


Second Quarter 2020 Earnings July 24, 2020

Fluid & Metering

Health & Science

Fire & Safety / Diversified

IDEX

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Agenda

IDEX Business Overview

- Q2 Overview
- COVID-19
- End Market Update

Financials

- Q2 Performance
- Operating Profit
- Liquidity

Q3 Summary

Q&A

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Replay Information

- Dial toll–free: 877.660.6853
- International: 201.612.7415
- Conference ID: #13694805
- Log on to: www.idexcorp.com

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Cautionary Statement

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

This presentation and discussion will include forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, as amended. These statements may relate to, among other things, the anticipated effects of the coronavirus pandemic, including with respect to the Company's revenues, facility closures and access to capital, capital expenditures, acquisitions, cost reductions, cash flow, cash requirements, revenues, earnings, market conditions, global economies, plant and equipment capacity and operating improvements, and are indicated by words or phrases such as "anticipates," "estimates," "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: the duration of the coronavirus pandemic and the effects of the coronavirus on our ability to operate our business and facilities, on our customers and on the U.S. and global economy generally; economic and political consequences resulting from terrorist attacks and wars; levels of industrial activity and economic conditions in the U.S. and other countries around the world; pricing pressures and other competitive factors, and levels of capital spending in certain industries – all of which could have a material impact on order rates and 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 six-month period ending June 30, 2020, which is available on our website.

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Business Update

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Q2 Overview

We are in this fight!
- Employees going above and beyond
- Essential products delivered globally
- Innovating with Customers

Executing in an challenging environment
- Operations and Supply Chain performing
- Diversified portfolio balancing declines
- Record Q2 cash flow generation

Controlling the controllable…
- Discretionary costs down approximately 50%
- Targeted restructuring actions
- Key investments made

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Operating our COVID-19 Playbook

Safety	Focus on our people around the world and actions taken to keep people physically, emotionally, and financially safe
Business Continuity	Prepared to manage our businesses in a volatile environment; how we handle supply chain, internal operations and customer disruptions
Liquidity	Managing cash flow, strong liquidity position, and our staying power
Playing Offense	Adapting to help with the COVID-19 fight and what we are doing to position ourselves for the recovery

COVID-19 Microfluidics

IDEX Materials Processing Technologies' (MPT) Microfluidizer® is a key technology being used in the development of a COVID-19 vaccine, specifically enabling the creation of vaccine adjuvants.

Adjuvants added to the vaccine allow the body to produce a better immune response

The adjuvant also allows the vaccine manufacturer to produce more vaccine doses with less antigen

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Market Update

	FLUID & METERING TECHNOLOGY	HEALTH & SCIENCE TECHNOLOGY	FIRE & SAFETY / DIVERSIFIED
2020 Q2 REVENUE	**$219M**	**$216M**	**$127M**
% OF TOTAL	**39%**	**38%**	**23%**
END MARKETS	🟥 **Industrial**	🟩 **Life Sciences**	🟥 **Dispensing**
	🟨 **Chemical**	🟥 **Analytical Instrumentation**	🟨 **Rescue**
	🟥 **Energy**	🟥 **Industrial / Other**	🟨 **Fire**
	🟨 **Water**	🟩 **Food / Pharma**	🟥 **Automotive**
	🟩 **Agriculture**	🟥 **Auto**	🟥 **Industrial / Other**
		🟩 **Semiconductor**	

🟩 - Down < (5%) vs PY 🟨 - Down (5%) – (15%) vs PY 🟥 - Down > (15%) vs PY

Financials

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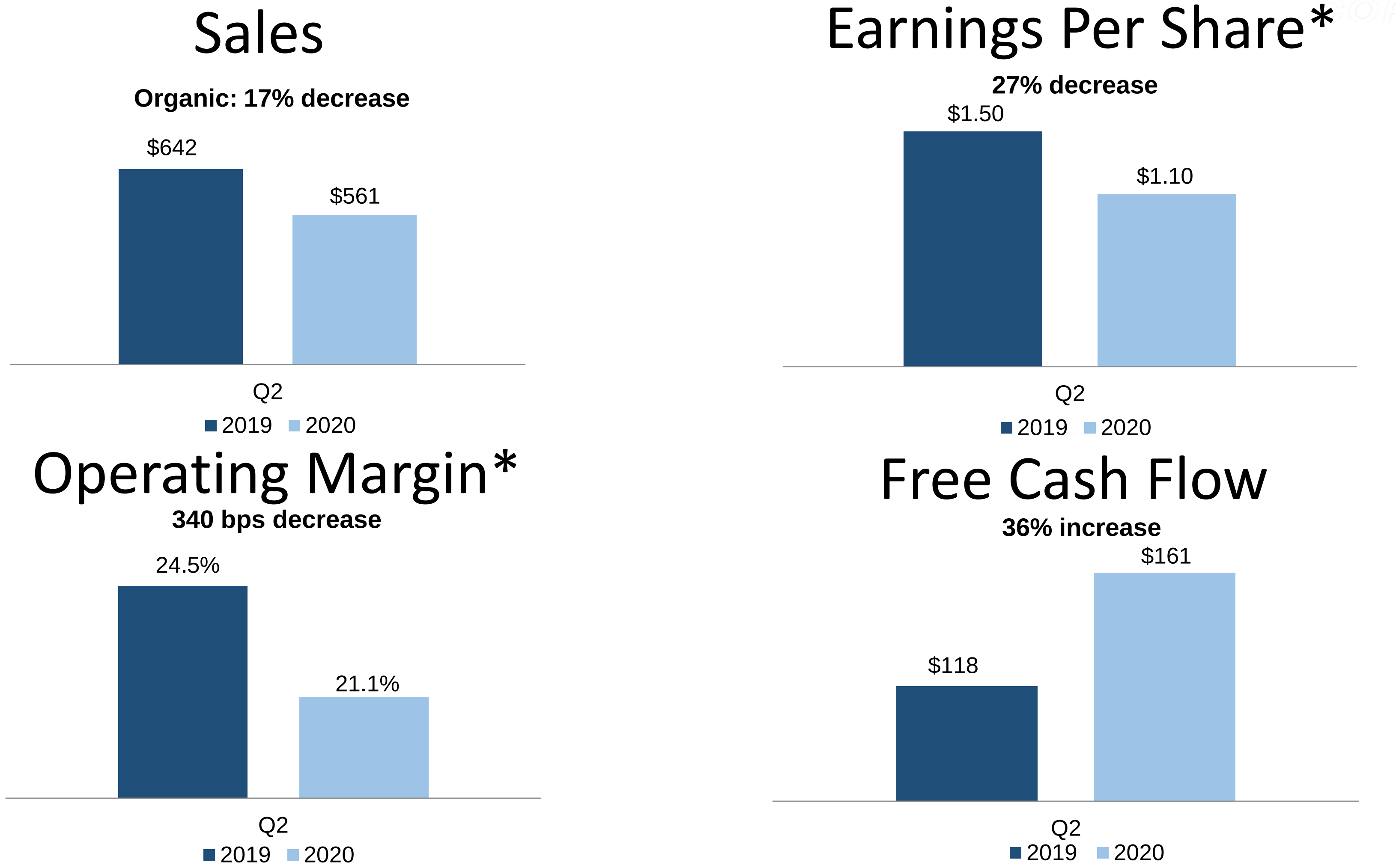
IDEX Q2 Financial Performance

(Dollars in millions, excl. EPS)



Q2 guidance achieved in challenging market environment

*Operating margin and EPS data adjusted for $4.1M in fair value inventory step-up in 2020 and restructuring expenses ($3.8M in Q2 2020; $2.1M in Q2 2019). Q2 2020 EPS additionally adjusted for $8.4M in loss on early debt redemption.

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Q2 Adjusted Operating Income Walk

(Dollars in millions)

Margin Impact

Expected flow through 60%

Organic flow through 38%

Total flow through 48%

$25M of income improvement from cost and price actions

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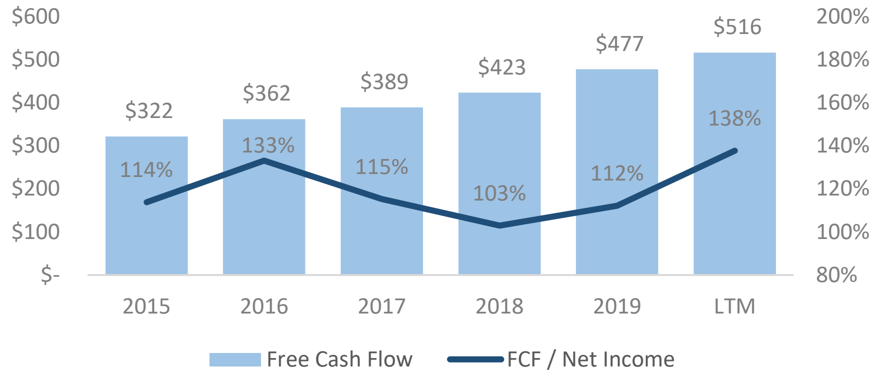
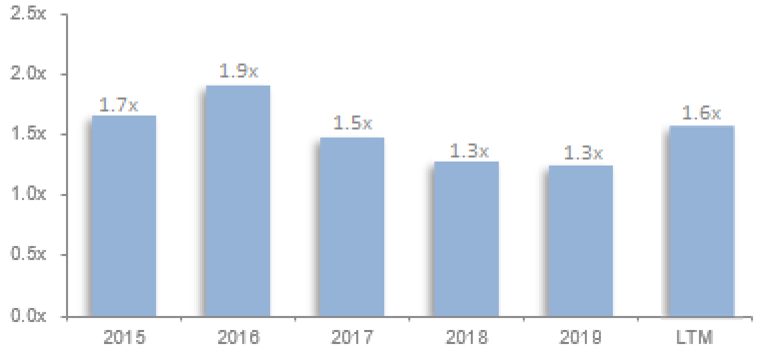
Liquidity

(Dollars in millions)

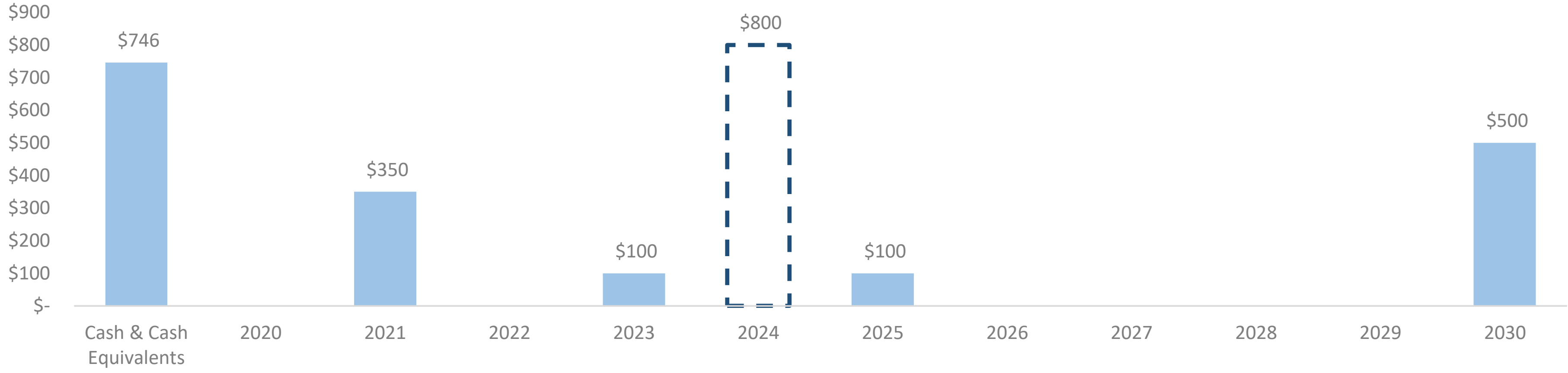
FREE CASH FLOW



ADJUSTED LEVERAGE(1)



Cash on Hand and Term Debt Maturities



Capital discipline and conservative leverage with liquidity focus

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Note: LTM period ending Q2 2020

(1) Adjusted Leverage = Total Debt / Adjusted EBITDA

Q3 Summary

- Organic revenue expected to be down 12% - 17%
- Significant discretionary cost reductions already taken, top line flow through ~45%
- Managing short-term volatility while investing for long-term growth
- Free cash flow conversion greater than 100% of net income

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Appendix

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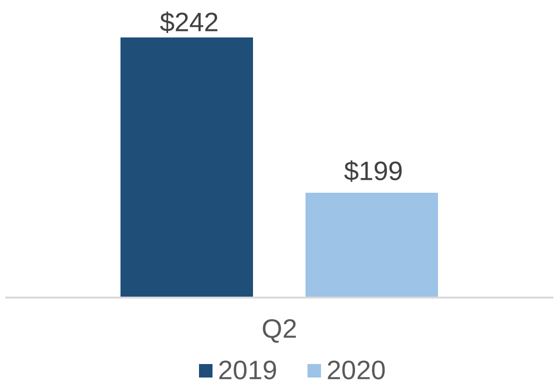
Fluid & Metering Technologies

(Dollars in millions)

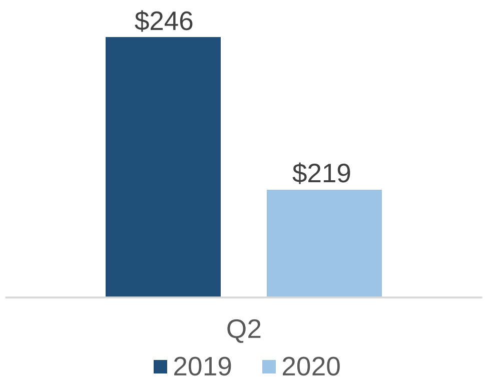
Orders

Organic: 20% decrease



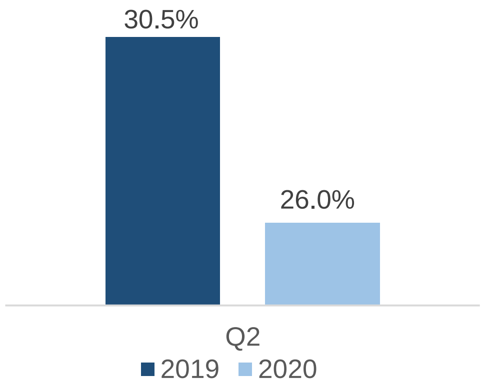
Sales

Organic: 20% decrease



Operating Margin*

450 bps decrease



Q2 Sales Mix:	Organic	-20%
	Acquisition	10%
	FX	-1%
	Reported Sales	-11%

Q2 Highlights:

- Industrials markets challenged as the slow down anticipated at the start of the year has been compounded by COVID
- Agriculture market remained stable in the quarter
- Energy markets remain challenged by low fuel prices, decreasing capital investment
- Chemical market soft on delayed projects

Volume decline partially mitigated through operational execution and cost control

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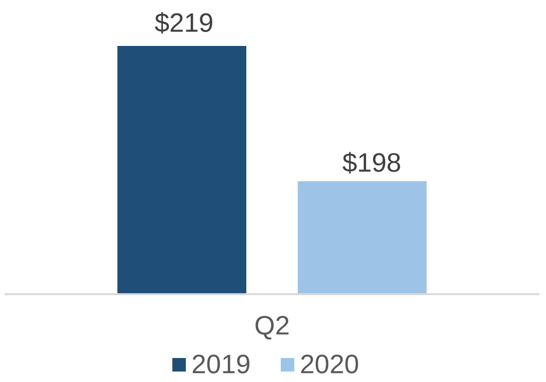
*Operating margin adjusted for $4.1M in fair value inventory step-up in Q2 2020 and restructuring expenses ($1.8M in Q2 2020; $.9M in Q2 2019).

Health & Science Technologies

(Dollars in millions)

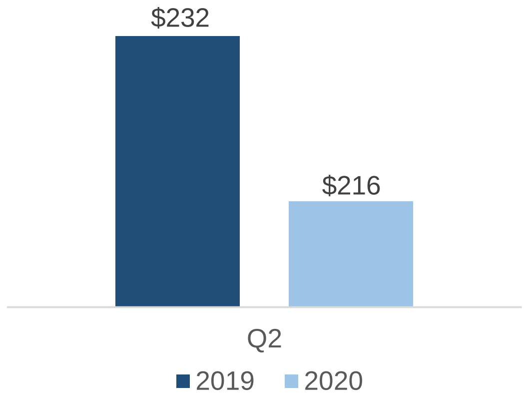
Orders

Organic: 11% decrease



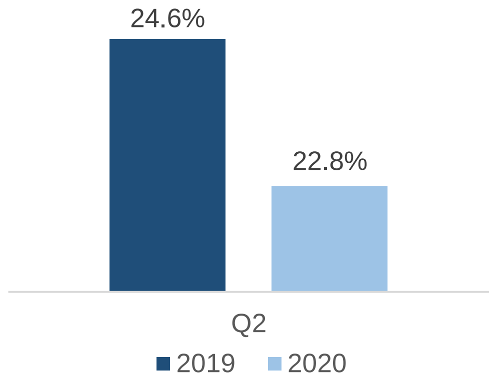
Sales

Organic: 10% decrease



Operating Margin*

180 bps decrease



Q2 Sales Mix:	Organic	-10%
	Acquisition	4%
	FX	-1%
	Reported Sales	-7%

Q2 Highlights:

- Life Sciences continue to perform well driven by DNA Sequencing and Microfluidics; offset by decline in AI market demand
- Industrial markets across the segment remained challenged in Q2
- MPT experiencing strength in Pharma market; some projects being delayed
- Sealing Solutions saw strengthening in the Semicon market, offset by weak Automotive and Oil & Gas markets

Underlying market condition stabilizing, with projects pushing out to second half

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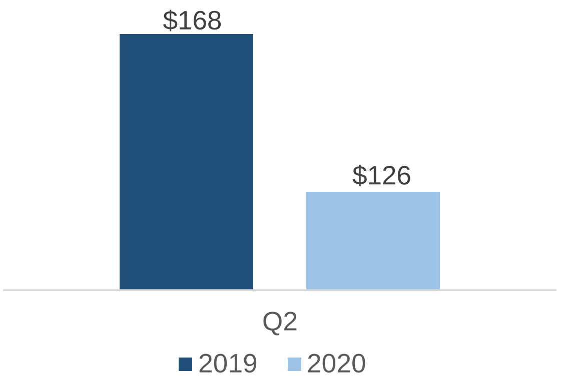
*Operating margin adjusted for restructuring expenses ($1.2M in Q2 2020; $.3M in Q2 2019).

Fire & Safety / Diversified Products

(Dollars in millions)

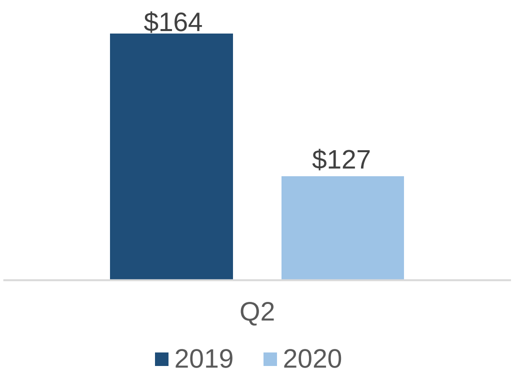
Orders

Organic: 24% decrease



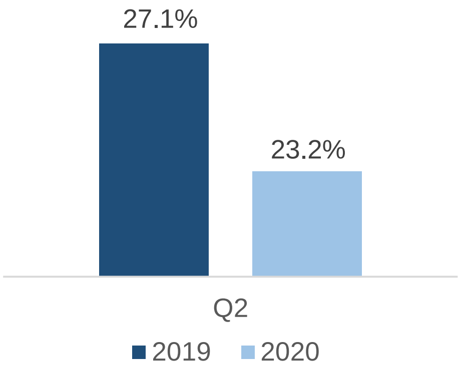
Sales

Organic: 22% decrease



Operating Margin*

390 bps decrease



Q2 Sales Mix: Organic	-22%
FX	-1%
Reported Sales	-23%

Q2 Highlights:

- Fire markets down as municipalities refocus funds; existing OEM backlog solid
- Rescue project delays negatively impacted demand
- Band-IT impacted by declines in Automotive and Aerospace and soft Oil and Gas markets
- Dispensing results hindered by India shutdowns and lower levels of capex investments globally

Challenging market for Band-IT and Dispensing offset by stable demand in Fire & Safety

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*Operating margin adjusted for restructuring expenses ($.6M in Q2 2020; $.8M in Q2 2019).