you have read the policy and will abide by it.

The company does require that all salaried employees agree to and sign a Confidentiality and Invention Agreement. A copy is enclosed.

Two copies of this offer letter are enclosed. Please indicate your acceptance of this offer by signing on the line provided below and return a signed copy to me by Tuesday, December 2, 2003.

Dom, we have discussed some of the critical challenges and opportunities that our team faces. We are confident that your leadership skills and experience can make a significant contribution to the success of IDEX, and that this position can be a positive professional step for you.

Sincerely,

Kimberly Bors

Acceptance of Employment Offer — Date
Dominic A. Romeo

KKB/jlk

c: D. K. Williams

Enclosures:

- - MICP Plan Document

- - 2004 ChoiceComp Benefits Booklet

- - IDEX Defined Benefit Retirement Plan Summary

- - IDEX 401(k) Plan Summary

- - 2004 Holiday Schedule

- - Moving Policy for Current Employees

- - Ethics policy

- - Ethics acknowledgement form

- - Confidentiality Agreement

EXHIBIT 10.22

RESTRICTED STOCK AWARD AGREEMENT
BETWEEN
IDEX CORPORATION AND DOMINIC A. ROMEO

This Agreement is made as of the 14th day of January, 2004 (hereafter the "Effective Date"), between IDEX Corporation, a Delaware corporation with its executive offices at 630 Dundee Road, Suite 400, Northbrook, Illinois 60062 ("IDEX"), and Dominic A. Romeo, an individual residing at 10831 East Fanfol, Scottsdale, AZ 85259 (the "Executive").

WITNESSETH:

WHEREAS, in order to entice Executive to accept employment with IDEX and in view of the key role the Executive will play in the success of IDEX and its subsidiaries, and the desire that he accepts employment as Vice President and Chief Financial Officer of IDEX, the Compensation Committee of the Board of Directors of IDEX (the "Committee") now believes that it is appropriate to make an award of Restricted Stock to the Executive; and

WHEREAS, the Committee desires that the award be evidenced by a written agreement, executed by IDEX and the Executive, containing such restrictions, terms and conditions as may be required by the Committee;

NOW THEREFORE, in consideration of the premises and mutual agreements hereinafter set forth, the Executive and IDEX hereby agree as follows:

1. Award.

As of the Effective Date, IDEX hereby grants to the Executive an award (the "Award") of 20,000 Shares of IDEX's common stock ("Restricted Shares") subject to the restrictions, terms and conditions set forth below.

2. Vesting of the Award.

(a) The Restricted Shares awarded under the Award shall vest subject to the Executive remaining employed by IDEX as follows:

(i) 50% of the Restricted Shares shall vest on the fourth anniversary of the Effective Date; and

(ii) 50% of the Restricted Shares shall vest on the fifth anniversary of the Effective Date.

(b) Notwithstanding any other provision in this Agreement to the contrary, in the event of a Change in Control, as defined in the 2001 Stock Plan for Officers of IDEX Corporation (the "Officers Plan"), then all Restricted Shares shall vest in full immediately.

(c) Notwithstanding the provisions in Section 2(a), if the Executive's employment is terminated by IDEX without cause; then, all unvested Restricted Shares under the Award shall vest immediately. For this purpose, "cause" shall mean the Executive's willful misconduct or fraudulent behavior.

(d) Until a Restricted Share vests, the Executive acknowledges that he may not, and agrees that he shall not, transfer his rights to such Restricted Share. Until a Restricted Share vests, no attempt to transfer such Restricted Share, whether voluntary or involuntary, by operation of law or otherwise, shall vest the transferee with any interest or right in or with respect to such Restricted Share.

(e) The Executive will receive all dividends paid on the Restricted Shares and will be entitled to vote the Restricted Shares.

3. Termination.

(a) If the Executive ceases to be an employee by reason of disability or death prior to the vesting of the Restricted Shares, then the Executive or his estate shall be entitled to receive the unvested shares of the Award. No transfer, by will or by the laws of the descent and distribution, of the Common Shares which vest by reason of the Executive's death shall be effective to bind IDEX unless the Committee shall have been furnished with (i) written notice thereof and a copy of the will and/or such other evidence as the Committee may deem necessary to establish the validity of the transfer and (ii) an agreement by the transferee to comply with the terms and conditions of this Agreement that were or would have been applicable to the Executive.

(b) Notwithstanding the provisions in Section 2(a), the Executive's resignation will result in forfeiture of the awarded Restricted Shares. If the Executive ceases to be an employee of IDEX prior to the vesting of the Restricted Shares for any reason other than by reason of disability or death or as provided in Section 2(c), the Executive's rights to any unvested shares of the Award shall be immediately and irrevocably forfeited.

4. Insurance and Custody Certificate.

(a) IDEX shall cause to be issued one or more stock certificates, registered in the name of the Executive evidencing the Restricted Shares awarded pursuant to Section 1. Each such certificate shall bear the following legends:

The shares represented by this certificate have not been registered under the Securities Act of 1933, as amended, and thus may not be offered for sale, sold, transferred or otherwise disposed of unless registered under the Securities Act of 1933, as amended, or unless an exemption from such registration is available.

The shares of stock represented by this certificate are subject to forfeiture and the transferability of this certificate and the shares of stock represented hereby are subject to the restrictions, terms and conditions (including restrictions against transfer) contained in a Restricted Stock Award Agreement dated January 13, 2003, entered into between the registered owner of such shares and IDEX Corporation. A copy of the Agreement is on file in the office of the Secretary of IDEX Corporation, Suite 400, 630 Dundee Road, Northbrook, Illinois 60062.

(b) Each Certificate issued pursuant to Section 4(a), together with stock powers duly executed in blank relating to such Restricted Shares, shall be deposited by IDEX with the Secretary of IDEX or a custodian designated by such Secretary. The Secretary or such custodian shall issue a receipt to the Executive evidencing the certificates held which are registered in the name of the Executive.

(c) Promptly after any Restricted Shares vest pursuant to Section 2 of this Agreement, IDEX shall cause to be issued certificates evidencing such Restricted Shares, free of the second legend provided in Section 4(a) and shall cause such certificates to be delivered to the Executive (or the Executive's legal representatives, beneficiaries or heirs) and to return the related stock power.

(d) The Executive shall not be deemed for any purpose to be, or have rights as, a shareholder of IDEX by virtue of the Award, until a stock certificate is issued therefore pursuant to Section 4(a).

5. Agreements of the Executive.

The Executive acknowledges that: (a) this Agreement is not a contract of employment and the terms of the Executive's employment shall not be affected in any way by this Agreement except as specifically provided in this Agreement; (b) the Award made by this Agreement shall not confer any legal rights upon the Executive for continuation of employment or interfere with or limit the right of IDEX to terminate the Executive's employment at any time; and (c) the Committee may amend, suspend or terminate this Agreement or any part thereof at any time provided that no amendment, suspension or termination (other than that resulting from termination of employment of the Executive) shall be made or effected which would adversely affect any right of the Executive with respect to the Award made by this Agreement without the written consent of the Executive unless such amendment, termination or suspension is required by applicable law.

6. Legal Compliance Restrictions.

IDEX shall not be obligated to issue or deliver any certificates evidencing Restricted Shares awarded by this Agreement unless and until IDEX is advised by its counsel that the issuance and delivery of such certificates are in compliance with all applicable laws, regulations of governmental authorities and the requirements of the New York Stock Exchange or any other exchange upon which Shares of IDEX are traded.

7. Withholding Taxes.

The Executive agrees to pay or make arrangements for the payment to IDEX of the amount of any taxes that IDEX is required by law to withhold with respect to the Award made by this Agreement. Such payment shall be due on the date IDEX is required to withhold such taxes. The Executive may satisfy any such tax obligation, in whole or in part, by (i) electing to have IDEX withhold Restricted Shares otherwise to be delivered with a fair market value equal to the minimum amount of any such tax withholding obligation, or (ii) electing to surrender to IDEX previously owned Restricted Shares with a fair market value equal to the minimum amount of any such tax withholding obligation. The election must be made on or before the date that the amount of the tax to be withheld is determined. In the event that payment is not made when due, IDEX shall have the right (a) to retain, or sell within 10 days notice or such longer notice as may be required by applicable law, a sufficient number of the Restricted Shares subject to the Award made to the Executive in order to cover all or part of the minimum amount required to be withheld; (b) to deduct, to the extent permitted by law, from any payment of any kind otherwise due to Executive from IDEX all or part of the minimum amount required to be withheld or (c) to pursue any other remedy at law or in equity.

8. Stock Splits, Recapitalizations, Acquisitions, etc.

In the event of any change in the number of outstanding Shares by reason of any stock dividend or split, recapitalization, merger, consolidation, combination or exchange of shares or similar corporate change, the number and kind of shares subject to this Agreement shall be appropriately and equitably adjusted by the Committee. If changes in capitalization of IDEX other than those referred to above shall occur, the Committee shall make such adjustments in the number and kind of shares available under this Agreement as the Committee in good faith may deem appropriate and equitable. Unless the Committee otherwise determines, the Employee's right in respect of such securities and other property shall not vest until such Restricted Share would have vested and no such securities or other property shall be issued or delivered until such Restricted Share would be issued or delivered.

9. Notices.

All written Communications to parties required hereunder must be in writing and (a) delivered in person, (b) mailed by registered or certified mail, return receipt requested, (such mailed notice to be effective 4 days after the date it is mailed) or (c) sent by facsimile transmission, with confirmation sent by way of one of the above methods, to the party at the address given below for the party (or to any other address as the party designates in writing complying with this Section, delivered to the other party):

If to IDEX:

IDEX Corporation
Suite 400
630 Dundee Road
Northbrook, IL 60062
Attention: Vice President - General Counsel
Telephone: 847-498-7070
Telecopier: 847-498-9123

with a copy to:

Latham & Watkins, LLP
Sears Tower, Suite 5800
233 South Wacker Drive
Chicago, Illinois 60606-6401
Attention: Christopher D. Lueking, Esq.
Telephone: 312-876-7680
Telecopier: 312-993-9767

If to the Executive:

At the address on file with IDEX.

10. Illinois Law.

This Agreement is made and accepted in the State of Illinois. The laws of the State of Illinois shall control the interpretation and performance of the terms of this Agreement.

11. Binding Effect.

This Agreement shall be binding upon, and shall inure to the benefit of, the respective successors, assigns, heirs, executors, administrators and guardians of the parties hereto.

12. Severability.

Whenever possible, each provision of this Agreement will be interpreted in such a manner as to be enforceable under applicable law. However, if any provision of this Agreement is deemed unenforceable under applicable law by a court having jurisdiction, the provision will be unenforceable only to the extent necessary to make it enforceable without invalidating the remainder thereof or any of the remaining provisions of this Agreement.

13. Miscellaneous.

This Agreement (a) may not be amended, modified or terminated orally or by any course of conduct pursued by IDEX or the Executive, but may be amended, modified or terminated only by a written agreement duly executed by IDEX and the Executive, (b) is binding upon an inures to the benefit of IDEX and the Executive and each of their respective heirs, representatives, successors and assignees, and (c) constitutes the entire agreement between IDEX and the Executive with respect to the subject matter of this Agreement, and supersedes all oral and written proposals, representations, understandings and agreements previously made or existing with respect to the subject matter.

14. Multiple Counterparts.

This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Any party may execute this Agreement by facsimile signature and the other party shall be entitled to rely on such facsimile signature as evidence that this Agreement has been duly executed by such party. Any party executing this Agreement by facsimile signature shall immediately forward to the other party an original signature page by overnight mail.

IN WITNESS WHEREOF, IDEX and the Executive have caused this Agreement to be executed and delivered, all as of the day and year first above written.

EXECUTIVE

____
Dominic A. Romeo

Date: ___________

IDEX CORPORATION

By: /s/ Frank Notaro

Date: 01/14/04

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EXHIBIT 12

COMPUTATION OF RATIO OF EARNINGS TO FIXED CHARGES
(in 000's)

	YEARS ENDED DECEMBER 31 2003	2002	2001	2000	1999
FIXED CHARGES:					
Interest charges	$ 14,091	$ 16,354	$ 20,738	$ 16,521	$ 18,020
Net amortization of debt discount and premium and issuance expense	580	580	364	224	371
Interest portion of rental charges	559	484	455	472	478
TOTAL FIXED CHARGES	$ 15,230	$ 17,418	$ 21,557	$ 17,217	$ 18,869
EARNINGS:					
Pre-tax earnings	$ 96,670	$ 83,895	$ 53,431	$ 101,026	$ 87,225
Interest charges	14,091	16,354	20,738	16,521	18,020
Net amortization of debt discount and Premium and issuance expense	580	580	364	224	371
Interest portion of rental charges	559	484	455	472	478
TOTAL EARNINGS	$ 111,900	$ 101,313	$ 74,988	$ 118,243	$ 106,094
RATIO OF EARNINGS TO FIXED CHARGES	7.3	5.8	3.5	6.9	5.6

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EXHIBIT 13

Historical Data (1)
(DOLLARS IN THOUSANDS EXCEPT PER SHARE AMOUNTS)

	2003	2002	2001	2000	1999	1998
Results of Operations						
Net sales	$ 797,920	$ 742,014	$ 726,947	$ 704,276	$ 655,041	$ 640,131
Gross profit	309,320	281,438	263,722	277,952	256,484	252,846
SG&A expenses	199,458	181,269	164,893	149,639	140,495	132,627
Goodwill amortization	--	--	14,165	11,797	11,312	10,676
Restructuring activity	--	(203)	11,226	--	--	--
Operating income	109,862	100,372	73,438	116,516	104,677	109,543
Other income (expense) - net	899	(123)	731	1,031	568	479
Interest expense	14,091	16,354	20,738	16,521	18,020	22,359
Provision for income taxes	34,318	29,783	20,721	37,581	32,797	33,267
Income from continuing operations	62,352	54,112	32,710	63,445	54,428	54,396
Income from discontinued operations	--	--	--	--	--	10,182
Extraordinary items	--	--	--	--	--	(2,514)
Net income	62,352	54,112	32,710	63,445	54,428	62,064
Financial Position						
Current assets $						

224,496 $
221,260 $
214,903 $
232,089 $
213,715 $
195,900
Current
liabilities
115,681
108,332
87,338
177,811(2)
91,634 80,265
Working
capital
108,815
112,928
127,565
54,278(2)
122,081
115,635
Current ratio
1.9 2.0 2.5
1.3(2) 2.3
2.4 Capital
expenditures
20,318 19,335
21,639 20,739
18,338 20,763
Depreciation
and
amortization
30,055 30,105
44,297 36,704
34,835 33,575
Total assets
960,739
931,050
838,804
758,854
738,567
695,811 Total
debt 176,546
241,051
291,820
241,886
268,589
283,410
Shareholders'
equity
592,102
506,791
401,112
374,502
329,024
286,037
Performance
Measures
Percent of
net sales
Gross profit
38.8% 37.9%
36.3% 39.5%
39.2% 39.5%
SG&A expenses
25.0 24.4
22.7 21.2
21.4 20.7
Goodwill
amortization
-- -- 1.9 1.7
1.7 1.7
Restructuring
activity -- -
- 1.5 -- -- -
- Operating
income 13.8
13.5 10.1
16.5 16.0
17.1 Income
before income
taxes 12.1
11.3 7.4 14.3
13.3 13.7
Income from
continuing
operations
7.8 7.3 4.5
9.0 8.3 8.5
Effective tax
rate 35.5
35.5 38.8
37.2 37.6
37.9 Net

income return on average assets 6.6 6.1 4.1 8.5 7.6 9.6 Debt as a percent of capitalization 23.0 32.2 42.1 39.2 44.9 49.8 Net income return on average shareholders' equity 11.3 11.9 8.4 18.0 17.7 23.7 Per Share Data (3) Basic -- income from continuing operations $ 1.92 $ 1.71 $ 1.08 $ 2.13 $ 1.84 $ 1.85 -- net income 1.92 1.71 1.08 2.13 1.84 2.12 Diluted -- income from continuing operations 1.87 1.67 1.05 2.07 1.81 1.81 -- net income 1.87 1.67 1.05 2.07 1.81 2.07 Cash dividends declared .56 .56 .56 .56 .56 .545 Shareholders' equity 17.95 15.60 13.05 12.38 11.10 9.71 Stock price -- high 42.37 39.66 37.20 36.00 34.13 38.75 -- low 26.02 25.70 24.90 22.75 21.63 19.50 -- close 41.59 32.70 34.50 33.13 30.38 24.50 Price/earnings ratio at year end 22 20 33 16 17 14 Other Data (3) Employees at year end 3,689 3,863 3,873 3,880 3,773 3,803 Shareholders at year end 5,700 4,700 5,500 5,200 5,600 7,000 Shares outstanding (in 000s): Weighted average -- basic 32,530 31,669 30,222 29,726 29,544 29,332 -- diluted 33,315 32,483 31,047 30,632 30,085 30,052 At year end (net of treasury) 32,986 32,477

30,734 30,258
29,636 29,466

(1) See Notes to Consolidated Financial Statements for additional detail.

(2) Excluding short-term debt of $88,077, current liabilities were $89,734, working capital was $142,355 and the current ratio was 2.6.

(3) 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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 1997
 1996
 1995
 1994
 1993
1992 -
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- ----
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 -----
   $
552,163
   $
474,699
   $
395,480
   $
319,231
   $
239,704
   $
215,778
222,357
187,074
157,677
126,951
96,903
88,312
110,588
93,217
78,712
66,743
52,950
49,326
 8,174
 6,241
 4,196
 3,025
 1,889
 1,422
 -- --
 -- --
 -- --
103,595
87,616
74,769
57,183
42,064
37,564
 (693)
 (696)
  524
  281
  728
  602
18,398
17,476
14,301
11,939
 9,168
 9,809
31,029
25,020
21,845
16,181
11,187
 9,763
53,475
44,424
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39,147
29,344
22,437
18,594
5,151
5,774
6,178
4,266
2,889
1,552
-- --
-- --
--
(3,441)
58,626
50,198
45,325
33,610
25,326
16,705
$
197,267
$
191,599
$
173,889
$
140,450
$
106,864
$
107,958
77,801
83,286
70,798
58,443
34,038
31,276
119,466
108,313
103,091
82,007
72,826
76,682
2.5
2.3
2.5
2.4
3.1
3.5
13,562
11,634
8,181
6,818
6,120
5,657
24,943
21,312
15,277
12,515
10,092
8,758
599,193
569,745
450,077
357,980
245,291
240,175
258,417
271,709
206,184
168,166
117,464
139,827
238,671
195,509
150,945
116,305
83,686
58,731
40.3 %
39.4 %
39.9 %
39.8 %
40.4 %
40.9 %
20.0
19.6
19.9
20.9
22.1
22.9
1.5
1.3

1.1
1.0 .8
.7 --
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18.8
18.5
18.9
17.9
17.5
17.4
15.3
14.6
15.4
14.3
14.0
13.1
9.7
9.4
9.9
9.2
9.4
8.6
36.7
36.0
35.8
35.5
33.3
34.4
10.0
9.8
11.2
11.1
10.4
8.9
52.0
58.2
57.7
59.1
58.4
70.4
27.0
29.0
33.9
33.6
35.6
34.9 $
1.83 $
1.54 $
1.37 $
1.03 $
.79 $
.66
2.01
1.74
1.58
1.18
.89
.59
1.78
1.49
1.32
1.00
.77
.65
1.95
1.69
1.53
1.15
.87
.59
.495
.44
.387
.093 -
- --
8.16
6.76
5.26
4.06
2.93
2.07
36.69
27.63
29.50
19.50
16.00
10.63
23.25
19.88
18.38
15.13
9.75

7.38
34.88
26.63
27.13
18.75
15.88
10.63
20 16
18 16
18 18
3,326
3,093
2,680
2,305
1,828
1,864
7,000
6,100
5,300
4,400
4,300
4,200
29,184
28,818
28,662
28,600
28,396
28,353
29,999
29,779
29,609
29,331
28,976
28,389
29,250
28,926
28,695
28,619
28,580
28,353

Net Sales (in millions)

[BAR GRAPH]

Net
Sales -

- 2003
$797,920
2002
$742,014
2001
$726,947
2000
$704,276
1999
$655,041
1998
$640,131
1997
$552,163
1996
$474,699
1995
$395,480
1994
$319,231
1993
$239,704
1992
$215,778

Sales have grown at a 12.6% compound annual rate since 1992.

Operating Margins
(continuing operations)

[BAR GRAPH]

IDEX Value
Line
Industrial
Composite
Index ----

- 2003
13.7%
10.3% 2002

13.5%
10.4% 2001
10.1%
10.0% 2000
16.5%
12.5% 1999
16.0%
11.9% 1998
17.1%
11.6% 1997
18.8%
12.1% 1996
18.5%
11.5% 1995
18.9%
11.3% 1994
17.9%
10.4% 1993
17.5% 9.4%
1992 17.4%
8.4%

While IDEX's strong operating margins have been negatively affected by weak economic conditions since 2001, advances in operational excellence initiatives helped improve them in 2002 and 2003.

Diluted Earnings per Share
(continuing operations)

[BAR GRAPH]

Diluted
Earnings
per
Share -

2003
$1.87
2002
$1.67
2001
$1.05
2000
$2.07
1999
$1.81
1998
$1.81
1997
$1.78
1996
$1.49
1995
$1.32
1994
$1.00
1993
$0.77
1992
$0.65

Weak economic conditions since 2001 reduced the compound annual growth rate since 1992 to 10.1%. The growth initiatives under way will improve IDEX's long-term profitability.

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

HISTORICAL OVERVIEW AND OUTLOOK

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

IDEX has a history of achieving above-average operating margins. Our operating margins have exceeded the average operating margin of the companies that comprise the Value Line Composite Index (VLCI) every year since 1988. We view the VLCI operating performance statistics as a proxy for an average industrial company. Our operating margins are influenced by, among other things, utilization of facilities as sales volumes change and inclusion of newly acquired businesses. Newly acquired businesses may have lower operating margins than the Company's operating margins and, prior to 2002, those margins were further reduced by amortization of goodwill and intangible assets. Beginning in 2002, we were no longer required to amortize to earnings these assets with indefinite lives in accordance with new accounting rules. Instead, these assets are reviewed periodically for impairment.

For 2003, we reported higher orders, sales, operating income, net income and earnings per share compared with the prior year. New orders in 2003 totaled $797.8 million, 6% higher than 2002. Excluding the impact of the Halox (April 2002), Rheodyne (July 2002), Wrightech (October 2002), Sponsler (June 2003) and Classic Engineering (September 2003) acquisitions and foreign currency translation, orders were essentially unchanged from 2002. At December 31, 2003, the Company had a typical unfilled order backlog of slightly over one month's sales.

Given the economic environment, we are proud of our financial and operating performance in 2003. Together, our business units delivered record orders, sales and cash flows, while earnings improved. For the year, earnings per share were up 12%, and we reported our 6th consecutive quarter of year-over-year improvement in the fourth quarter. Organic revenue growth in our dispensing equipment and engineered products businesses more than offset the slight weakness in the industrial pump segment of the business. In addition, we continued to drive our operational excellence initiatives, established a strategic base of operations in China, and completed two acquisitions in 2003 and another in early January 2004. We continue to use all the tools at our disposal to drive growth, profitability and cash generation, positioning IDEX to deliver even stronger performance as the economy improves.

The following forward-looking statements are qualified by the cautionary statement under the Private Securities Litigation Reform Act set forth below. While economic conditions in 2003 improved modestly from 2002, it is clear that we have not as yet seen a broad-based economic recovery. As a short-cycle business, our 2004 financial performance depends on the current pace of incoming orders, and we have limited visibility on future business conditions. We believe IDEX is well positioned for earnings improvement as the economy improves. This is based on our lower cost levels resulting from our restructuring actions in previous years; our operational excellence initiatives of Global Sourcing, Six Sigma, Kaizen and Lean Manufacturing; eBusiness; and our use of strong cash flow to cut debt and interest expense. With the belief that innovation will define the winning companies of the future, we are increasing our emphasis on new products and global markets, while pursuing strategic acquisitions to help drive our longer term profitable growth.

FROM LEFT TO RIGHT, SEATED: Susan Fisher (Director - Investor Relations), Wayne Sayatovic (Senior Vice President - Finance and Chief Financial Officer), Clint Kooman (Vice President - Controller)

FROM LEFT TO RIGHT, STANDING: Doug Lennox (Vice President - Treasurer), Dom Romeo (Vice President and Chief Financial Officer-elect)

CAUTIONARY STATEMENT UNDER THE PRIVATE SECURITIES LITIGATION REFORM ACT

The "Historical Overview and Outlook" and the "Liquidity and Capital Resources" sections of this management's discussion and analysis of our operations contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Exchange Act of 1934, as amended. These statements may relate to, among other things, capital expenditures, cost reductions, cash flow, and operating improvements and are indicated by words or phrases such as "anticipate," "estimate," "plans," "expects," "projects," "should," "will," "management believes," "the company believes," "we believe," "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 filing. The risks and uncertainties include, but are not limited to, the following: 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 our order rates and results, particularly in light of the low levels of order backlogs we typically maintain; our 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 we operate; interest rates; capacity utilization and the effect this has on costs; labor markets; market conditions and material costs; and developments with respect to contingencies, such as litigation and environmental matters. The forward-looking statements included here are only made as of the date of this report, and we undertake no obligation to publicly update them to reflect subsequent events or circumstances. Investors are cautioned not to rely unduly on forward-looking statements when evaluating the information presented here.

RESULTS OF OPERATIONS

For purposes of this discussion and analysis section, reference is made to the table on page 20 and the Consolidated Statements of Operations on page 27.

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

The Pump Products Group produces a wide variety of pumps, compressors, flow meters, injectors and valves and related controls for the movement of liquids, air and gases. The Dispensing Equipment Group produces highly engineered equipment for dispensing, metering and mixing colorants, paints, inks and dyes, hair colorants and other personal care products; refinishing equipment; and centralized lubrication systems. The Other Engineered Products Group produces firefighting pumps, rescue tools and other components and systems for the fire and rescue industry, and engineered stainless steel banding and clamping devices used in a variety of industrial and commercial applications.

PERFORMANCE IN 2003 COMPARED WITH 2002

Orders, sales, net income and earnings per share were higher in 2003 compared with 2002. New orders in 2003 totaled $797.8 million and were 6% higher than the prior year. Excluding the impact of the five acquisitions made since the beginning of 2002 and foreign currency translation, orders were essentially unchanged from last year.

Sales in 2003 of $797.9 million were 8% higher than the $742.0 million recorded a year ago. Acquisitions and foreign currency translation accounted for an improvement of 2% and 5%, respectively, while base business sales rose by 1%. Domestic sales increased by 1%, while international sales, net of foreign currency translation, were 8% higher. For the year, international sales were 45% of total sales, up from 41% in 2002.

In 2003, the Pump Products Group contributed 57% of sales and 55% of operating income, the Dispensing Equipment Group accounted for 20% of both sales and operating income, and the Other Engineered Products Group represented 23% of sales and 25% of operating income.

Pump Products Group sales of $456.5 million in 2003 increased by $19.9 million, or 5%, compared with 2002. Acquisitions and foreign currency translation accounted for a 5% and 2% sales improvement, respectively, but this was offset by a 2% decline in base business activity. In 2003, domestic sales increased slightly and international sales increased by 12% compared with last year. Excluding acquisitions, base U.S. sales volume decreased by 4%, while base international sales increased by 7%. Sales to customers outside the U.S. were 39% of total group sales in 2003, up from 37% in 2002.

Dispensing Equipment Group sales of $159.2 million increased by $20.5 million, or 15%, in 2003 compared with the prior year, mainly due to favorable foreign currency translation of 13% and a 2% increase in base business activity. Domestic sales decreased by 5% compared with 2002, while international sales increased by 32%. Sales to customers outside the U.S. were 62% of total group sales in 2003, up from 54% in 2002.

Other Engineered Products Group sales of $185.0 million increased by $15.3 million, or 9%, in 2003 compared with 2002. Foreign currency translation and increased base business activity provided an improvement of 5% and 10%, respectively, but this was partially offset by a 6% decline due to the sale of a product line. In 2003, domestic sales increased by 7% and international sales increased by 29%. Sales to customers outside the U.S. were 43% of total group sales in 2003, up from 38% in 2002.

Net Sales
by Group
Dispensing
Engineered
(in
millions)
Pump
Products
Equipment
Products
Combined -

---- -----
-------- -

2003	$456,516	$159,225	$185,022	$800,763
2002	$436,664	$138,702	$169,692	$745,058
2001	$427,037	$137,407	$164,815	$729,259
2000	$394,999	$166,362	$145,823	$707,184
1999	$372,440	$140,996	$144,486	$657,922
1998	$375,692	$122,844	$144,004	$642,540
1997	$265,918	$138,202	$150,455	$554,575
1996	$245,620	$ 80,169	$149,949	$475,738
1995	$228,909	$ 42,007	$125,118	$396,034
1994	$197,013	$ 37,890	$ 84,784	$319,687
1993	$180,906	$ 31,944	$ 27,364	$240,214
1992	$156,172	$ 31,200	$ 28,856	$216,228

[BAR GRAPH]

In 2003, acquisitions helped increase Pump Products' sales, while new products were largely responsible for Other Engineered Products growth.

Operating Income by Group
Dispensing
Engineered
(in millions)
Pump
Products
Equipment
Products
Combined

2003	$70,436	$25,724	$32,990	$129,150
2002				

$71,945
$18,627
$25,638
$116,210
2001
$61,758
$13,957
$25,032
$100,747
2000
$73,726
$32,566
$27,498
$133,790
1999
$65,673
$25,614
$26,660
$117,947
1998
$74,812
$22,483
$24,596
$121,891
1997
$61,443
$25,636
$26,426
$113,505
1996
$55,129
$14,370
$26,595 $
96,094
1995
$48,365
$11,739
$22,889 $
82,993
1994
$40,303 $
9,736
$14,954 $
64,993
1993
$34,501 $
6,761 $
7,585 $
48,847
1992
$31,252 $
6,251 $
7,887 $
45,390

[BAR GRAPH]

Although newly acquired companies generally have lower operating margins, our rapid integration program helps raise them over time to the IDEX average.

2003 Sales by Region
[PIE CHART]
55% United States
27% Europe
11% Asia/Rest of World
7% Canada/Latin America

A more global market focus continues with 45% of 2003 sales coming from customers outside the United States.

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

COMPANY AND BUSINESS GROUP FINANCIAL INFORMATION
(DOLLARS IN THOUSANDS)

FOR THE YEARS ENDED DECEMBER 31,(1)	2003	2002	2001
Pump Products Group			
Net sales(2)	$ 456,516	$ 436,664	$ 427,037
Operating income(3)(4)	70,436	71,945	61,758
Operating margins(3)(4)	15.4%	16.5%	14.5%
Identifiable assets	$ 551,183	$ 535,822	$ 462,275
Depreciation and amortization(3)			
As reported	16,141	16,913	24,124
Goodwill and trademarks	-	-	7,745
Capital expenditures	12,887	9,348	10,251
Dispensing Equipment Group			
Net sales(2)	$ 159,225	$ 138,702	$ 137,407
Operating income(3)(4)	25,724	18,627	13,957
Operating margins(3)(4)	16.2%	13.4%	10.2%
Identifiable assets	$ 203,786	$ 192,258	$ 180,361
Depreciation and amortization(3)			
As reported	5,881	5,734	9,719
Goodwill and trademarks	-	-	3,897
Capital expenditures	2,967	3,651	5,129
Other Engineered Products Group			
Net sales(2)	$ 185,022	$ 169,692	$ 164,815
Operating income(3)(4)	32,990	25,638	25,032
Operating margins(3)(4)	17.8%	15.1%	15.2%
Identifiable assets	$ 186,417	$ 186,860	$ 181,032
Depreciation and amortization(3)			
As reported	5,116	4,666	7,920
Goodwill and trademarks	-	-	2,932
Capital expenditures	3,874	4,990	5,987
Company			
Net sales	$ 797,920	$ 742,014	$ 726,947
Operating income(3)(4)	109,862	100,372	73,438
Operating margins(3)(4)	13.8%	13.5%	10.1%
Total assets	$ 960,739	$ 931,050	$ 838,804
Depreciation and amortization(3)			
As reported	29,475	29,525	43,933
Goodwill and trademarks	-	-	14,574
Capital expenditures	20,318	19,335	21,639

(1) Includes acquisition of Classic Engineering, Inc. (September 2003), Sponsler Co., Inc. (June 2003), Wrightech Corporation (October 2002), Rheodyne, L.P. (July 2002), Halox Technologies, Inc. (April 2002), Versa-Matic Tool, Inc. (June 2001) and Liquid Controls L.L.C. (January 2001) in the Pump Products Group; and Class 1, Inc. (January 2001) in the Other Engineered Products Group from dates of acquisition. See Note 10 of the Notes to Consolidated Financial Statements.

(2) Group net sales include intersegment sales.

(3) IDEX discontinued goodwill and trademark amortization as of January 1, 2002, in accordance with Statement of Financial Accounting Standards No. 142, as further explained in Note 2 of the Notes to Consolidated Financial Statements.

(4) IDEX took actions in 2002 and 2001 to downsize operations to lower its cost structure, as further explained in Note 7 of the Notes to Consolidated Financial Statements. Group operating income in these years excluded net unallocated corporate operating expenses and restructuring activity. The restructuring activity resulted in income of $203 in 2002 and a charge of $11,226 in 2001, which were not assigned to the individual group segments. Had the company allocated the 2002 restructuring activity, it would have been assigned to the groups as follows: Pump Products (income of $1,046), Dispensing Equipment (expense of $121) and Other Engineered Products (expense of $722). Had the company allocated the 2001 restructuring charge, it would have been assigned to the groups as follows: Pump Products ($7,769), Dispensing Equipment ($1,894) and Other Engineered Products ($1,563).

Gross profit of $309.3 million in 2003 was $27.9 million higher than 2002. As a percent of sales, gross profit was 38.8% in 2003, which represented an increase from 37.9% in 2002. The higher gross profit margin primarily reflects reduced material costs from our increased global sourcing activities and savings from Six Sigma, Kaizen and Lean Manufacturing initiatives, which more than offset increased research and development expenses.

Selling, general and administrative (SG&A) expenses increased to $199.5 million in 2003 from $181.3 million in 2002. This increase was partly due to the inclusion of five acquisitions that incrementally added $4.4 million of cost. This increase also reflects the deliberate reinvestment in the business to drive organic growth, as well as certain cost increases including pension, insurance, audit and legal expenses. As a percent of net sales, SG&A expenses were 25.0%, up from 24.4% in 2002. While 2003 SG&A expenses are up for the reasons noted, we do not believe this is indicative of a significant negative trend.

We also generated income related to restructuring activity of $.2 million in 2002. For more details on our restructuring programs, see "Restructuring Actions" on page 24.

Operating income increased by $9.5 million, or 9%, to $109.9 million in 2003 from $100.4 million in 2002, primarily due to higher 2003 gross profit, offset by increased SG&A expenses. Operating margins in 2003 were 13.8% of sales, compared with 13.5% in 2002.

As described in footnote 4 of the "Company and Business Group Financial Information" table on page 20, each group's operating income and margins exclude restructuring activity in 2002 and 2001. In the Pump Products Group, operating income of $70.4 million and operating margin of 15.4% decreased in 2003 compared with $71.9 million and 16.5% recorded in 2002. The decline in operating margin was due to a number of factors including new product development, additional sales/marketing resources, ERP implementation and reduced volume in some of our more profitable base businesses. Operating income for the Dispensing Equipment Group increased to $25.7 million from $18.6 million last year, and operating margins improved to 16.2% from 13.4% recorded in 2002. The margin increase was mainly due to increased volumes. Operating income in the Other Engineered Products Group of $33.0 million and operating margin of 17.8% increased from $25.6 million and 15.1% achieved in 2002. The improvement in margins was mostly attributable to improved sales volumes.

Other income of $.9 million in 2003 was $1.0 million higher than the $.1 million of expense in 2002. In 2003, we benefitted from a foreign currency exchange gain associated with the anticipated funding of the Manfred Vetter acquisition in early January 2004.

Interest expense decreased to $14.1 million in 2003 from $16.4 million in 2002. The decrease was principally due to lower debt levels resulting from debt paydowns from operating cash flow and a lower interest rate environment.

The provision for income taxes increased to $34.3 million in 2003 from $29.8 million in 2002. The effective tax rate was 35.5% for both periods.

Net income was $62.4 million, or $1.87 per share, compared with $54.1 million, or $1.67 per share, in 2002.

PERFORMANCE IN 2002 COMPARED WITH 2001

Orders, sales, net income and earnings per share were higher in 2002 compared with 2001. New orders in 2002 totaled $749.8 million and were 5% higher than the prior year. Excluding the impact of the four acquisitions made since mid-2001 and foreign currency translation, orders were 1% higher than in 2001.

Sales in 2002 of $742.0 million were 2% higher than the $726.9 million recorded in the prior year. Acquisitions and foreign currency translation accounted for an improvement of 3% and 1%, respectively, but this was offset by a 2% decline in the base businesses. Domestic sales increased by 3%, while international sales, net of foreign currency translation, decreased by 2%. For the year, international sales were 41% of total sales, down slightly from 42% in 2001.

In 2002, the Pump Products Group contributed 58% of sales and 62% of operating income, the Dispensing Equipment Group accounted for 19% of sales and 16% of operating income, and the Other Engineered Products Group represented 23% of sales and 22% of operating income.

Pump Products Group sales of $436.7 million in 2002 increased by $9.6 million, or 2%, compared with 2001. Acquisitions accounted for a 5% sales improvement, but this was partially offset by a 3% decline in base business activity. In 2002, domestic and international sales increased by 3% and 1%, respectively, compared with last year. Excluding acquisitions, base business sales volume in both the U.S. and internationally decreased by 3%. Sales to customers outside the U.S. were 37% of total group sales in 2002, unchanged from 2001.

Dispensing Equipment Group sales of $138.7 million increased by $1.3 million, or 1%, in 2002 compared with the prior year. Domestic by sales increased by 7% compared with 2001, while international sales decreased by 4%. Sales to customers outside the U.S. were 54% of total group sales in 2002, down from 57% in 2001.

Other Engineered Products Group sales of $169.7 million increased by $4.9 million, or 3%, in 2002 compared with 2001. In 2002, domestic sales increased by 1%, while international sales grew by 6%. Sales to customers outside the U.S. were 42% of total group sales in 2002, up slightly from 41% in 2001.

Gross profit of $281.4 million in 2002 was $17.7 million higher than in 2001. As a percent of sales, gross profit was 37.9% in 2002, compared with 36.3% in 2001. The higher gross profit margin primarily reflected reduced material costs from our increased Global Sourcing activities, benefits from our Kaizen, Lean and Six Sigma activities plus savings from actions to consolidate certain production facilities.

FROM LEFT TO RIGHT, SEATED: Chuck Hemann (Director - eBusiness), Dennis Metcalf (Vice President - Corporate Development), Kim Bors (Vice President - Human Resources)

FROM LEFT TO RIGHT, STANDING: Frank Notaro (Vice President - General Counsel and Secretary), Dave Kamath (Chief Information Officer)

SG&A expenses increased to $181.3 million in 2002 from $164.9 million in 2001. This increase was due primarily to including four acquisitions that incrementally added $5.2 million of cost, and increased spending on corporate initiatives and new product/market development. The increased corporate initiative costs included both implementation and training expenses for programs such as Six Sigma, Lean, Kaizen and Global Sourcing, as well as eBusiness. The goal of these efforts is to increase the company's organic sales and profit growth. As a percent of net sales, SG&A expenses were 24.4%, up from 22.7% in 2001.

In accordance with the new accounting rules, we discontinued amortization of goodwill and trademarks as of January 1, 2002. As a result, we did not record any goodwill and trademark amortization expense in 2002 compared with $14.6 million in 2001.

We also generated income related to restructuring activity of $.2 million in 2002 compared with a restructuring charge in 2001 of $11.2 million. For more details on our restructuring programs, see "Restructuring Actions" on page 24.

Operating income increased by $26.9 million, or 37%, to $100.4 million in 2002 from $73.4 million in 2001. This was due primarily to the absence of goodwill and trademark amortization in 2002, the restructuring charge recorded in 2001 and higher 2002 gross profit. This increase was partially offset by increased SG&A expenses in 2002. Operating margins in 2002 were 13.5% compared with 10.1% in 2001.

As described in footnote 4 of the "Company and Business Group Financial Information" table on page 20, each group's operating income and margins exclude restructuring activity. In the Pump Products Group, operating income of $71.9 million and operating margins of 16.5% in 2002, compared with $61.8 million and 14.5% in 2001. Operating income for the Dispensing Equipment Group increased to $18.6 million from $14.0 million last year, and operating margins improved to 13.4% from 10.2% in 2001. Operating income in the Other Engineered Products Group of $25.6 million and operating margins of 15.1% compared with the $25.0 million and 15.2% achieved in 2001.

In the Pump Products Group, 2001 operating income and margins excluding goodwill and trademark amortization of $7.7 million, or 1.8% of sales, were $69.5 million and 16.3%, respectively. In the Dispensing Equipment Group, operating income and margins in 2001 were $17.9 million and 13.0%, respectively, excluding goodwill and trademark amortization of $3.9 million, or 2.8% of sales. Operating income and margins in the Other Engineered Products Group in 2001 were $27.9 million and 17.0%, respectively, excluding goodwill and trademark amortization of $2.9 million, or 1.8% of sales.

The expenses related to the corporate initiatives of eBusiness (including ERP implementation), Six Sigma, Lean, Kaizen, and Global Sourcing are allocated to the reporting units in each segment based on expected usage. The businesses in the Pump Products and Dispensing Equipment segments have been more successful than those in the Other Engineered Products segment at offsetting the SG&A cost increases resulting from the corporate initiatives, new product/market development, and other cost increases, with efficiencies related to the initiatives as well as other operational improvements. The Other Engineered Products Group also was affected by higher than normal costs associated primarily with ERP implementations and a reserve established for a patent infringement suit.

Interest expense decreased to $16.4 million in 2002 from $20.7 million in 2001. The decrease was due principally to lower debt levels as a result of debt paydowns from operating cash flow and proceeds from a common stock offering, and a lower interest rate environment.

The provision for income taxes increased to $29.8 million in 2002 from $20.7 million in 2001. The effective tax rate decreased to 35.5% in 2002 from 38.8% in 2001. This was due primarily to the discontinuation of goodwill and trademark amortization in 2002, a portion of which was nondeductible for tax purposes.

Net income was $54.1 million, or $1.67 per share, compared with $32.7 million, or $1.05 per share, in 2001. When adjusted to exclude goodwill and trademark amortization of $11.4 million, or $.37 per share, net income and earnings per share in 2001 were $44.1 million and $1.42 per share, respectively.

LIQUIDITY AND CAPITAL RESOURCES

At December 31, 2003, working capital was $108.8 million and our current ratio was 1.9-to-1. Cash flows from operating activities increased by $2.2 million, or 2%, to $111.7 million in 2003, mainly due to the improved operating results discussed above, offset by increased contributions to our pension plans of $17.4 million from 2002.

Cash flows from operating activities were more than adequate to fund capital expenditures of $20.3 million and $19.3 million in 2003 and 2002, respectively. Capital expenditures were generally for machinery and equipment that improved productivity and tooling to support IDEX's Global Sourcing initiative, although a portion was for business system technology 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.

In February 2003, an $8.0 million payment of deferred consideration was made in connection with the Rheodyne acquisition that was consummated in July 2002. The company also completed the acquisitions of Sponsler in June 2003 and Classic Engineering in September 2003 at a cost of $10.3 million and $3.7 million, respectively. These payments were financed under the company's credit facility.

In addition to the $150 million of 6.875% Senior Notes (Senior Notes) due February 15, 2008, the company also has a $300 million domestic multi-currency bank revolving credit facility (Credit Facility), which expires June 8, 2006. At December 31, 2003, the maximum amount available under the Credit Facility was $300.0 million, of which $14.0 million was borrowed with outstanding letters of credit totaling $4.0 million. The Credit Facility contains a covenant that limits total debt outstanding to three times operating cash flow, as defined in the agreement. Our total debt outstanding was $176.5 million at December 31, 2003, and based on the covenant, total debt outstanding was limited to $426.0 million. Interest is payable quarterly on the outstanding balance at the agent bank's reference rate or at LIBOR plus an applicable margin and a utilization fee if the total borrowings exceed certain levels. The applicable margin is based on the credit rating of our Senior Notes, and can range from 25 basis points to 100 basis points. The utilization fee can range from zero to 25 basis points. On March 27, 2003, Standard & Poor's upgraded its corporate credit and senior unsecured debt ratings on IDEX to BBB from BBB-. As a result of this change, at December 31, 2003, the applicable margin was 57.5 basis points and the utilization fee was zero. We also pay an annual fee of 17.5 basis points on the total Credit Facility.

In December 2001, we, and certain of our subsidiaries, entered into a one-year, renewable agreement with a financial institution, under which we collateralized certain receivables for borrowings (Receivables Facility). This agreement was renewed in December 2003 for another year. The Receivables Facility provides for borrowings of up to $25.0 million, depending upon the level of eligible receivables. At December 31, 2003, there were no borrowings outstanding under the Receivables Facility.

We also have a $30.0 million demand line of credit (Short-Term Facility), which expires May 21, 2004. Borrowings under the Short-Term Facility are at LIBOR plus the applicable margin in effect under the Credit Facility. At December 31, 2003, there were no borrowings outstanding under the Short-Term Facility.

We believe the company will generate sufficient cash flow from operations for the next 12 months and over the long term to meet its operating requirements, interest on all borrowings, required debt repayments, any authorized share repurchases, planned capital expenditures, and annual dividend payments to holders of common stock. Since we began operations in January 1988 and through December 31, 2003, we have borrowed approximately $906.0 million under our various credit agreements to complete 24 acquisitions. During the same period we generated, principally from operations, cash flow of $894.0 million to reduce indebtedness. In the event that suitable businesses are available for acquisition upon terms acceptable to the Board of Directors, we may obtain all or a portion of the financing for the acquisitions through the incurrence of additional long-term debt.

[BAR GRAPH]

International Sales

	Percent of net sales	Amount in millions
2003	45%	$356,493
2002	41%	$307,223
2001	42%	$304,282

2000	41%	$287,719
1999	39%	$255,755
1998	39%	$250,946
1997	44%	$244,671
1996	43%	$206,381
1995	37%	$146,237
1994	34%	$109,034
1993	29%	$ 69,936
1992	31%	$ 66,012

A solid global distribution network, acquisitions with a high percentage of foreign sales, and 23 manufacturing facilities outside the U.S. give IDEX a high level of international sales.

[BAR GRAPH]

Assets and Total Debt (in thousands)

	Assets	Total Debt
2003	$960,739	$176,546
2002	$931,050	$241,051
2001	$838,804	$291,820
2000	$758,854	$241,886
1999	$738,567	$268,589
1998	$695,811	$283,410
1997	$599,193	$258,417
1996	$569,745	$271,709
1995	$450,077	$206,184
1994	$357,980	$168,166
1993	$245,291	$117,464
1992	$240,175	$139,827

IDEX has continued to use strong cash flow to reduce its debt, while making strategic acquisitions to complement organic growth.

CONTRACTUAL OBLIGATIONS, COMMITMENTS AND OFF-BALANCE SHEET ARRANGEMENTS

Our contractual obligations and commercial commitments include rental payments under operating leases, payments under capital leases, and other long-term obligations arising in the ordinary course of business. We have no off-balance sheet arrangements or material long-term purchase obligations. There are no identifiable events or uncertainties, including the lowering of our credit rating, that would accelerate payment or maturity of any of these commitments or obligations.

The following table summarizes our significant contractual obligations and commercial commitments at December 31, 2003, and the future periods in which such obligations are expected to be settled in cash. In addition, the table reflects the timing of principal payments on outstanding borrowings. Additional detail regarding these obligations are provided in the Notes to Consolidated Financial Statements, as referenced in the table:

PAYMENTS DUE BY PERIOD (IN THOUSANDS)	TOTAL	LESS THAN 1 YEAR	1-3 YEARS	3-5 YEARS	MORE THAN 5 YEARS
Borrowings (Note 9)	$ 176,546	$ 12,546	$ 14,000	$ 150,000	$ -
Operating lease commitments (Note 5)	23,631	6,869	8,769	4,036	3,957
Capital lease obligations(1)	3,183	3,180	3	-	-
Purchase obligations(2)	29,101	25,690	3,253	158	-
Total contractual obligations(3)	$ 232,461	$ 48,285	$ 26,025	$ 154,194	$ 3,957

(1) Comprised primarily of property leases

(2) Comprised primarily of inventory commitments

(3) Comprised of liabilities recorded on the balance sheet of $203,360, and obligations not recorded on the balance sheet $29,101

The company also has obligations with respect to its pension and postretirement medical benefit plans. See Note 14 of the Notes to Consolidated Financial Statements.

RESTRUCTURING ACTIONS

IDEX took actions in 2002 and 2001 to downsize operations to lower its cost structure. The restructuring affected all three business groups and reduced the workforce, lowered costs, improved efficiencies and addressed excess capacity that resulted from lower demand and more efficient processes. These steps were necessary to appropriately size the company's production capacity to match the declining levels of demand for a broad range of products. The restructuring actions affected multiple employee groups in approximately 20 locations across 11 of our business units. No business activities or product lines were abandoned. The restructuring actions included the layoff of 508 employees with 250 terminations resulting from the first quarter 2001 plan, 231 from the fourth quarter 2001 plan, and 27 from the second quarter 2002 plan. All costs of the restructuring activities were charged to expense and included in the single caption "Restructuring activity" in the Consolidated Statements of Operations. The restructuring charges included employee severance, fringe benefits, outplacement fees, idle facility carrying costs, lease termination costs, the loss on sale of equipment and the loss on disposal of two manufacturing facilities owned by the company. Determination of the restructuring charges was based on the estimated severance benefits paid to terminated employees, the net book value of surplus assets less expected proceeds, and estimated other costs. The restructuring plans have been executed substantially as originally planned.

The restructuring activity resulted in income of $.2 million in 2002. This related to a reversal of $1.5 million of restructuring expenses initially recorded, which more than offset the 2002 charges of $1.3 million. Of the $1.5 million reversal, $1.1 million was attributed to the sale of a manufacturing facility for more than the value estimated at the time the restructuring plan was adopted. For additional detail related to restructuring activity, see Note 7 of Notes to Consolidated Financial Statements.

CRITICAL ACCOUNTING ESTIMATES

We believe that the application of the following accounting policies, which are important to our financial position and results of operations, requires significant judgments and estimates on the part of management. For a summary of all of our accounting policies, including the accounting policies discussed below, see Note 1 of the Notes to Consolidated Financial Statements.

Revenue recognition - We recognize revenue from product sales when title passes and the risks of ownership have passed to the customer, based on the terms of the sale. Our customary terms are FOB shipping point. We estimate and record provisions for sales returns, sales allowances and original warranties in the period the related products are sold, in each case based on our historical experience. To the extent actual results differ from these estimated amounts, results could be adversely affected.

Noncurrent assets - The company evaluates the recoverability of certain noncurrent assets utilizing various estimation processes. In particular, the recoverability of December 31, 2003 balances for goodwill and intangible assets of $559.0 million and $19.4 million, respectively, are subject to estimation processes, which depend on the accuracy of underlying assumptions, including future operating results. The company evaluates the recoverability of each of these assets based on estimated business values and estimated future cash flows (derived from estimated earnings and cash flow multiples). The recoverability of these assets depends on the reasonableness of these assumptions and how they compare with the eventual operating performance of the specific businesses to which the assets are attributed. To the extent actual business values or cash flows differ from those estimated amounts, the recoverability of these noncurrent assets could be affected.

Income taxes - Deferred taxes are recognized for the future tax effects of temporary differences between financial and income tax reporting using tax rates in effect for the years in which the differences are expected to reverse. Federal income taxes are provided on that portion of the income of foreign subsidiaries that is expected to be remitted to the United States and be taxable. The management of the company, along with third-party advisors, periodically estimates the company's probable tax obligations using historical experience in tax jurisdictions and informed judgments. To the extent actual results differ from these estimated amounts, results could be adversely affected.

Contingencies and litigation - We are currently involved in certain legal and regulatory proceedings and, as required and where it is reasonably possible to do so, have accrued our estimates of the probable costs for the resolution of these matters. These estimates have been developed in consultation with outside counsel and are based upon an analysis of potential results, assuming a combination of litigation and settlement strategies. It is possible, however, that future operating results for any particular quarterly or annual period could be materially affected by changes in our assumptions or the effectiveness of our strategies related to these proceedings.

Defined benefit retirement plans - The plan obligations and related assets of defined benefit retirement plans are presented in Note 14 of the Notes to Consolidated Financial Statements. Plan assets, which consist primarily of marketable equity and debt instruments, are valued using market quotations. Plan obligations and the annual pension expense are determined by consulting actuaries using a number of assumptions. Key assumptions in measuring the plan obligations include the discount rate at which the obligation could be effectively settled and the anticipated rate of future salary increases. Key assumptions in the determination of the annual pension expense include the discount rate, the rate of salary increases, and the estimated future return on plan assets. To the extent actual amounts differ from these assumptions and estimated amounts, results could be adversely affected.

REGISTRATION STATEMENT FILINGS FOR COMMON STOCK OFFERINGS

In March 2002, we filed a registration statement on Form S-3 with the Securities and Exchange Commission (SEC) covering the secondary offering of 2,939,199 shares of common stock owned by IDEX Associates, L.P. In April 2002, that registration statement was amended to also include the secondary offering of 560,801 shares of IDEX common stock owned by KKR Associates, L.P., and the primary offering of 1,500,000 shares of IDEX common stock. Also in April 2002, we announced the pricing of this public offering at $36 per common share. Subsequently, the overallotment option was exercised by the underwriter for the sale of an additional 750,000 secondary shares owned by KKR Associates, L.P., bringing the total offering to 5,750,000 shares. The $50.8 million of net proceeds we received was used to repay debt under the Credit Facility. This increased the amount available for borrowing under the facility, which we will continue to use for general corporate purposes, including acquisitions.

In September 2002, we filed a registration statement on Form S-3 with the SEC covering the secondary offering of 1,350,000 shares of IDEX common stock owned by KKR Associates, L.P. This offering, completed in January 2003, did not increase the number of IDEX shares outstanding, and the company did not receive any proceeds from the offering.

The secondary shares covered by both of these registration statements had been owned by KKR Associates, L.P. and IDEX Associates, L.P. since IDEX was formed in January 1988.

NEW ACCOUNTING PRONOUNCEMENTS

In November 2002, the Financial Accounting Standards Board (FASB) issued Interpretation No. 45 (FIN 45), "Guarantor's Accounting and Disclosure Requirements for Guarantees, Including Indirect Guarantees of Indebtedness of Others". FIN 45 elaborates on the disclosures to be made by a guarantor in its interim and annual financial statements regarding its obligations under certain guarantees that it has issued. It also requires a guarantor to recognize, at inception of a guarantee, a liability for the fair value of the obligation undertaken in issuing the guarantee. The company adopted this interpretation effective January 1, 2003.

In January 2003, the FASB issued Interpretation No. 46, "Consolidation of Variable Interest Entities", which was revised in December 2003. This interpretation addresses consolidation requirements of variable interest entities. The effective date for the company will be March 31, 2004. The company does not expect this interpretation to have a material impact on its results of operations, financial condition, or cash flows.

In May 2003, the FASB issued Statement of Financial Accounting Standards (SFAS) No. 150, "Accounting for Certain Financial Instruments with Characteristics of both Liabilities and Equity", which establishes standards for how an issuer classifies and measures certain financial instruments with characteristics of both liabilities and equity. The company adopted this SFAS effective September 30, 2003. This SFAS had no impact on the company's results of operations, financial condition, or cash flows.

In December 2003, the FASB issued SFAS No. 132 (Revised), "Employers' Disclosures about Pensions and Other Postretirement Benefits". This revised SFAS modifies the financial statement disclosures for defined benefit plans. These modifications increase disclosure of plan assets, benefit obligations, cash flows, benefit costs and other related information. The implementation of SFAS No. 132 (Revised) was effective for the company on December 31, 2003. The company has included SFAS No. 132 (Revised) disclosures in Note 14 of the Notes to Consolidated Financial Statements.

MARKET RISK

We are subject to market risk associated with changes in interest rates and foreign currency exchange rates. Interest rate exposure is limited to the $176.5

million of total debt outstanding at December 31, 2003. Approximately 13% 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 $.1 million annualized increase or decrease in interest expense and cash flows. The remaining debt is fixed rate debt. We will, from time to time, enter into interest rate swaps on our debt when we believe there is a financial advantage for doing so. A treasury risk management policy, adopted by the Board of Directors, describes the procedures and controls over derivative financial and commodity instruments, including interest rate swaps. Under the policy, we do not use derivative financial or commodity instruments for trading purposes, and the use of these instruments is subject to strict approvals by senior officers. Typically, the use of derivative instruments is limited to interest rate swaps on the company's outstanding long-term debt.

Our foreign currency exchange rate risk is limited principally to the euro and British pound. We manage our foreign exchange risk principally through invoicing our customers in the same currency as the source of our products. As a result, the company's exposure to any movement in foreign currency exchange rates is immaterial to the Consolidated Statements of Operations.

At December 31, 2003, the company had a foreign currency contract that it entered into in anticipation of the funding of the January 2004 purchase of Manfred Vetter. The increase in fair market value of this contract resulted in income of $.5 million at December 31, 2003, and was included in "Other income (expense) - net" in the Consolidated Statements of Operations.

CONSOLIDATED BALANCE SHEETS

(DOLLARS IN THOUSANDS EXCEPT PER SHARE AMOUNTS)

AS OF DECEMBER 31,	2003	2002
Assets		
Current assets		
Cash and cash equivalents	$ 8,552	$ 6,952
Receivables - net	101,859	101,494
Inventories	105,304	105,580
Other current assets	8,781	7,234
Total current assets	224,496	221,260
Property, plant and equipment - net	147,095	148,246
Goodwill - net	559,008	530,663
Intangible assets - net	19,401	19,377
Other noncurrent assets	10,739	11,504
Total assets	$ 960,739	$ 931,050
Liabilities and Shareholders' Equity		
Current liabilities		
Trade accounts payable	$ 56,252	$ 61,153
Dividends payable	4,622	4,548
Accrued expenses	54,807	42,631
Total current liabilities	115,681	108,332
Long-term debt	176,546	241,051
Other noncurrent liabilities	76,410	74,876
Total liabilities	368,637	424,259
Commitments and Contingencies (Note 5)		
Shareholders' equity		
Common stock, par value $.01 per share		
Shares issued and outstanding: 2003-33,075,552; 2002-32,536,166	331	325
Additional paid-in capital	198,165	182,538
Retained earnings	375,629	331,635
Minimum pension liability adjustment	(12,481)	(10,571)
Accumulated translation adjustment	35,892	9,240
Treasury stock, at cost: 2003-89,485 shares; 2002-59,350 shares	(2,903)	(1,946)
Unearned compensation on restricted stock	(2,531)	(4,430)
Total shareholders' equity	592,102	506,791
Total liabilities and shareholders' equity	$ 960,739	$ 931,050

See Notes to Consolidated Financial Statements.

CONSOLIDATED STATEMENTS OF OPERATIONS

(IN THOUSANDS EXCEPT PER SHARE AMOUNTS)

FOR THE YEARS ENDED DECEMBER 31,	2003	2002	2001
Net sales	$ 797,920	$ 742,014	$ 726,947
Cost of sales	488,600	460,576	463,225
Gross profit	309,320	281,438	263,722
Selling, general and administrative expenses	199,458	181,269	164,893
Goodwill amortization	-	-	14,165
Restructuring activity	-	(203)	11,226
Operating income	109,862	100,372	73,438
Other income (expense) - net	899	(123)	731
Income before interest expense and income taxes	110,761	100,249	74,169
Interest expense	14,091	16,354	20,738
Income before income taxes	96,670	83,895	53,431
Provision for income taxes	34,318	29,783	20,721
Net income	$ 62,352	$ 54,112	$ 32,710
Earnings Per Common Share			
Basic earnings per common share	$ 1.92	$ 1.71	$ 1.08
Diluted earnings per common share	$ 1.87	$ 1.67	$ 1.05
Share Data			
Basic weighted average common shares outstanding	32,530	31,669	30,222
Diluted weighted average common shares outstanding	33,315	32,483	31,047

See Notes to Consolidated Financial Statements.

CONSOLIDATED SHAREHOLDERS' EQUITY

(DOLLARS IN THOUSANDS EXCEPT PER SHARE AMOUNTS)

	COMMON STOCK AND ADDITIONAL PAID-IN CAPITAL	RETAINED EARNINGS	MINIMUM PENSION LIABILITY ADJUSTMENT	ACCUMULATED TRANSLATION ADJUSTMENT	UNREALIZED GAINS (LOSSES) ON DERIVATIVES	TREASURY STOCK	UNEARNED COMPENSATION ON RESTRICTED STOCK
Balance, December 31, 2000	$ 115,583	$ 279,907	$ (2,127)	$ (10,489)	$ -	$ (144)	$ (8,228)
Net income		32,710					
Other comprehensive income, net of tax							
Unrealized translation adjustment				263			
Cumulative effect of change in accounting principle					204		
Unrealized derivative losses					(344)		
Minimum pension adjustment			344				
Other comprehensive income			344	263	(140)		
Comprehensive income		32,710	344	263	(140)		
Issuance of 498,462 shares of common stock from exercise of stock options, and deferred compensation plans	9,383						
Amortization of restricted common stock award							1,899
Restricted shares surrendered for tax withholdings						(721)	
Cash dividends declared - $.56 per common share outstanding		(17,128)					
Balance, December 31, 2001	124,966	295,489	(1,783)	(10,226)	(140)	(865)	(6,329)
Net income		54,112					
Other comprehensive income, net of tax							
Unrealized translation adjustment				19,466			
Reversal of unrealized derivative losses					140		
Minimum pension adjustment			(8,788)				
Other comprehensive income			(8,788)	19,466	140		
Comprehensive income		54,112	(8,788)	19,466	140		
Issuance of 272,973 shares of common stock from exercise of stock options, and deferred compensation plans	7,061						
Issuance of 1,500,000 shares of common stock	50,836						
Amortization of restricted common stock award							1,899
Restricted shares surrendered for tax withholdings						(1,081)	
Cash dividends declared - $.56 per common share outstanding		(17,966)					
Balance, December 31, 2002	182,863	331,635	(10,571)	9,240	-	(1,946)	(4,430)
Net income		62,352					
Other comprehensive income, net of tax							
Unrealized translation adjustment				26,652			
Minimum pension adjustment			1,910)				
Other comprehensive income			(1,910)	26,652			
Comprehensive income		62,352	(1,910)	26,652			
Issuance of 539,386 shares of common stock from exercise of stock options, and deferred compensation plans	15,633						
Amortization of restricted common stock award							1,899
Restricted shares surrendered for tax withholdings						(957)	
Cash dividends declared - $.56 per common share outstanding		(18,358)					

Balance, December 31, 2003	$ 198,496	$ 375,629	$ (12,481)	$ 35,892	$ -	$ (2,903)	$ (2,531)

	TOTAL SHAREHOLDERS' EQUITY
Balance, December 31, 2000	$ 374,502
Net income	32,710
Other comprehensive income, net of tax	
Unrealized translation adjustment	263
Cumulative effect of change in accounting principle	204
Unrealized derivative losses	(344)
Minimum pension adjustment	344
Other comprehensive income	467
Comprehensive income	33,177
Issuance of 498,462 shares of common stock from exercise of stock options, and deferred compensation plans	9,383
Amortization of restricted common stock award	1,899
Restricted shares surrendered for tax withholdings	(721)
Cash dividends declared - $.56 per common share outstanding	(17,128)
Balance, December 31, 2001	401,112
Net income	54,112
Other comprehensive income, net of tax	
Unrealized translation adjustment	19,466
Reversal of unrealized derivative losses	140
Minimum pension adjustment	(8,788)
Other comprehensive income	10,818
Comprehensive income	64,930
Issuance of 272,973 shares of common stock from exercise of stock options, and deferred compensation plans	7,061
Issuance of 1,500,000 shares of common stock	50,836
Amortization of restricted common stock award	1,899
Restricted shares surrendered for tax withholdings	(1,081)
Cash dividends declared - $.56 per common share outstanding	(17,966)
Balance, December 31, 2002	506,791
Net income	62,352
Other comprehensive income, net of tax	
Unrealized translation adjustment	26,652
Minimum pension adjustment	(1,910)
Other comprehensive income	24,742
Comprehensive income	87,094
Issuance of 539,386 shares of common stock from exercise of stock options, and deferred compensation plans	15,633
Amortization of restricted common stock award	1,899
Restricted shares surrendered for tax withholdings	(957)
Cash dividends declared - $.56 per common share outstanding	(18,358)
Balance, December 31, 2003	$ 592,102

See Notes to Consolidated Financial Statements.

CONSOLIDATED CASH FLOWS

(IN THOUSANDS)

FOR THE YEARS ENDED DECEMBER 31,	2003	2002	2001
Cash flows from operating activities			
Net income	$ 62,352	$ 54,112	$ 32,710
Adjustments to reconcile to net cash provided by operating activities:			
Depreciation and amortization	27,146	27,103	26,354
Amortization of goodwill and other intangible assets	430	523	15,680
Amortization of unearned compensation on restricted stock	1,899	1,899	1,899
Amortization of debt issuance expenses	580	580	364
Deferred income taxes	10,487	9,592	(152)
Changes in:			
Receivables - net	6,867	1,006	24,008
Inventories	4,624	6,246	22,232
Trade accounts payable	211	7,025	(7,207)
Accrued expenses	2,508	(310)	(4,356)
Other - net	(5,418)	1,709	(5,319)
Net cash flows from operating activities	111,686	109,485	106,213
Cash flows from investing activities			
Additions to property, plant and equipment	(20,318)	(19,335)	(21,639)
Acquisition of businesses (net of cash acquired)	(21,954)	(74,928)	(132,295)
Proceeds from fixed asset disposals	3,436	3,934	1,808
Net cash flows from investing activities	(38,836)	(90,329)	(152,126)
Cash flows from financing activities			
Borrowings under credit facilities for acquisitions	21,954	74,928	132,295
Net repayments under credit facilities	(85,387)	(132,195)	(77,858)
Net (repayments) borrowings of other long-term debt	(1,686)	2,759	(3,470)
Proceeds from issuance of common stock	-	50,836	-
Dividends paid	(18,284)	(17,721)	(17,061)
Proceeds from stock option exercises	13,176	5,755	9,001
Other - net	(1,023)	(1,538)	(437)
Net cash flows from financing activities	(71,250)	(17,176)	42,470
Net increase (decrease) in cash	1,600	1,980	(3,443)
Cash and cash equivalents at beginning of year	6,952	4,972	8,415
Cash and cash equivalents at end of year	$ 8,552	$ 6,952	$ 4,972
Supplemental cash flow information			
Cash paid for:			
Interest	$ 13,576	$ 16,232	$ 20,818
Income taxes	18,774	21,022	23,482
Significant non-cash activities			
Debt acquired with acquisition of businesses	-	2,136	2,931

See Notes to Consolidated Financial Statements.

NOTES TO CONSOLIDATED
FINANCIAL STATEMENTS

(IN THOUSANDS EXCEPT PER SHARE AMOUNTS)

1. SIGNIFICANT ACCOUNTING POLICIES

Business

IDEX Corporation ("IDEX" or the "Company") is a manufacturer of a broad range of pumps, metering 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, flow meters, injectors and valves, and related controls for use in a wide variety of process applications; precision-engineered equipment for dispensing, metering and mixing paints, hair colorants and other personal care products; refinishing equipment; centralized lubrication systems; and engineered products for industrial and commercial markets, including fire and rescue, transportation equipment, oil and gas, electronics, and communications. 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 accounting principles generally accepted in the United States requires management to make estimates and judgments that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities, and reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. The principal areas of estimation reflected in the financial statements are revenue recognition noncurrent assets, income taxes, contingencies and litigation, and defined benefit retirement plans.

Revenue Recognition

IDEX recognizes revenue from product sales when title passes and the risks of ownership have passed to the customer, based on the terms of the sale. Customary terms are FOB shipping point. The Company estimates and records provisions for sales returns, sales allowances and original warranties in the period the related products are sold, in each case based on its historical 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. Generally, for other than newly introduced products, a reserve for excess inventory is recorded for inventory on hand in excess of one year of historical usage. An obsolescence reserve is recorded for inventory made obsolete by marketplace, product or engineering changes.

Debt Expenses

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

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 and unvested restricted shares (diluted) outstanding during the year. Common stock equivalents consist of stock options and deferred compensation equivalent units (DCUs) and have been included in the calculation of weighted average shares outstanding using the treasury stock method.

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

	2003	2002	2001
Basic weighted average common shares outstanding	32,530	31,669	30,222
Dilutive effect of stock options, DCUs and unvested restricted shares	785	814	825
Diluted weighted average common shares outstanding	33,315	32,483	31,047

	======	======	======

Options to purchase approximately $.9 million shares of common stock as of December 31, 2003, were not included in the computation of diluted EPS because the exercise price was greater than the average market price of the Company's common stock and, therefore, the effect of their inclusion would be antidilutive.

Stock Options

The Company uses the intrinsic-value method of accounting for stock option awards as prescribed by Accounting Principles Bulletin No. 25 and, accordingly, does not recognize compensation expense for its stock option awards in the Consolidated Statements of Operations.

The following table reflects pro forma net income and net income per share had the Company elected to adopt the fair value approach of Statement of Financial Accounting Standards (SFAS) No. 123, "Accounting for Stock-Based Compensation".

	2003	2002	2001
Net income			
As reported	$62,352	$54,112	$32,710
Pro forma	57,563	49,682	28,904
Basic EPS			
As reported	1.92	1.71	1.08
Pro forma	1.77	1.57	.96
Diluted EPS			
As reported	1.87	1.67	1.05
Pro forma	1.73	1.53	.93

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 2003, 2002 and 2001, respectively: dividend yield of 1.84%, 1.54% and 1.98%; volatility of 32.6%, 34.1% and 34.2%; risk-free interest rates of 3.2%, 4.5% and 4.9%; and expected lives of 5.5 years.

Depreciation and Amortization

Depreciation is recorded using the straight-line method. The estimated useful lives used in the computation of depreciation of tangible assets 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

Certain identifiable intangible assets are amortized over their estimated useful lives using the straight-line method. Cost in excess of net assets acquired was amortized over a period of 30 to 40 years for periods prior to 2002 (see Note 2).

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. This 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 used.

Research and Development Expenditures

Costs associated with research and development are expensed in the year incurred and included in "Cost of sales". Research and development expenses - which include costs associated with developing new products and major improvements to existing products - were $17,261, $12,738 and $10,127 in 2003, 2002 and 2001, respectively.

Foreign Currency Translation

The functional currency of all operations outside the United States is the respective local currency. All foreign currency balance sheet accounts have been translated using the exchange rates in effect as of the balance sheet date. Income statement amounts have been translated using the average exchange rate for the year. The gains and losses resulting from changes in exchange rates from year to year have been reported in "Accumulated translation adjustment" in the Consolidated Balance Sheet. The effect on the Consolidated Statements of Operations of transaction gains and losses is insignificant for all years presented.

Fair Value of Financial Instruments

The carrying amounts of the Company's financial instruments, including cash and trade receivables and payables, approximate their fair values.

Concentration of Credit Risk

IDEX is not overly dependent on a single customer, the largest of which accounted for about 2% of the Company's net sales for all years presented.

Reclassifications

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

New Accounting Pronouncements

In November 2002, the Financial Accounting Standards Board (FASB) issued Interpretation No. 45 (FIN 45), "Guarantor's Accounting and Disclosure Requirements for Guarantees, Including Indirect Guarantees of Indebtedness of Others". FIN 45 elaborates on the disclosures to be made by a guarantor in its interim and annual financial statements regarding its obligations under certain guarantees that it has issued. It also requires a guarantor to recognize, at inception of a guarantee, a liability for the fair value of the obligation undertaken in issuing the guarantee. The Company adopted this interpretation effective January 1, 2003.

In January 2003, the FASB issued Interpretation No. 46, "Consolidation of Variable Interest Entities", which was revised in December 2003. This interpretation addresses consolidation requirements of variable interest entities. The effective date for the Company will be March 31, 2004. The Company does not expect that this interpretation will have a material impact on its results of operations, financial condition, or cash flows.

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2. GOODWILL AND INTANGIBLE ASSETS

The changes in the carrying amount of goodwill for the year ended December 31, 2003, by business group, were as follows:

	PUMP PRODUCTS	DISPENSING EQUIPMENT	OTHER ENGINEERED PRODUCTS	TOTAL
Balance as of December 31, 2002	$ 323,881	$ 113,504	$ 93,278	$ 530,663
Goodwill acquired during the year	11,484	-	-	11,484
Goodwill related to sale of business	-	-	(383)	(383)
Foreign currency				

translation	2,927	11,783	2,534	17,244
Balance as of December 31, 2003	$ 338,292	$ 125,287	$ 95,429	$ 559,008

The carrying value of indentifiable intangible assets as of December 31, 2003, was $19,401, which was split between amortizable and unamortizable assets as follows:

	GROSS CARRYING AMOUNT	ACCUMULATED AMORTIZATION	NET CARRYING AMOUNT
Amortized intangible assets			
Patents	$ 8,080	$ 4,078	$ 4,002
Other	993	353	640
Total amortized intangible assets	9,073	4,431	4,642
Unamortized trademark assets	14,759	-	14,759
Total intangible assets	$ 23,832	$ 4,431	$ 19,401

Amortization expense in 2003 for the items listed above was $430, which is consistent with the estimated amortization expense for the next five years.

In June 2001, the FASB issued SFAS No. 142, "Goodwill and Other Intangible Assets", which establishes the accounting and reporting standards for goodwill and intangible assets. SFAS No. 142 also eliminated the amortization of goodwill and certain intangible assets to earnings, but instead required these assets be reviewed periodically for impairment. IDEX adopted SFAS No. 142 on January 1, 2002. After reviewing the estimated fair market values, both in the aggregate and at each individual reporting unit, no impairment to goodwill and other intangible assets was recorded as of December 31, 2003. Had the new pronouncement been adopted on January 1, 2001, IDEX's pro forma net income and EPS for 2001, compared with 2002 and 2003, would have been as follows:

	2003	2002	2001
Net income			
Reported net income	$ 62,352	$ 54,112	$ 32,710
Goodwill amortization	-	-	11,175
Trademark amortization	-	-	258
Adjusted net income	$ 62,352	$ 54,112	$ 44,143
Basic EPS			
Reported net income	$ 1.92	$ 1.71	$ 1.08
Goodwill amortization	-	-	.37
Trademark amortization	-	-	.01
Adjusted net income	$ 1.92	$ 1.71	$ 1.46
Diluted EPS			
Reported net income	$ 1.87	$ 1.67	$ 1.05
Goodwill amortization	-	-	.36
Trademark amortization	-	-	.01
Adjusted net income	$ 1.87	$ 1.67	$ 1.42
Weighted average shares outstanding			
Basic	32,530	31,669	30,222
Diluted	33,315	32,483	31,047

(IN THOUSANDS EXCEPT PER SHARE AMOUNTS)

3. BALANCE SHEET COMPONENTS

The components of certain balance sheet accounts at December 31, 2003 and 2002, were as follows:

	2003	2002
Receivables		
Customers	$101,961	$101,861
Other	3,692	2,722
Total	105,653	104,583
Less allowance for doubtful accounts	3,794	3,089
Total receivables - net	$101,859	$101,494
Inventories		
Raw materials	$ 38,998	$ 41,985
Work in process	13,651	11,960
Finished goods	52,655	51,635
Total inventories	$105,304	$105,580

Inventories that were carried on a LIFO basis amounted to $90,812 and $91,743 at December 31, 2003 and 2002, respectively. The excess of current cost over LIFO inventory value and the impact of using the LIFO method on earnings were not material.

	2003	2002
Property, plant and equipment, at cost		
Land and improvements	$ 14,904	$ 12,772
Buildings and improvements	82,007	77,830
Machinery and equipment	194,181	185,288
Office and transportation equipment	76,088	65,450
Engineering drawings	3,919	4,011
Construction in progress	5,887	4,202
Total	376,986	349,553
Less accumulated depreciation and amortization	229,891	201,307
Total property, plant and equipment - net	$ 147,095	$ 148,246
Goodwill		
Cost in excess of net assets acquired	$ 642,856	$ 612,146
Less accumulated amortization	83,848	81,483
Total goodwill - net	$ 559,008	$ 530,663
Intangible assets		
Cost (at fair market value on acquisition date)	$ 25,897	$ 25,415
Less accumulated amortization	6,496	6,038
Total intangible assets - net	$ 19,401	$ 19,377
Accrued expenses		
Payroll and related items	$ 30,528	$ 27,802
Taxes	11,072	657
Insurance	2,308	3,447
Other	10,899	10,725
Total accrued expenses	$ 54,807	$ 42,631
Other noncurrent liabilities		
Pension and retiree medical reserves	$ 41,888	$ 47,495
Deferred income taxes	31,345	24,228
Other	3,177	3,153
Total other noncurrent liabilities	$ 76,410	$ 74,876

4. COMMON AND PREFERRED STOCK

In January 2004, the Company issued 20,000 shares of restricted stock as compensation to a key employee. These shares carry dividend and voting rights.

Sales of these shares are restricted prior to the date of vesting, with half vesting four years and the remaining half vesting five years after the grant date. The restricted shares were recorded at their fair market value on the date of the grant, with a corresponding charge to shareholders' equity. The unearned portion is being amortized as compensation expense on a straight-line basis over the related vesting period.

During 2000, the Company issued 350,000 shares of restricted stock as compensation to a key employee. These shares carry dividend and voting rights. Sales of these shares are restricted prior to the date of vesting, occurring annually from one to five years after the grant date. The restricted shares were recorded at their fair market value on the date of the grant, with a corresponding charge to shareholders' equity. The unearned portion is being amortized as compensation expense on a straight-line basis over the related vesting period.

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. At December 31, 2003, IDEX had purchased a total of 6,500 shares under the program at a cost of approximately $144.

At December 31, 2003 and 2002, the Company had 75 million shares of authorized common stock with a par value of $.01 per share and 5 million shares of preferred stock with a par value of $.01 per share authorized but unissued.

5. COMMITMENTS AND CONTINGENCIES

At December 31, 2003, total future minimum rental payments under noncancelable operating leases, primarily for office facilities, warehouses and data processing equipment, were $23,631. The future minimum rental commitments for each of the next five years and thereafter are as follows: 2004 - $6,869; 2005 - $5,360; 2006 -$3,409; 2007 - $2,073; 2008 - $1,963; thereafter - $3,957.

Rental expense totaled $9,238, $9,510 and $8,500 for the years ended December 31, 2003, 2002 and 2001, respectively.

IDEX is a party to various legal proceedings involving employment, contractual, product liability and other matters, none of which is expected to have a material adverse effect on its results of operations, financial condition, or cash flows.

6. 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, Dispensing Equipment and Other Engineered Products. The Pump Products Group designs, produces and distributes a wide range of engineered industrial pumps, flow meters, compressors, injectors and valves, and related controls for process applications. The Dispensing Equipment Group designs, manufactures and markets precision-engineered equipment for dispensing, metering and mixing paints, hair colorants and other personal care products; refinishing equipment; and centralized lubrication systems. The Other Engineered Products Group designs, produces and distributes engineered equipment for industrial and commercial markets, including fire and rescue, transportation equipment, oil and gas, electronics, and communications. IDEX is not overly dependent on a single customer, the largest of which accounted for just over 2% of net sales in 2003.

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.

	2003	2002	2001
Net sales			
Pump Products			
External customers	$ 453,703	$ 433,623	$ 424,727
Intersegment sales	2,813	3,041	2,310
Total group sales	456,516	436,664	427,037
Dispensing Equipment			
External customers	159,224	138,701	137,406
Intersegment sales	1	1	1
Total group sales	159,225	138,702	137,407
Other Engineered Products			
External customers	184,994	169,690	164,814
Intersegment sales	28	2	1
Total group sales	185,022	169,692	164,815
Intersegment elimination	(2,843)	(3,044)	(2,312)
Total net sales	$ 797,920	$ 742,014	$ 726,947
Operating income(1)(2)			
Pump Products	$ 70,436	$ 71,945	$ 61,758
Dispensing Equipment	25,724	18,627	13,957
Other Engineered Products	32,990	25,638	25,032
Restructuring activity	-	203	(11,226)
Corporate office and other	(19,288)	(16,041)	(16,083)
Total operating income	$ 109,862	$ 100,372	$ 73,438
Assets			
Pump Products	$ 551,183	$ 535,822	$ 462,275
Dispensing Equipment	203,786	192,258	180,361
Other Engineered Products	186,417	186,860	181,032
Corporate office and other	19,353	16,110	15,136
Total assets	$ 960,739	$ 931,050	$ 838,804
Depreciation and amortization(1)			
Pump Products	$ 16,141	$ 16,913	$ 24,124
Dispensing Equipment	5,881	5,734	9,719
Other Engineered Products	5,116	4,666	7,920
Corporate office and other(3)	2,337	2,212	2,170
Total depreciation and amortization	$ 29,475	$ 29,525	$ 43,933
Capital expenditures			
Pump Products	$ 12,887	$ 9,348	$ 10,251
Dispensing Equipment	2,967	3,651	5,129
Other Engineered Products	3,874	4,990	5,987
Corporate office and other	590	1,346	272
Total capital expenditures	$ 20,318	$ 19,335	$ 21,639

(1) IDEX discontinued goodwill and trademark amortization as of January 1, 2002, in accordance with SFAS No. 142, as further explained in Note 2.

(2) IDEX took actions in 2002 and 2001 to downsize operations to lower its cost structure, as further explained in Note 7. Group operating income in these years excluded net unallocated corporate operating expenses and restructuring activity. The restructuring activity resulted in income of $203 in 2002 and a charge of $11,226 in 2001 and were not assigned to the individual group segments. Had the Company allocated the 2002 restructuring activity, it would have been assigned to the groups as follows: Pump Products (income of $1,046), Dispensing Equipment (expense of $121) and Other Engineered Products (expense of $722). Had the Company allocated the 2001 restructuring charge, it would have been assigned to the groups as follows: Pump Products ($7,769), Dispensing Equipment ($1,894) and Other Engineered Products ($1,563).

(3) Excludes amortization of debt issuance expenses.

Information about the Company's operations in different geographical regions for the years ended December 31, 2003, 2002 and 2001 is shown below. Net sales were attributed to geographic areas based on location of the customer, and no country outside the U.S. was greater than 10% of total revenues.

	2003	2002	2001
Net sales			
U.S	$441,427	$434,791	$422,084
Europe	213,905	186,466	173,747
Other countries	142,588	120,757	131,116
Total net sales	$797,920	$742,014	$726,947
Long-lived assets			
U.S	$523,633	$528,942	$489,734
Europe	207,308	176,948	130,280
Other countries	5,206	3,900	3,887
Total long-lived assets	$736,147	$709,790	$623,901

7. RESTRUCTURING ACTIVITY

IDEX took actions in 2002 and 2001 to downsize operations to lower its cost structure. These steps were necessary to appropriately size the Company's production capacity to match the declining levels of demand for a broad range of products. The restructuring actions affected multiple employee groups in approximately 20 locations across 11 of our operating business units. No business activities or product lines were abandoned. All costs of the restructuring actions were charged to expense and included in "Restructuring activity" in the Consolidated Statements of Operations. The restructuring charges included employee severance, fringe benefits, outplacement fees, idle facility carrying costs, lease termination costs, the loss on sale of equipment, and the loss on disposal of two manufacturing facilities owned by the Company. Determination of the restructuring charges was based on the estimated severance benefits paid to terminated employees, the net book value of surplus assets less expected proceeds, and estimated other costs.

In 2002, IDEX reversed $1,531 of accrued restructuring expenses previously recorded. Of this reversal, $1,090 was attributable to the fact that the Company was able to sell one manufacturing facility for more than the value estimated at the time the restructuring plan was adopted.

The restructuring activity was separately identified in the Consolidated Statements of Operations and resulted in the following activity for 2002 and 2001:

	2002	2001
Pretax charge	$ 1,328	$ 11,226
Reversal of previously recorded charges	(1,531)	-
Total pretax (income) charge	(203)	11,226
Provision (benefit) for income taxes	72	(4,154)
Total (income) charge after taxes	$ (131)	$ 7,072

The Consolidated Balance Sheets at December 31, 2002 and 2001, included accrued restructuring costs of $480 and $5,479, respectively, in "Accrued expenses".

The cash requirements for the restructuring plans did not have a significant impact on the Company's liquidity. The restructuring actions resulted in the layoff of 508 employees, both hourly and salaried, across 11 business units, representing approximately 12% of our labor force. The restructurings led to 27 and 481 employee terminations in 2002 and 2001, respectively. As of December 31, 2003, all planned employee terminations have been completed.

(IN THOUSANDS EXCEPT PER SHARE AMOUNTS)

8. STOCK OPTIONS

Under various plans, the Company may grant stock options to employees and non-employee directors at exercise prices equal to or exceeding the market price at the date of grant. Therefore, no compensation cost has been recognized in the Consolidated Statements of Operations for these plans. Substantially all of the options become exercisable in five equal installments, beginning one year from the date of grant, and generally expire 10 years from the date of grant. The Company may grant additional options for up to 1.3 million shares.

The following table summarizes option activity under the plans:

	NUMBER OF SHARES UNDER OPTION	WEIGHTED AVERAGE OPTION PRICE PER SHARE
Outstanding at December 31, 2000	3,253,459	$ 25.10
Granted	796,650	28.33
Exercised	(886,367)	21.09
Forfeited	(169,900)	29.08
Outstanding at December 31, 2001	2,993,842	26.92
Granted	866,440	36.72
Exercised	(345,945)	24.71
Forfeited	(184,775)	30.95
Outstanding at December 31, 2002	3,329,562	29.48
Granted	1,007,325	30.54
Exercised	(542,600)	25.41
Forfeited	(189,454)	32.20
Outstanding at December 31, 2003	3,604,833	$ 30.24
Exercisable at December 31, 2001	1,256,382	$ 25.27
Exercisable at December 31, 2002	1,428,916	$ 26.49
Exercisable at December 31, 2003	1,539,935	$ 28.71

WEIGHTED-AVERAGE FAIR VALUE OF OPTIONS GRANTED DURING THE YEAR ENDED:

December 31, 2001	$ 9.30
December 31, 2002	$ 12.49
December 31, 2003	$ 8.85

The following table summarizes information about options outstanding at December 31, 2003:

	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
$15.50 - 25.00	409,246	3.7 years	$23.18	371,338	$23.02
25.01 - 30.00	2,206,872	7.6 years	28.50	766,069	27.73
30.01 - 39.45	988,715	7.5 years	37.06	402,528	35.82
TOTAL	3,604,833	7.1 years	$30.24	1,539,935	$28.71

9. DEBT

Debt at December 31, 2003 and 2002 consisted of the following:

	2003	2002
Long-term debt		
Senior Notes	$150,000	$150,000
Bank credit facilities, including accrued interest	18,009	81,507
Other long-term debt	8,537	9,544
Total long-term debt	$176,546	$241,051

In February 1998, the Company sold $150 million of Senior Notes due February 15, 2008 (Senior Notes), 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, 2003, the fair market value of the Senior Notes was approximately $228 million, based on the quoted market price.

The Company has a $300 million domestic multi-currency bank revolving credit facility (Credit Facility), which expires June 8, 2006. At December 31, 2003, the Company had a total of $14 million drawn under the Credit Facility and outstanding letters of credit totaling $4 million. The net available borrowings under the Credit Facility as of December 31, 2003, were approximately $282 million.

Interest on the outstanding borrowings under the 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 57.5 basis points per annum. A utilization fee is added to the interest rate. The weighted average interest rate on borrowings outstanding under the Credit Facility was 3.2% per annum at December 31, 2003. A facility fee equal to 17.5 basis points per annum is payable quarterly on the total amount available under the Credit Facility.

The Company and certain of its subsidiaries entered into a renewable, one-year agreement in December 2001 (Receivables Facility) with a financial institution, under which the Company collateralized certain of its receivables for borrowings. This agreement was renewed in December 2003 for another year. The Receivables Facility provides for borrowings of up to $25 million depending upon the level of eligible receivables. At December 31, 2003, there were no borrowings outstanding under the Receivables Facility.

The Company has a $30 million demand line of credit (Short-Term Facility), which expires May 21, 2004. Borrowings under the Short-Term Facility are based on LIBOR plus the applicable margin in effect under the Credit Facility. At December 31, 2003, there were no borrowings under the Short-Term Facility.

At December 31, 2003, other long-term debt included debt acquired in connection with recent acquisitions and other debt at international locations maintained for working capital purposes. Interest is payable on the outstanding balances at rates ranging from 2.8% to 4.9% per annum.

Total debt outstanding at December 31, 2003 and 2002 included accrued interest of $4.0 million and $4.1 million, respectively.

The indenture for the Senior Notes permits the payment of cash dividends only to the extent that no default exists under the notes, and limits the amount of cash dividends in accordance with specified formulas. At December 31, 2003, under the most restrictive of these provisions, the Company had approximately $154.3 million available for the payment of cash dividends in 2004.

10. ACQUISITIONS

In January 2004, the Company acquired Manfred Vetter GmbH, based in Zulpich, Germany. Vetter is a world leader in the design and manufacture of pneumatic lifting and sealing bags for vehicle and air rescue, environmental protection, industrial maintenance, and disaster recovery and control. Vetter is operated as part of Hale Products.

In 2003, the Company acquired Sponsler Co., Inc. (June 2003) and Classic Engineering, Inc. (September 2003). Both companies are operated as part of the Pump Products Group. Sponsler, headquartered in Westminster, South Carolina, is a manufacturer of precision turbine flow meters to meet all flow applications, including low-flow and situations where viscosity, corrosive media, extreme temperature or hazardous materials are factors. Classic Engineering, Inc., headquartered in Jacksonville, Florida, is a supplier of fully integrated pump and metering systems to chemical companies and municipal water treatment facilities. It also engineers, designs and manufactures standard and custom chemical-feed systems for the water, wastewater, chemical OEM, pulp and paper, cement and general industrial markets. Classic is operated as part of Pulsafeeder, while Sponsler is operated as part of Liquid Controls. IDEX acquired Sponsler and Classic for a purchase price of $10,251 and $3,703, respectively, with financing provided by borrowings under the Credit Facility. Goodwill and intangible assets recognized as part of these aquisitions was $11,484 and $373, respectively. In February 2003, an $8.0 million payment of deferred consideration was made in connection with the Rheodyne acquisition that was consummated in July 2002.

In 2002, the Company acquired Halox Technologies, Inc. (April 2002), Rheodyne, L.P. (July 2002) and Wrightech Corporation (October 2002). All are operated as part of the Pump Products Group. Halox, headquartered in Bridgeport, Connecticut, is a manufacturer of point-of-use chlorine dioxide equipment. Its products generate chlorine dioxide for use in water treatment and disinfectant applications. Rheodyne, headquartered in Rohnert Park, California, is a manufacturer of injectors, valves, fittings and accessories for the analytical instrumentation market and used by manufacturers of high performance liquid chromatography equipment. Wrightech, headquartered in Waukesha, Wisconsin, is a manufacturer of stainless-steel positive displacement circumferential piston pumps and replacement parts for the sanitary pump market. Wrightech is operated as part of Viking Pump, while Halox is operated as part of Pulsafeeder. Rheodyne became IDEX's 12th stand-alone business unit, with its activities being closely coordinated with those of ISMATEC, Micropump and Trebor. IDEX acquired the above businesses for an aggregate purchase price of $74,928, with financing provided by borrowings under the Credit Facility. The Company also acquired $2,136 of debt in connection with the acquisitions. Goodwill and intangible assets recognized as part of these acquisitions was $62,370 and $6,431, respectively. In addition, in certain instances, the acquisitions contain purchase price contingencies, which are considered to be immaterial to the Company.

In 2001, IDEX completed the acquisitions of Liquid Controls L.L.C. (January 2001), Class 1, Inc. (January 2001) and Versa-Matic Tool Inc. (June 2001). Liquid Controls and Versa-Matic are operated as part of the Pump Products Group, while Class 1 is operated as part of the Other Engineered Products Group. Liquid Controls, headquartered in Lake Bluff, Illinois, is a leading manufacturer of positive displacement flow meters, electronic registration and process control systems. Class 1, headquartered in Ocala, Florida, is a leading manufacturer of electronic and mechanical components and systems for the specialty vehicle market. Versa-Matic, headquartered in Export, Pennsylvania, is a leading manufacturer and distributor of air-operated double-diaphragm pumps and pump replacement parts. IDEX acquired these businesses for an aggregate purchase price of $132,295, with financing provided by borrowings under the Credit Facility. The Company also acquired $2,931 of debt in connection with the acquisitions. Goodwill and intangible assets recognized as part of these acquisitions was $94,320 and $1,061, respectively. Goodwill of $67,782 and intangible assets of $740 were assigned to the Pump Products Group, while goodwill of $26,538 and intangible assets of $321 were assigned to the Other Engineered Products Group.

All acquisitions were accounted for as purchases, and operating results include the acquisitions from the dates of purchase. The Company does not consider any of the acquisitions to be material to its results of operations, financial condition, or cash flows for any of the years noted.

11. COMPREHENSIVE INCOME

The tax effects of the components of other comprehensive income for 2003, 2002 and 2001 follow:

	2003	2002	2001

Minimum pension adjustment			
Pretax amount	$ (2,864)	$ (13,732)	$ 640
Tax benefit (provision)	954	4,944	(296)
Aftertax amount	$ (1,910)	$ (8,788)	$ 344
Unrealized translation adjustment			
Pretax amount	$ 26,652	$ 19,466	$ 263
Tax provision	-	-	-
Aftertax amount	$ 26,652	$ 19,466	$ 263
Unrealized gains (losses) on derivatives			
Cumulative effect of change in accounting principles	$ -	$ -	$ 329
Derivatives	-	226	(555)
Pretax amount	-	226	(226)
Tax (provision) benefit	-	(86)	86
Aftertax amount	$ -	$ 140	$ (140)

(IN THOUSANDS EXCEPT PER SHARE AMOUNTS)

12. INCOME TAXES

Pretax income for the years ended December 31, 2003, 2002, and 2001, was taxed under the following jurisdictions:

	2003	2002	2001
Domestic	$ 66,402	$ 58,087	$ 29,882
Foreign	30,268	25,808	23,549
Total	$ 96,670	$ 83,895	$ 53,431

The provision for income taxes for the years ended December 31, 2003, 2002, and 2001, was as follows:

	2003	2002	2001
Current			
U.S.	$ 13,000	$ 12,891	$ 12,775
State and local	738	448	1,178
Foreign	10,093	6,852	6,920
Total current	23,831	20,191	20,873
Deferred			
U.S.	6,954	6,934	(1,747)
State and local	779	-	(150)
Foreign	2,754	2,658	1,745
Total deferred	10,487	9,592	(152)
Total provision for income taxes	$ 34,318	$ 29,783	$ 20,721

Deferred (prepaid) income taxes resulted from the following:

	2003	2002	2001
Employee and retiree benefit plans	$ 5,046	$ (59)	$ (903)
Depreciation and amortization	8,334	6,603	4,364
Inventories	(785)	(285)	(2,263)
Allowances and accruals	(1,557)	3,560	(1,808)
Other	(551)	(227)	458
Total deferred (prepaid)	$ 10,487	$ 9,592	$ (152)

Deferred tax assets (liabilities) related to the following at December 31, 2003 and 2002:

	2003	2002
Employee and retiree benefit plans	$ 11,144	$ 13,762
Depreciation and amortization	(55,776)	(43,328)
Inventories	(4,456)	(4,764)
Tax benefit carry forwards	872	2,575
Allowances and accruals	4,922	3,789
Other	2,512	2,061
Total	$ (40,782)	$ (25,905)

The balance sheet at December 31, 2003, included a current deferred tax liability of $9,437 in accrued expenses and a noncurrent deferred tax liability of $31,345 in other noncurrent liabilities. The balance sheet at December 31, 2002, included a current deferred tax liability of $1,677 in accrued expenses and a noncurrent deferred tax liability of $24,228 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, 2003, 2002, and 2001, were as follows:

	2003	2002	2001
Pretax income	$ 96,670	$ 83,895	$ 53,431
Provision for income taxes:			
Computed amount at statutory rate of 35%	$ 33,835	$ 29,363	$ 18,701
State and local income tax (net of federal tax benefit)	986	291	668
Taxes on non-US earnings-net	960	674	(536)
Amortization of cost in excess of net assets acquired	-	-	2,197
Foreign sales corporation	(945)	(1,260)	(858)
Other	(518)	715	549
Total provision for income taxes	$ 34,318	$ 29,783	$ 20,721

No provision has been made for U.S. or additional foreign taxes on $50,630 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.

13. DERIVATIVE INSTRUMENTS

SFAS No. 133, "Accounting for Derivative Instruments and Hedging Activities", requires that derivative financial instruments be recognized in the financial statements at fair value. Changes in the fair value of derivative financial instruments are either recognized periodically in income or shareholders' equity as a component of comprehensive income, depending on whether the derivative is being used to hedge changes in fair value or cash flows. The adoption of SFAS No. 133 in 2001 initially increased comprehensive income by $204 in Consolidated Shareholders' Equity.

At December 31, 2003, the Company had a foreign currency contract, which it entered into in anticipation of the funding of the January 2004 purchase of Manfred Vetter. The increase in fair market value of this contract resulted in income of $.5 million at December 31, 2003 and was included in "Other income (expense) - net" in the Consolidated Statements of Operations.

At December 31, 2001, the Company had two interest rate swaps, which effectively converted $52.3 million of floating rate debt into fixed rate debt at interest rates approximating 5.6%. The fair market value of the interest rate swaps was a net expense of $140 at December 31, 2001, as reported in other comprehensive income. Both of the interest rate swaps expired in March 2002.

Fair values relating to derivative financial instruments reflect the estimated amounts that the Company would receive or pay to terminate the contracts at the reporting date, based on quoted market prices of comparable contracts. The net gain or loss on the interest rate swap contracts was not material.

14. 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, 2003, and a statement of the funded status at December 31 for both years:

	PENSION BENEFITS		OTHER BENEFITS	
	2003	2002	2003	2002
CHANGE IN BENEFIT OBLIGATION				
Obligation at January 1	$ 71,968	$ 58,914	$ 16,188	$ 14,171
Service cost	3,765	3,486	330	346
Interest cost	4,703	4,209	1,066	1,054
Plan amendments	(15)	407	-	-
Benefits paid	(5,374)	(3,854)	(510)	(480)
Actuarial loss	9,470	8,806	1,583	1,097
Obligation at December 31	$ 84,517	$ 71,968	$ 18,657	$ 16,188
CHANGE IN PLAN ASSETS				
Fair value of plan assets at January 1	$ 38,764	$ 44,402	$ -	$ -
Actual return on plan assets	7,668	(5,387)	-	-
Employer contributions	20,444	3,019	510	480
Benefits paid	(5,374)	(3,854)	(510)	(480)
Other	746	584	-	-
Fair value of plan assets at December 31	$ 62,248	$ 38,764	$ -	$ -
FUNDED STATUS				
Funded status at December 31	$(22,269)	$(33,204)	$(18,657)	$(16,188)
Unrecognized loss	29,354	28,313	3,619	2,127
Unrecognized transition obligation	287	321	-	-
Unrecognized prior service cost	2,411	2,798	(533)	(564)
Net amount recognized at December 31	$ 9,783	$ (1,772)	$(15,571)	$(14,625)
RECOGNIZED IN THE CONSOLIDATED BALANCE SHEETS				
Prepaid benefit cost	$ 5,433	$ 4,707	$ -	$ -
Accrued benefit liability	16,764	(25,085)	(15,571)	(14,625)
Intangible asset	1,712	2,069	-	-
Accumulated other comprehensive income	19,402	16,537	-	-
Net amount recognized at December 31	$ 9,783	$ (1,772)	$(15,571)	$(14,625)

The accumulated benefit obligation for all defined benefit pension plans was $77,611 and $63,205 at December 31, 2003 and 2002, respectively. For plans with an accumulated benefit obligation in excess of plan assets, the projected benefit obligation, accumulated benefit obligation and fair value of plan assets was $67,847, $62,073 and $45,309, respectively, at December 31, 2003, and $62,654, $54,140 and $29,055, respectively, at December 31, 2002.

The assumptions used in the measurement of the Company's benefit obligation at December 31, 2003 and 2002, were as follows:

	U.S. PLANS		NON-U.S. PLANS	
	2003	2002	2003	2002
Discount rate	6.00%	6.75%	5.50%	5.75%
Expected return on plan assets	8.50%	9.00%	6.50%	6.50%
Rate of compensation increase	4.00%	4.00%	4.25%	3.75%

The discount rate assumption for benefits other than pension benefit plans was 6.00% and 6.75% at December 31, 2003 and 2002, respectively. To develop the expected rate of return on plan assets, the Company considered the historical returns and the future expectations for returns on each asset class, as well as the target asset allocation of the pension portfolio.

(IN THOUSANDS EXCEPT PER SHARE AMOUNTS)

The following tables provide the components of, and the assumptions used to determine, the net periodic benefit cost for the plans in 2003, 2002, and 2001:

	PENSION BENEFITS			OTHER BENEFITS		
	2003	2002	2001	2003	2002	2001
Service cost	$ 3,765	$ 3,486	$ 3,160	$ 330	$ 346	$ 317
Interest cost	4,703	4,209	3,991	1,066	1,054	1,155
Expected return on plan assets	(3,449)	(3,903)	(4,248)	-	-	-
Net amortization	3,216	848	475	(31)	(29)	28
Net periodic benefit cost	$ 8,235	$ 4,640	$ 3,378	$ 1,365	$ 1,371	$1,500

	U.S. PLANS			NON-U.S. PLANS		
	2003	2002	2001	2003	2002	2001
Discount rate	6.75%	7.50%	8.00%	5.75%	6.00%	6.00%
Expected return on plan assets	8.50%	9.00%	9.00%	6.50%	7.50%	7.00%
Rate of compensation increase	4.00%	4.00%	4.00%	3.75%	4.00%	4.50%

The discount rate assumption used to determine the net periodic benefit cost for benefits other than pension benefit plans was 6.75%, 7.50% and 8.00% in 2003, 2002 and 2001, 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 plans and defined contribution plans were $6,756, $6,607 and $6,292 for 2003, 2002 and 2001, respectively.

For measurement purposes, an 8% annual rate of increase in the per capita cost of covered health care benefits was assumed for 2003. 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% increase in the assumed health care cost trend rates would increase the service and interest cost components of the net periodic benefit cost by $137 and the health care component of the accumulated postretirement benefit obligation by $1,711. A 1% decrease in the assumed health care cost trend rate would decrease the service and interest cost components of the net periodic benefit cost by $116 and the health care component of the accumulated postretirement benefit obligation by $1,463.

The provisions of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (Act) have not been taken into account in the determination of IDEX's accumulated postretirement benefit obligation or net periodic benefit cost, pending further guidance on the accounting for the federal subsidy. The Company does not expect that the effects of the Act will have a material impact on its results of operations, financial condition, or cash flows.

Plan Assets

The Company's pension plan weighted-average asset allocations at December 31, 2003, and 2002, by asset category, were as follows:

	2003	2002
Equity securities	68%	54%
Debt securities	31	39
Other	1	7
Total	100%	100%

The investment objectives of its plan assets are to earn the highest possible rate of return consistent with the tolerance for risk as determined periodically by IDEX in its role as a fiduciary. The general guidelines of asset allocation of fund assets are that equities will represent from 55% to 75% of the market value of total fund assets with a target of 64%, and fixed income obligations, including cash, will represent from 25% to 45% with a target of 36%. The Company strives to maintain asset allocations within the designated ranges by conducting periodic reviews of fund allocations and plan liquidity needs, and rebalancing the portfolio accordingly. As of December 31, 2003 and 2002, there were no shares of the Company's stock held in plan assets.

Cash Flows

The Company expects to contribute approximately $9.0 million to its pension plans and $.7 million to its other postretirement benefit plans in 2004.

15. QUARTERLY RESULTS OF OPERATIONS

The following is a summary of the unaudited quarterly results of operations for the years ended December 31, 2003 and 2002:

	2003 QUARTERS			
	FIRST	SECOND	THIRD	FOURTH
Net sales	$195,498	$207,147	$197,314	$197,961
Gross profit	74,303	82,123	76,178	76,716
Operating income	23,401	29,557	28,943	27,961
Net income	12,695	16,943	16,509	16,205
Basic EPS	$ .39	$ .52	$ .51	$ .49
Basic weighted average shares outstanding	32,291	32,384	32,661	32,785
Diluted EPS	$ .39	$ .51	$ .49	$ .48
Diluted weighted average shares outstanding	32,805	33,131	33,640	33,826

	2003 QUARTERS			
	FIRST	SECOND	THIRD	FOURTH
Net sales	$174,936	$190,430	$189,105	$187,543
Gross profit	65,425	74,138	71,614	70,261
Operating income	22,506	28,160	26,945	22,761
Net income	11,545	15,610	14,786	12,171
Basic EPS	$ .38	$ .49	$ .46	$ .38
Basic weighted average shares outstanding	30,513	31,668	32,245	32,252
Diluted EPS	$ .37	$ .48	$ .45	$ .37
Diluted weighted average shares outstanding	31,544	32,653	32,883	32,893

During the second and fourth quarters of 2002, IDEX took actions to downsize its operations to reflect lower levels of activity. As a result, the Company recorded a charge of $107 and income of $310 in the second and fourth quarters of 2002, respectively, related to the restructuring activity. See Note 7 for additional details.

REPORTS

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, 2003 and 2002 and the related consolidated statements of operations, consolidated shareholders' equity, and consolidated cash flows for each of the three years in the period ended December 31, 2003. 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 auditing standards generally accepted in the United States of America. 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, 2003 and 2002 and the results of their operations and their cash flows for each of the three years in the period ended December 31, 2003 in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 2 to the Consolidated Financial Statements, in 2002 the Company changed its method of accounting for goodwill and intangible assets to conform to Statement of Financial Accounting Standards No. 142, "Goodwill and Other Intangible Assets."

/s/ Deloitte & Touche LLP
Deloitte & Touche LLP
Chicago, Illinois
January 22, 2004

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 accounting principles generally accepted in the United States of America. 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, 2003, is effective and adequate to accomplish the above described objectives.

/s/ Dennis K. Williams
Dennis K. Williams
Chairman of the Board, President and Chief Executive Officer

/s/ Wayne P. Sayatovic
Wayne P. Sayatovic
Senior Vice President - Finance and Chief Financial Officer
Northbrook, Illinois
January 22, 2004

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EXHIBIT 21

SUBSIDIARIES OF IDEX CORPORATION

JURISDICTION
OF SUBSIDIARY
INCORPORATION
- ----------

BAND-IT
CLAMPS (ASIA)
PTE., LTD.
SINGAPORE
BAND-IT
COMPANY LTD.
UNITED
KINGDOM BAND-
IT R.S.A.
(PTY) LTD.
(51% OWNED)
SOUTH AFRICA
BAND-IT-IDEX,
INC. DELAWARE
BLAGDON
HOLDINGS,
LTD. UNITED
KINGDOM CLASS
1 DELAWARE
CLASSIC
ENGINEERING
INC. DELAWARE
CORKEN, INC.
DELAWARE
DOMINATOR
PUMP AB
SWEDEN FAST
and FLUID
MANAGEMENT
SARL FRANCE
FAST IBERICA
S.A. SPAIN
FAST LLC
DELAWARE FAST
SRL ITALY
FAST U.K.
LTD. UNITED
KINGDOM FLUID
MANAGEMENT
AUSTRALIA
PTY., LTD.
AUSTRALIA
FLUID
MANAGEMENT
CANADA, INC.
CANADA FLUID
MANAGEMENT
EASTERN
EUROPE SP. Z
O.O. POLAND
FLUID
MANAGEMENT
EUROPE B.V.
NETHERLANDS
FLUID
MANAGEMENT
GMBH GERMANY
FLUID
MANAGEMENT
OPERATIONS,
LLC DELAWARE
FLUID
MANAGEMENT
SERVICOS E
VENDAS LTD.
BRAZIL FLUID
MANAGEMENT,
INC. DELAWARE
FM DELAWARE,
INC. DELAWARE
FM
INVESTMENT,
INC. DELAWARE
GAST ASIA,
INC. MICHIGAN
GAST
MANUFACTURING
COMPANY LTD.
UNITED
KINGDOM GAST

MANUFACTURING,
INC. MICHIGAN
GODIVA
LIMITED
UNITED
KINGDOM
GODIVA
PRODUCTS LTD.
UNITED
KINGDOM HALE
PRODUCTS
EUROPE GMBH
GERMANY HALE
PRODUCTS
EUROPE
LIMITED
UNITED
KINGDOM HALE
PRODUCTS,
INC.
PENNSYLVANIA
HALOX
TECHNOLOGIES,
INC. DELAWARE
HEMINA S.P.A.
(30%) ITALY
IDEX ASIA
PACIFIC PTE.
LTD.
SINGAPORE
IDEX EUROPE
GMBH GERMANY
IDEX FINANCE,
INC. DELAWARE
IDEX
HOLDINGS,
INC. DELAWARE
IDEX INDIA
PRIVATE LTD
INDIA IDEX
LEASING GMBH
GERMANY IDEX
RECEIVABLE
CORPORATION
DELAWARE IDEX
TECHNOLOGY
(SUZHOU)
COMPANY LTD
CHINA IDEX
TRADING
(SHANGHAI)
COMPANY LTD
CHINA ISMATEC
GMBH GERMANY
ISMATEC SA
SWITZERLAND
JOHNSON PUMP
(UK) LTD.
UNITED
KINGDOM
KNIGHT
EQUIPMENT
(CANADA) LTD.
CANADA KNIGHT
EQUIPMENT
AUSTRALIA
PTY., LTD.
AUSTRALIA
KNIGHT
EQUIPMENT
INTERNATIONAL
B.V.
NETHERLANDS
KNIGHT INC.
DELAWARE
KNIGHT
INTERNATIONAL
B.V.
NETHERLANDS
KNIGHT SOUTH
EUROPE S.L.
SPAIN KNIGHT
U.K. LTD.
UNITED
KINGDOM
KNIGHT, LLC
DELAWARE
LIQUID
CONTROLS
(INDIA) PVT.
LTD INDIA
LIQUID
CONTROLS, LLC
DELAWARE

LUBRIQUIP,
INC. DELAWARE
LUKAS
HYDRAULIK
GMBH GERMANY
MICROPUMP
LIMITED
UNITED
KINGDOM
MICROPUMP,
INC. DELAWARE
PULSAFEEDER
EUROPE B.V.
NETHERLANDS
PULSAFEEDER,
INC. DELAWARE
PUMPER PARTS
LLC DELAWARE
RHEODYNE
EUROPE GMBH
GERMANY
RHEODYNE, LLC
DELAWARE
S.A.M.P.I.
SPL. ITALY
SIGNFIX
HOLDINGS
UNITED
KINGDOM
SIGNFIX
LIMITED
UNITED
KINGDOM
SPONSLER
DELAWARE
TESPA GMBH
GERMANY
TREBOR
INTERNATIONAL,
INC. UTAH
VERSA-MATIC
AB SWEDEN
VERSA-MATIC
ASIA SDN BHD
(50%)
MALAYSIA
VERSA-MATIC
TOOL INC.
OHIO VIKING
PUMP (EUROPE)
LTD. IRELAND
VIKING PUMP
LATIN AMERICA
S.A. DE C.V.
MEXICO VIKING
PUMP OF
CANADA, INC.
ONTARIO
VIKING PUMP,
INC. DELAWARE
WARREN RUPP
(EUROPE) LTD.
UNITED
KINGDOM
WARREN RUPP,
INC. DELAWARE
WRIGHTECH,
INC. DELAWARE

[DELOITTE & TOUCHE LOGO]

EXHIBIT 23

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, 333-18643, 333-70450 and 333-70452) of our reports, dated January 22, 2004, appearing in and incorporated by reference in this Annual Report on Form 10-K of IDEX Corporation for the year ended December 31, 2003.

Deloitte & Touche LLP

Chicago, Illinois

March 5, 2004

EXHIBIT 31.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER PURSUANT TO SECTION 302 OF THE SARBANES OXLEY ACT OF 2002

I, Dennis K. Williams, certify that:

1. I have reviewed this annual report on Form 10-K of IDEX Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and we have:

a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this annual is being prepared;

b) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

c) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):

a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

March 5, 2004

/s/ DENNIS K. WILLIAMS

DENNIS K. WILLIAMS
Chairman, President and Chief Executive Officer

EXHIBIT 31.2

CERTIFICATION OF CHIEF EXECUTIVE OFFICER PURSUANT TO SECTION 302 OF THE SARBANES OXLEY ACT OF 2002

I, Dominic A. Romeo, certify that:

1. I have reviewed this annual report on Form 10-K of IDEX Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and we have:

a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this annual is being prepared;

b) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

c) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):

a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

March 5, 2004

/s/ DOMINIC A. ROMEO

DOMINIC A. ROMEO
Vice President and Chief Financial Officer

EXHIBIT 32.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER

Pursuant to 18 U.S.C. Section 1350, as created by Section 906 of the Sarbanes-Oxley Act of 2002, thE undersigned officer of IDEX Corporation (the "Company") hereby certifies, to such officer's knowledge, that:

(i) the accompanying Annual Report on Form 10-K of the Company for the annual period ended December 31, 2003 (the "Report") fully complies with the requirements of Section 13(a) or Section 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and

(ii) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

March 5, 2004

/s/ Dennis K. Williams

Dennis K. Williams
Chairman, President and Chief Executive Officer

EXHIBIT 32.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER

Pursuant to 18 U.S.C. Section 1350, as created by Section 906 of the Sarbanes-Oxley Act of 2002, thE undersigned officer of IDEX Corporation (the "Company") hereby certifies, to such officer's knowledge, that:

(i) the accompanying Annual Report on Form 10-K of the Company for the annual period ended December 31, 2003 (the "Report") fully complies with the requirements of Section 13(a) or Section 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and

(ii) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

March 5, 2004

/s/ Dominic A. Romeo

Dominic A. Romeo
Vice President and Chief Financial Officer