

IDEX CORP /DE/
Form 10-Q
July 26, 2017
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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, 2017

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
(I.R.S.
(State or other jurisdiction of 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)

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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

Yes " No }p

Number of shares of common stock of IDEX Corporation outstanding as of July 19, 2017: 76,425,918.

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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, 2017	December 31, 2016
ASSETS		
Current assets		
Cash and cash equivalents	\$218,361	\$235,964
Receivables, less allowance for doubtful accounts of \$8,218 at June 30, 2017 and \$8,078 at December 31, 2016	307,755	272,813
Inventories	264,545	252,859
Other current assets	70,757	61,085
Total current assets	861,418	822,721
Property, plant and equipment — net	254,230	247,816
Goodwill	1,666,747	1,632,592
Intangible assets — net	425,432	435,504
Other noncurrent assets	16,338	16,311
Total assets	\$3,224,165	\$3,154,944
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Trade accounts payable	\$139,377	\$128,933
Accrued expenses	145,824	152,852
Short-term borrowings	350	1,046
Dividends payable	28,354	26,327
Total current liabilities	313,905	309,158
Long-term borrowings	888,495	1,014,235
Deferred income taxes	171,877	166,427
Other noncurrent liabilities	122,877	121,230
Total liabilities	1,497,154	1,611,050
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: 90,175,732 shares at June 30, 2017 and 90,200,951 shares at December 31, 2016	902	902
Additional paid-in capital	707,468	697,213
Retained earnings	1,937,357	1,834,739
Treasury stock at cost: 13,530,364 shares at June 30, 2017 and 13,760,266 shares at December 31, 2016	(789,936)	(787,307)
Accumulated other comprehensive income (loss)	(128,780)	(201,653)
Total shareholders' equity	1,727,011	1,543,894

Total liabilities and shareholders' equity	\$3,224,165	\$3,154,944
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		Six Months Ended	
	Ended		June 30,	
	June 30,		June 30,	
	2017	2016	2017	2016
Net sales	\$573,366	\$549,696	\$1,126,918	\$1,052,268
Cost of sales	316,441	305,638	619,052	584,875
Gross profit	256,925	244,058	507,866	467,393
Selling, general and administrative expenses	131,792	130,235	262,265	250,225
Restructuring expenses	—	—	4,797	—
Operating income	125,133	113,823	240,804	217,168
Other (income) expense - net	372	(1,027)	64	(983)
Interest expense	11,304	11,205	22,856	21,694
Income before income taxes	113,457	103,645	217,884	196,457
Provision for income taxes	29,613	27,886	58,141	52,568
Net income	\$83,844	\$75,759	\$159,743	\$143,889