

IDEX CORP /DE/
Form 10-Q
July 27, 2015
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UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended June 30, 2015

OR
 TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Commission file number 1-10235

IDEX CORPORATION
(Exact Name of Registrant as Specified in its Charter)

Delaware 36-3555336
(State or other jurisdiction of (I.R.S. Employer
incorporation or organization) Identification No.)

1925 West Field Court, Lake Forest, Illinois 60045
(Address of principal executive offices) (Zip Code)

Registrant's telephone number: (847) 498-7070

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 No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company
(Do not check if a smaller reporting company)

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes No

Number of shares of common stock of IDEX Corporation outstanding as of July 23, 2015: 77,392,051.

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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements.

IDEX CORPORATION AND SUBSIDIARIES
 CONDENSED CONSOLIDATED BALANCE SHEETS
 (in thousands except share and per share amounts)
 (unaudited)

	June 30, 2015	December 31, 2014
ASSETS		
Current assets		
Cash and cash equivalents	\$311,495	\$509,137
Receivables, less allowance for doubtful accounts of \$8,718 at June 30, 2015 and \$6,961 at December 31, 2014	286,111	256,040
Inventories — net	260,814	237,631
Other current assets	75,177	72,983
Total current assets	933,597	1,075,791
Property, plant and equipment — net	234,634	219,543
Goodwill	1,397,660	1,321,277
Intangible assets — net	313,694	271,164
Other noncurrent assets	23,773	20,295
Total assets	\$2,903,358	\$2,908,070
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Trade accounts payable	\$136,550	\$127,462
Accrued expenses	145,771	163,409
Notes payable and current portion of long-term borrowings	469	98,946
Dividends payable	24,875	22,151
Total current liabilities	307,665	411,968
Long-term borrowings	874,777	765,006
Deferred income taxes	152,852	130,368
Other noncurrent liabilities	113,256	114,277
Total liabilities	1,448,550	1,421,619
Commitments and contingencies		
Shareholders' equity		
Preferred stock:		
Authorized: 5,000,000 shares, \$.01 per share par value; Issued: None	—	—
Common stock:		
Authorized: 150,000,000 shares, \$.01 per share par value		
Issued: 90,125,838 shares at June 30, 2015 and 89,761,305 shares at December 31, 2014	901	898
Additional paid-in capital	671,183	647,553
Retained earnings	1,569,726	1,483,821
Treasury stock at cost: 12,419,025 shares at June 30, 2015 and 10,995,361 shares at December 31, 2014	(665,686)	(553,543)
Accumulated other comprehensive income (loss)	(121,316)	(92,278)

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Total shareholders' equity	1,454,808	1,486,451
Total liabilities and shareholders' equity	\$2,903,358	\$2,908,070
See Notes to Condensed Consolidated Financial Statements		

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CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(in thousands except per share amounts)

(unaudited)

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2015	2014	2015	2014
Net sales	\$514,881	\$546,693	\$1,017,079	\$1,090,689
Cost of sales	283,266	305,561	559,423	605,137
Gross profit	231,615	241,132	457,656	485,552
Selling, general and administrative expenses	121,706	129,044	245,990	259,629
Operating income	109,909	112,088	211,666	225,923
Other (income) expense — net	827	137	(896) (707
Interest expense	10,584	10,405	21,181	20,862
Income before income taxes	98,498	101,546	191,381	205,768
Provision for income taxes	28,913	29,769	55,842	59,443
Net income	\$69,585	\$71,777	\$135,539	\$146,325
Basic earnings per common share	\$0.89	\$0.89	\$1.74	\$1.81
Diluted earnings per common share	\$0.89			