



First Quarter Earnings

APRIL 19, 2016



AGENDA

- IDEX's Outlook
- Q1 2016 Financial Performance
- Q1 2016 Segment Performance
 - Fluid & Metering
 - Health & Science
 - Fire & Safety / Diversified Products
- 2016 Guidance Detail
- Q&A

Replay Information

- Dial toll-free: 877.660.6853
- International: 201.612.7415
- Conference ID: #13620004
- Log on to: www.idexcorp.com

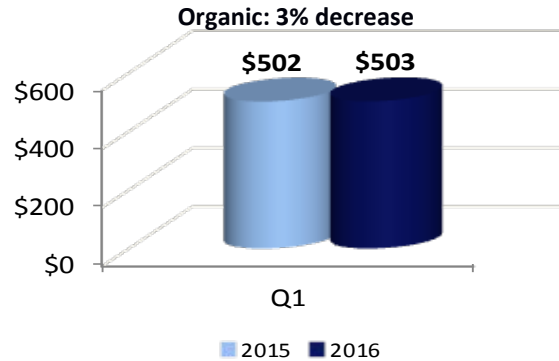
Cautionary Statement Under the Private Securities Litigation Reform Act; Non-GAAP Measures

This presentation and discussion will include forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, as amended. These statements may relate to, among other things, capital expenditures, acquisitions, cost reductions, cash flow, revenues, earnings, market conditions, global economies and operating improvements, and are indicated by words or phrases such as “anticipate,” “estimate,” “plans,” “expects,” “projects,” “forecasts,” “should,” “could,” “will,” “management believes,” “the company believes,” “the company intends,” and similar words or phrases. These statements are subject to inherent uncertainties and risks that could cause actual results to differ materially from those anticipated at the date of this news release. The risks and uncertainties include, but are not limited to, the following: economic and political consequences resulting from terrorist attacks and wars; levels of industrial activity and economic conditions in the U.S. and other countries around the world; pricing pressures and other competitive factors, and levels of capital spending in certain industries – all of which could have a material impact on order rates and IDEX’s results, particularly in light of the low levels of order backlogs it typically maintains; its ability to make acquisitions and to integrate and operate acquired businesses on a profitable basis; the relationship of the U.S. dollar to other currencies and its impact on pricing and cost competitiveness; political and economic conditions in foreign countries in which the company operates; 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. Additional factors that could cause actual results to differ materially from those reflected in the forward-looking statements include, but are not limited to, the risks discussed in the “Risk Factors” section included in the company’s most recent annual report on Form 10-K filed with the SEC and the other risks discussed in the company’s filings with the SEC. The forward-looking statements included in this presentation and discussion are only made as of today’s date, and management undertakes no obligation to publicly update them to reflect subsequent events or circumstances, except as may be required by law. Investors are cautioned not to rely unduly on forward-looking statements when evaluating the information in this presentation and discussion.

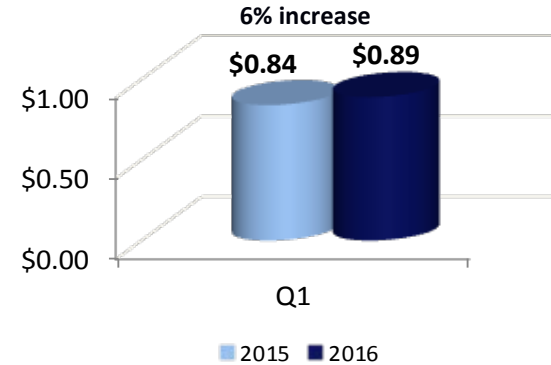
This presentation contains non-GAAP financial information. Reconciliations of non-GAAP measures are included either in this presentation or our earnings release for the three-month period ended March 31, 2016, which is available on our website.

IDEX Q1 Financial Performance

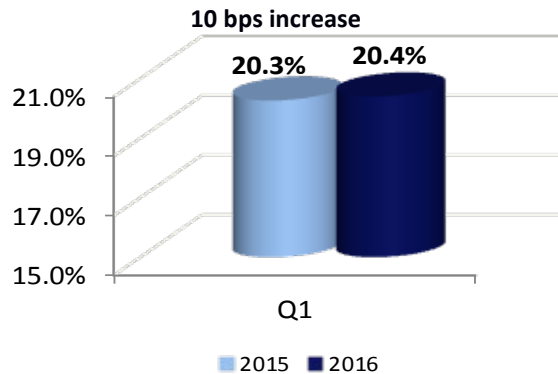
Sales



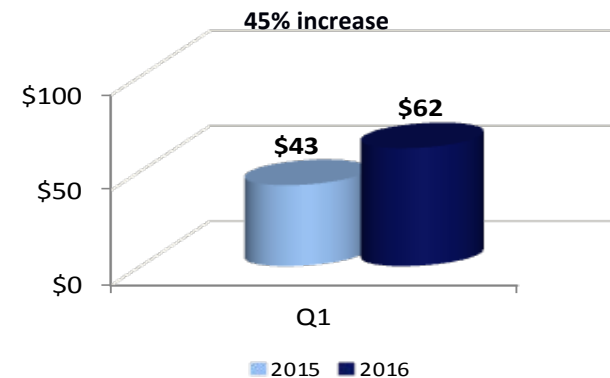
EPS



Operating Margin



Free Cash Flow



(\$M, excl. EPS)

EPS increased 6 percent with Free Cash Flow up 45 percent

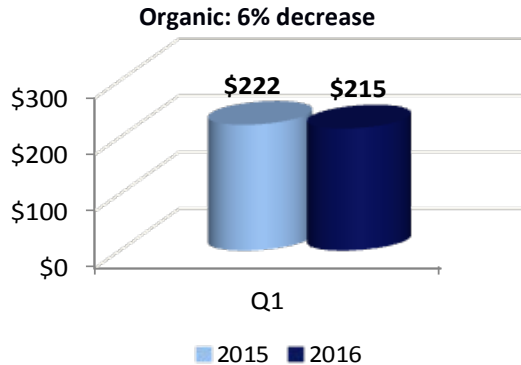
2016 Q1 Results Bridge

	<u>EPS</u>
Midpoint of Q1'16 Guidance	\$ 0.81
Q1'16 Operational Over Performance	0.03
Q1'16 Akron Brass Contribution, net of Inventory Step-up Charge	(0.01)
Contingent Consideration Adjustment	0.03
Q1'16 Lower Tax Rate ⁽¹⁾	0.03
Reported Q1'16 Results	<u>\$ 0.89</u>

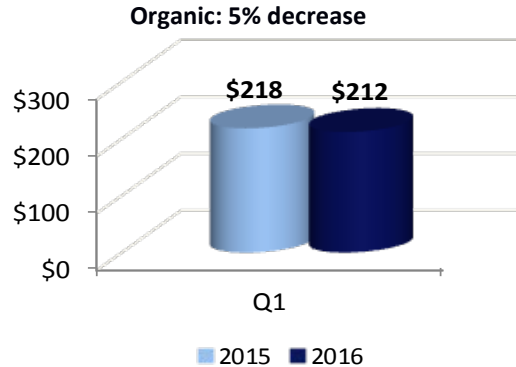
(1) The Company early adopted ASU 2016-09 effective in the first quarter of 2016. This new ASU, issued in March of 2016, simplifies the accounting for share-based payments, and resulted in a \$2.6 million, or 3 cent, income tax benefit for the first quarter of 2016.

Fluid & Metering

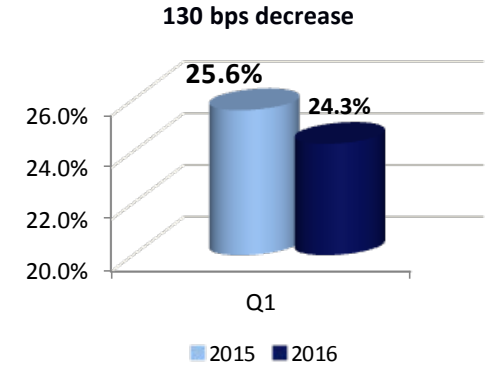
Orders



Sales



Operating Margin



Q1 Sales Mix:		
Organic		-5%
Acquisition		3%
Fx		<u>-1%</u>
Reported Sales		-3%

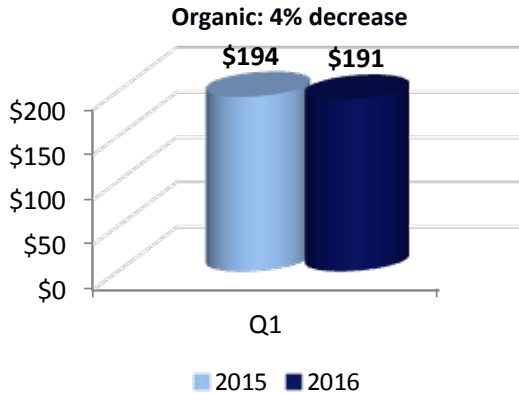
Q1 Summary:

- ❑ Water Services continues to grow in core US and UK markets, benefiting from new products and a mild winter
- ❑ North American industrial market showing signs of stabilization
- ❑ Energy mobile markets are challenged due to lower class 6 and 8 truck builds, while strength in the aviation market partially offset mobile softness

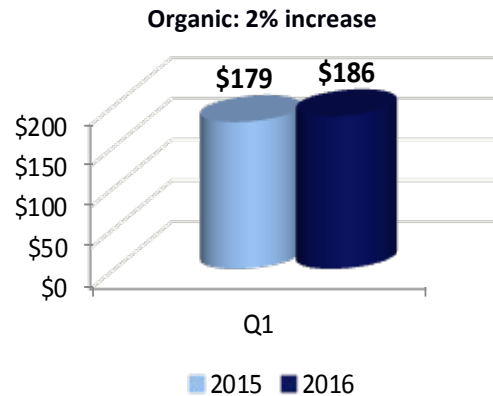
(\$M)

Energy and agriculture-end markets remain challenged

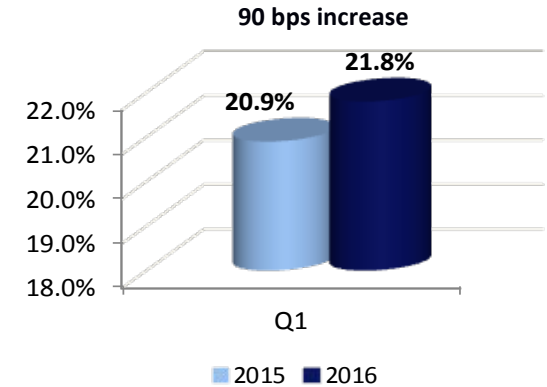
Orders



Sales



Operating Margin



Q1 Sales Mix:	Organic	2%
	Acquisition	3%
	Fx	<u>-1%</u>
	Reported Sales	4%

Q1 Summary:

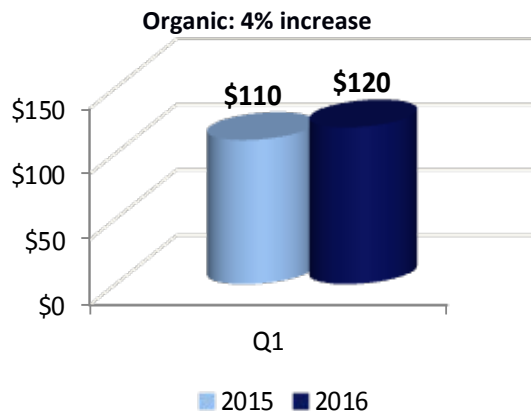
- ❑ Scientific Fluidics continues to deliver as IVD, Bio and Analytical Instrumentation end markets are all expected to show strong growth in 2016
- ❑ Optics & Photonics delivered top-line growth in Q1 and leveraged productivity improvements for outstanding profitability
- ❑ Long-cycle MPT continues to grow on the strength of orders in Asian food and pharma market, providing stability through the second half of 2016

(\$M)

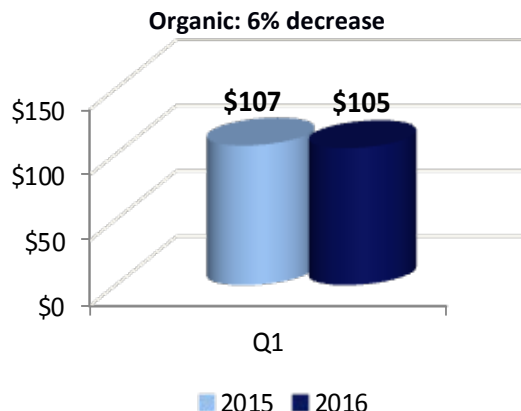
Organic sales growth of 2% and productivity drove operating margin improvement of 90 bps

Fire & Safety / Diversified

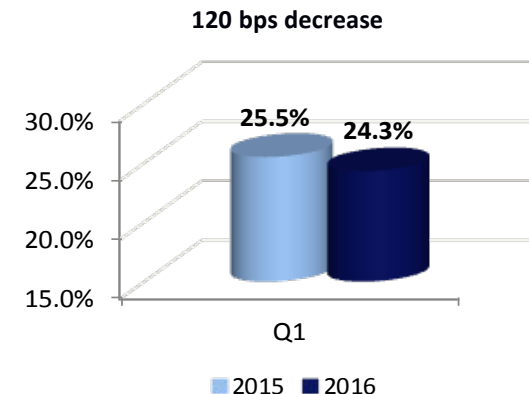
Orders



Sales



Operating Margin



Q1 Sales Mix:	Component	Change
	Organic	-6%
	Acquisition	5%
	Fx	<u>-1%</u>
	Reported Sales	-2%

Q1 Summary:

- ❑ Organic sales decline of 6% is entirely due to a large trailer project in 2015 at Fire Suppression
- ❑ Dispensing core markets in North America, Asia and Europe were solid, with profitability improvements driven by increased X-Smart sales
- ❑ Fire Suppression core US and UK markets remain stable, and the acquisition of Akron Brass will expand our global product offering

(\$M)

Excluding Akron Brass fair value inventory step-up charge, operating margins increased 80 bps

Outlook: 2016 Guidance Summary

Q2 2016

- EPS estimate range: \$0.91 – \$0.93, which includes the remaining \$5.4 million pre-tax inventory step-up charge related to the acquisition of Akron Brass
- Organic revenue growth: Flat
- Operating margin: ~ 20.0%
- Tax rate: ~ 27.5%
- Fx impact: ~1.0% topline headwind, based on March 31, 2016 Fx rates

FY 2016

- EPS estimate range: \$3.70 – \$3.75
- Organic revenue growth: Flat
- Operating margin: 20.5% – 21.0%
- Fx impact: ~1.0% topline headwind, based on March 31, 2016 Fx rates
- Other modeling items
 - Tax rate: ~ 27.5%
 - Cap Ex: ~ \$50M
 - Free Cash Flow will be ~120% of net income
 - Continued share repurchases: ~ net 2% reduction
 - EPS estimate excludes all future acquisitions and associated costs