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

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FORM 10-Q

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended July 31, 1999.

[ ] 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 1-12273

ROPER INDUSTRIES, INC.
(Exact name of registrant as specified in its charter)

Delaware	51-0263969
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
160 Ben Burton Road Bogart, Georgia	30622
(Address of principal executive offices)	(Zip Code)

(706) 369-7170
(Registrant's telephone number, including area code)

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 _____

The number of shares outstanding of the Registrant's common stock as of August 26, 1999 was 30,305,787.

ROPER INDUSTRIES, INC.

REPORT ON FORM 10-Q FOR THE QUARTERLY PERIOD ENDED JULY 31, 1999

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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

Roper Industries, Inc. and Subsidiaries
Condensed Consolidated Statements of Earnings (Unaudited)
(In thousands, except per share data)

	Three months ended July 31,		Nine months ended July 31,	
	1999	1998	1999	1998
Net sales	$104,095	$97,412	$293,625	$283,506
Cost of sales	49,837	49,113	142,836	141,325
Gross profit	54,258	48,299	150,789	142,181
Selling, general and administrative expenses	33,074	30,297	95,966	88,768
Operating profit	21,184	18,002	54,823	53,413
Interest expense	1,790	2,107	5,386	5,669
Other income	212	115	473	670
Earnings before income taxes	19,606	16,010	49,910	48,414
Income taxes	6,810	5,450	17,235	16,500
Net earnings	$ 12,796	$10,560	$ 32,675	$ 31,914
Net earnings per common and common equivalent share:				
Basic	$ 0.42	$ 0.34	$ 1.08	$ 1.03
Diluted	0.41	0.33	1.06	1.00
Weighted average common and common equivalent shares outstanding:				
Basic	30,239	31,248	30,261	31,121
Diluted	31,132	32,042	30,897	31,963
Dividends declared per common share	$ 0.065	$ 0.06	$ 0.195	$ 0.18

See accompanying notes to condensed consolidated financial statements.

Roper Industries, Inc. and Subsidiaries
Condensed Consolidated Balance Sheets
(In thousands)

	July 31, 1999 (Unaudited)	October 31, 1998
ASSETS:		
Cash and cash equivalents	$ 3,502	$ 9,350
Accounts receivable, net	77,309	76,999
Inventories	58,924	51,444
Other current assets	6,480	2,059
Total current assets	146,215	139,852
Property, plant and equipment, net	34,119	31,905
Intangible assets, net	223,801	197,179
Other assets	12,048	12,597
Total assets	$ 416,183	$ 381,533
LIABILITIES AND STOCKHOLDERS' EQUITY:		
Accounts payable	$ 17,415	$ 21,051
Accrued liabilities	35,989	29,915
Income taxes payable	2,409	863
Current portion of long-term debt	4,292	5,749
Total current liabilities	60,105	57,578
Long-term debt	125,888	120,307
Other liabilities	10,324	6,615
Total liabilities	196,317	184,500
Common stock	315	313
Additional paid-in capital	69,718	67,145
Retained earnings	175,208	148,435
Accumulated other comprehensive earnings	(1,871)	(906)
Treasury stock	(23,504)	(17,954)
Total stockholders' equity	219,866	197,033
Total liabilities and stockholders' equity	$ 416,183	$ 381,533

See accompanying notes to condensed consolidated financial statements.

Roper Industries, Inc. and Subsidiaries
Condensed Consolidated Statements of Cash Flows (Unaudited)
(In thousands)

	Nine months ended July 31, 1999	Nine months ended July 31, 1998
Cash flows from operating activities:		
Net earnings	$ 32,675	$ 31,914
Depreciation	4,801	4,622
Amortization	7,060	5,990
Other, net	(2,607)	1,370
Net cash provided by operating activities	41,929	43,896
Cash flows from investing activities:		
Acquisitions of businesses, net of cash acquired	(38,453)	(62,607)
Capital expenditures	(3,755)	(3,893)
Other, net	(116)	-
Net cash used in investing activities	(42,324)	(66,500)
Cash flows from financing activities:		
Debt borrowings	35,898	49,508
Debt payments	(32,134)	(19,965)
Dividends	(5,902)	(5,610)
Treasury stock purchases	(5,550)	-
Other, net	2,575	2,590
Net cash provided by (used in) financing activities	(5,113)	26,523
Effect of foreign currency exchange rate changes on cash	(340)	(194)
Net increase (decrease) in cash and cash equivalents	(5,848)	3,725
Cash and cash equivalents, beginning of period	9,350	649
Cash and cash equivalents, end of period	$ 3,502	$ 4,374

See accompanying notes to condensed consolidated financial statements.

Roper Industries, Inc. and Subsidiaries
Condensed Consolidated Statements of Changes in Stockholders' Equity (Unaudited)
(In thousands)

	Common stock	Additional paid-in capital	Retained earnings	Accumulated other comprehensive earnings	Treasury stock	Total	Comprehensive earnings
Balances at October 31, 1997	$ 309	$ 61,950	$116,547	$ (937)	$ -	$177,869	$ -
Net earnings	-	-	31,914	-	-	31,914	31,914
Common stock issued for an acquisition	1	1,935	-	-	-	1,936	-
Exercise of stock options	3	2,985	-	-	-	2,988	-
Other comprehensive earnings:							
Currency translation adjustments	-	-	-	(342)	-	(342)	(342)
Dividends declared	-	-	(5,610)	-	-	(5,610)	-
Balances at July 31, 1998	$ 313	$ 66,870	$142,851	$ (1,279)	$ -	$208,755	$ 31,572
Balances at October 31, 1998	$ 313	$ 67,145	$148,435	$ (906)	$(17,954)	$197,033	$ -
Net earnings	-	-	32,675	-	-	32,675	32,675
Exercise of stock options	2	2,573	-	-	-	2,575	-
Other comprehensive earnings:							
Currency translation adjustments	-	-	-	(965)	-	(965)	(965)
Dividends declared	-	-	(5,902)	-	-	(5,902)	-
Treasury stock purchases	-	-	-	-	(5,550)	(5,550)	-
Balances at July 31, 1999	$ 315	$ 69,718	$175,208	$ (1,871)	$(23,504)	$219,866	$ 31,710

See accompanying notes to condensed consolidated financial statements.

1. Basis of Presentation

The accompanying condensed consolidated financial statements for the three-month and nine-month periods ended July 31, 1999 and 1998 are unaudited. In the opinion of management, the accompanying unaudited condensed consolidated financial statements reflect all adjustments, which include only normal recurring adjustments, necessary to present fairly the financial position, results of operations and cash flows of Roper Industries, Inc. (the "Company") and its subsidiaries for all periods presented.

Effective November 1, 1998, the Company adopted Statement of Financial Accounting Standards ("SFAS") No. 130 - Reporting Comprehensive Income. Comprehensive income includes net earnings and all other non-owner sources of changes in a company's net assets. The difference between net earnings and comprehensive earnings for the Company was currency translation adjustments. Income taxes have not been provided on currency translation adjustments because the net assets invested in the Company's non-U.S. subsidiaries are considered to be permanently invested. Periods prior to November 1, 1998 were restated to reflect the adoption of SFAS 130.

Management of the Company has made a number of estimates and assumptions relating to the reporting of assets and liabilities and the disclosure of contingent assets and liabilities to prepare these condensed consolidated financial statements in conformity with generally accepted accounting principles. Actual results could differ from those estimates.

The results of operations are not necessarily indicative of the results to be expected in the future or for the full fiscal year. It is recommended that these unaudited condensed consolidated financial statements be read in conjunction with the Company's consolidated financial statements and the notes thereto included in its 1998 Annual Report on Form 10-K filed with the Securities and Exchange Commission.

2. Earnings Per Common and Common Equivalent Share

Basic earnings per common share are calculated by dividing net earnings by the weighted average number of common shares outstanding during the period. Diluted earnings per common and common equivalent share include the dilutive effect of common stock equivalents outstanding during the period. Common stock equivalents consisted of stock options.

3. Supplemental Cash Flow Information

	Nine months ended July 31,	
	1999	1998
Cash paid during the period for (in 000s):		
Interest	$ 5,531	$ 4,371
Income taxes	$ 16,544	$ 21,788
Acquisitions of businesses:		
Fair value of assets, including goodwill	$ 47,166	$ 70,051
Liabilities assumed	(8,713)	(5,508)
Common stock issued	-	(1,936)
Total acquisition costs, net of cash acquired	$ 38,453	$ 62,607

4. Acquisitions

On June 21, 1999, the Company acquired three related companies from Varlen Corporation that comprised its petroleum analyzers segment. The acquired companies (collectively referred to hereinafter as "Petroleum Analyzer Corporation") are based in the United States and Europe and they manufacture, market and distribute instrumentation products for petroleum analysis in the laboratory and process markets. The total purchase price was $38.5 million cash (net of cash acquired), but is subject to adjustment based on the working capital acquired compared to specified amounts at each of the acquired companies. The claim for the purchase price adjustment has yet to be presented to Varlen Corporation.

The acquisition of Petroleum Analyzer Corporation has been accounted for as a purchase and its financial results were included in the Company's consolidated results from the effective date of the acquisition. The excess of the purchase price over the fair value of the net assets acquired is being amortized straight-line over 25 years.

5. Fair Value of Financial Instruments

At July 31, 1999, the estimated fair value of the Company's interest rate swap agreements for a notional amount of $75 million was an unrecorded liability of $1.8 million, compared to $2.6 million at October 31, 1998. Most of the decrease was due to an increase in LIBOR to 5.3% at July 31, 1999 compared to 5.2% at October 31, 1998.

6. Inventories

Inventories are summarized below (in thousands):

	July 31, 1999	October 31, 1998
Raw materials and supplies	$ 28,400	$ 27,462
Work in process	13,433	10,700
Finished products	18,780	14,885
LIFO reserve	(1,689)	(1,603)
	$ 58,924	$ 51,444

7. Industry Segments

Sales and operating profit by industry segment are set forth in the following table (dollars in thousands):

	Three months ended July 31,			Nine months ended July 31,		
	1999	1998	Change	1999	1998	Change
Net sales:						
Analytical Instrumentation	$ 41,117	$29,765	38.1%	$101,632	$ 79,515	27.8%
Fluid Handling	25,976	25,361	2.4	72,576	76,636	(5.3)
Industrial Controls	37,002	42,286	(12.5)	119,417	127,355	(6.2)
Total	$104,095	$97,412	6.9%	$293,625	$283,506	3.6%
Gross profit:						
Analytical Instrumentation	$ 23,010	$16,382	40.5%	$ 57,253	44,745	28.0%
Fluid Handling	12,892	11,673	10.4	34,743	34,597	0.4
Industrial Controls	18,356	20,244	(9.3)	58,793	62,839	(6.4)
Total	$ 54,258	$48,299	12.3%	$150,789	$142,181	6.1%
Operating profit*:						
Analytical Instrumentation	$ 8,693	$ 4,392	97.9%	$ 18,113	$ 12,808	41.4%
Fluid Handling	7,546	6,396	18.0	19,636	18,431	6.5
Industrial Controls	6,931	8,163	(15.1)	22,145	26,508	(16.5)
Total	$ 23,170	$18,951	22.3%	$ 59,894	$ 57,747	3.7%

* Operating profit is before unallocated corporate general and administrative expenses. Unallocated corporate general and administrative expenses were $1,986 and $949 for the three months ended July 31, 1999 and 1998, respectively. These expenses were $5,071 and $4,334 for the nine months ended July 31, 1999 and 1998, respectively.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

This discussion should be read in conjunction with Management's Discussion and Analysis of Financial Condition and Results of Operations included in the Company's Annual Report on Form 10-K for the year ended October 31, 1998 as filed with the Securities and Exchange Commission and Note 7 to the Company's condensed consolidated financial statements included elsewhere in this report.

Results of operations

The following table sets forth certain information relating to the operations of the Company expressed as a percentage of net sales:

	Three months ended July 31,		Nine months ended July 31,	
	1999	1998	1999	1998
Gross profit:				
Analytical Instrumentation	56.0 %	55.0 %	56.3 %	56.3 %
Fluid Handling	49.6	46.0	47.9	45.1
Industrial Controls	49.6	47.9	49.2	49.3
	52.1 %	49.6 %	51.4 %	50.2 %
Operating profit:				
Analytical Instrumentation	21.1 %	14.8 %	17.8 %	16.1 %
Fluid Handling	29.0	25.2	27.1	24.1
Industrial Controls	18.7	19.3	18.5	20.8
Unallocated corporate expenses	(1.9)	(1.0)	(1.7)	(1.5)
	20.3	18.5	18.7	18.9
Interest expense	(1.7)	(2.2)	(1.8)	(2.0)
Other income	0.2	0.1	0.1	0.2
Earnings before income taxes	18.8	16.4	17.0	17.1
Income taxes	6.5	5.6	5.9	5.8
Net earnings	12.3 %	10.8 %	11.1 %	11.3 %

Three months ended July 31, 1999 compared to 1998

On June 21, 1999, the Company acquired three related companies collectively referred to as Petroleum Analyzer Corporation. See Note 4 to the Company's condensed consolidated financial statements included elsewhere in this report.

Net sales increased $6.7 million, or 7%, during the three months ended July 31, 1999 compared to the three months ended July 31, 1998. On a pro forma basis assuming prior year results included Petroleum Analyzer Corporation for one month, sales increased 3%. The increase in sales was fueled by strength in the Company's digital imaging businesses (sales up 27%) and its centrifugal pump business (sales up 42%). Sales were adversely affected by continued weakness in oil & gas and semiconductor equipment end-user markets that caused sales declines in the companies selling primarily to these markets of 14% and 16%, respectively. The increase in Analytical Instrumentation sales (up 38% actual and up 24% pro forma) reflected the strength in the segment's digital imaging and leak-testing equipment businesses that overcame weakness in its oil refinery laboratory equipment business. The increase in Fluid Handling sales (up 2%) reflected the strength of the centrifugal pump business overcoming weakness in the segment's semiconductor equipment and emission testing businesses. The decrease in Industrial Controls sales (down 13%) reflected the weakness in oil & gas markets. Although energy prices have recovered from lower levels earlier this year, capital spending appears slowed partly due to major consolidations within the industry.

The Company's gross profit percentage increased about 2.5 points as each of the Company's segments improved their margins compared to last year. All of the Company's businesses have aggressively kept costs under control and the margins for the centrifugal pump business increased significantly due to better leverage of production costs against increased sales and a sales mix favoring larger products with higher margins.

Selling, general and administrative ("SG&A") expenses increased $2.8 million, or 9%, during the three months ended July 31, 1999 compared to the three months ended July 31, 1998. As a percentage of sales for these three-month periods, SG&A expenses were 32% and 31% in fiscal 1999 and fiscal 1998, respectively. The increased percentage of sales was attributed to the growth in the Analytical Instrumentation segment whose percentage is typically higher than the Company's other segments due to higher research and development, other engineering and amortization costs. Analytical Instrumentation SG&A costs increased 19% compared to increased sales of 38%. Fluid Handling SG&A costs increased 1% compared to increased sales of 2%. Industrial Controls SG&A costs decreased 5% compared to decreased sales of 13%. The Industrial Controls segment has been adversely affected by poor market conditions in its oil & gas markets and the Company now pays certain transaction costs that used to be paid by Gazprom (a large Russian energy company). Unallocated corporate general and administrative expenses increased $1.0 million due to higher costs in fiscal 1999 related to an incentive compensation plan reflecting the increased market price of the Company's common stock and lower costs in fiscal 1998 related to the Company's broader-based incentive compensation plan based on operating results throughout the Company.

Income taxes were 34.7% of pretax earnings for the three months ended July 31, 1999 compared to 34.0% during the three months ended July 31, 1998. The increased effective income tax rate in fiscal 1999 reflected the Company's expectations that tax benefits related to sales exported from the U.S. may be reduced resulting from the difficulties faced by some of the Company's businesses selling to oil & gas markets.

Outstanding shares were less in fiscal 1999 than the prior year due to 1.2 million shares that were repurchased by the Company during the fourth quarter of fiscal 1998 through the second quarter of fiscal 1999 under a buy-back program that was terminated in May 1999.

Other components of comprehensive earnings represented the change in cumulative translation adjustments related to the net assets of non-U.S. subsidiaries whose functional currency was not the U.S. dollar. The net change during each of the three months ended July 31, 1999 and 1998 was mostly related to the Company's subsidiaries in France, England and Japan. The Company's exposure to foreign currency exchange rate fluctuations continues to be concentrated in Europe and Japan and the Company believes these exposures are not significant to its overall operations or net assets.

The following table summarizes bookings and backlog information (dollars in thousands):

	Bookings			Backlog		
	Three months ended July 31,			July 31,		
	1999	1998	Change	1999	1998	Change
Analytical Instrumentation	$37,728	$ 32,719	+15.3%	$35,823	$ 32,135	+11.5%
Fluid Handling	23,063	20,616	+11.9	16,223	14,130	+14.8
Industrial Controls	32,137	56,829	-43.4	38,340	57,222	-33.0
	$92,928	$110,164	-15.6%	$90,386	$103,487	-12.7%

Bookings and backlog growth within the Analytical Instrumentation segment was mostly due to the acquisition of Petroleum Analyzer Corporation. Excluding this company's bookings and backlog from fiscal 1999, bookings were up 3% and backlog was down 2%. Increased bookings and backlog within Fluid Handling reflected improved semiconductor equipment business (compared to much worse industry conditions in the latter part of fiscal 1998 and early part of fiscal 1999) and the timing of orders for its medical equipment business in fiscal 1998. This business had relatively low orders in the third quarter last year offset by higher bookings in the fourth quarter. The decrease in bookings and backlog for Industrial Controls reflected weakness in the oil & gas markets and an unusually large bookings volume in the third quarter of last year due in part to the largest single order ever received by one of this segment's companies. Although energy prices have increased since the beginning of the year, industry conditions are such that the Company doesn't expect significant improvement in its related businesses until fiscal 2000.

Nine months ended July 31, 1999 compared to 1998

Net sales increased $10.1 million, or 4%, during the nine months ended July 31, 1999 compared to the nine months ended July 31, 1998. On a pro forma basis assuming prior year acquisitions occurred at the beginning of fiscal 1998 and Petroleum Analyzer Corporation was included in fiscal 1998 results for the month of July, sales decreased 3%. Actual sales increased mostly due to the prior year acquisitions of Flow Technology, Acton Research, Photometrics and PMC/Beta and the current year acquisition of Petroleum Analyzer Corporation. Pro forma sales declined related to companies selling primarily to oil & gas and semiconductor equipment markets of 9% and 47%, respectively. Increases in Analytical Instrumentation sales (up 28% actual) reflected the acquisitions of Acton Research, Photometrics and Petroleum Analyzer Corporation and (up 6% pro forma) strength in its digital imaging businesses. The decline in Fluid Handling sales (down 5% actual and down 6% pro forma) reflected a 47% decline in its semiconductor equipment business partially offset by a 26% increase in its centrifugal pump business. The decline in Industrial Controls sales (down 6% actual and down 8% pro forma) reflected the weakness in oil & gas markets caused by historically low prices for oil and natural gas earlier in the year. The Company expects weak capital spending by the energy industry to continue into fiscal 2000.

The Company's overall gross profit percentage increased 1.2 points due to a Fluid Handling improvement of 2.7 points (every company in the segment improved). Analytical Instrumentation and Industrial Controls were consistent with the prior year period. All of the Company's businesses have aggressively kept costs under control in the face of some difficult market conditions.

SG&A expenses increased $7.2 million, or 8%, during the nine months ended July 31, 1999 compared to the nine months ended July 31, 1998. As a percentage of sales for these nine-month periods, SG&A expenses were 33% and 31% in fiscal 1999 and fiscal 1998, respectively. The increased percentage of sales was attributed to the growth in the Analytical Instrumentation segment whose SG&A costs as a percentage of sales is typically higher than the Company's other segments due to higher R&D, other engineering and amortization costs. Analytical Instrumentation SG&A costs increased 23% compared to increased sales of 28%. Fluid Handling SG&A costs decreased 7% compared to decreased sales of 5%. Industrial Controls SG&A costs increased 1% compared to decreased sales of 6%. The Industrial Controls segment has been adversely affected by poor market conditions in its oil & gas markets and the Company now pays certain transaction costs that used to be paid by Gazprom.

Income taxes were 34.5% of pretax earnings for the nine months ended July 31, 1999 compared to 34.1% during the nine months ended July 31, 1998. The increased effective income tax rate in fiscal 1999 reflected the Company's expectations that tax benefits related to sales exported from the U.S. may be reduced resulting from the difficulties faced by some of the Company's businesses selling to oil & gas markets.

Outstanding shares were less in fiscal 1999 than the prior year period due to the shares repurchased by the Company during the fourth quarter of fiscal 1998 through the second quarter of fiscal 1999 as previously discussed.

Other components of comprehensive earnings represented the change in cumulative translation adjustments related to the net assets of non-U.S. subsidiaries whose functional currency was not the U.S. dollar. The net change during each of the nine months ended July 31, 1999 and 1998 was mostly related to the Company's subsidiaries in France, England and Japan. The Company's exposure to foreign currency exchange rate fluctuations continues to be concentrated in Europe and Japan and the Company believes these exposures are not significant to its overall operations or net assets.

The following table summarizes bookings for the nine months ended July 31, 1999 and 1998 (dollars in thousands):

	1999	1998	Change
Analytical Instrumentation	$104,839	$ 82,445	+27.2%
Fluid Handling	76,418	72,564	+5.3
Industrial Controls	119,114	144,337	-17.5
	$300,371	$299,346	+ 0.3%

Bookings growth within the Analytical Instrumentation segment reflected the acquisitions of Acton Research, Photometrics and Petroleum Analyzer Corporation. On a pro forma basis, bookings increased 6% reflecting strength in the segment's digital imaging businesses (pro forma bookings up 9%). Increased bookings within Fluid Handling reflected the strength in the centrifugal pump business (bookings up 34%) that offset a 26% decline in semiconductor equipment business. The decrease in bookings for Industrial Controls reflected poor business conditions in the oil & gas markets, which affects this segment much more than the Company's other segments. Although oil and gas prices have recovered somewhat from historical lows earlier in fiscal 1999, the reduced spending by many energy industry customers in response to low prices and consolidations within the industry is not expected to recover until fiscal 2000.

Financial Condition, Liquidity and Capital Resources

Working capital increased to $86.1 million at July 31,1999 compared to $82.3 million at October 31, 1998. Working capital acquired with the acquisition of Petroleum Analyzer Corporation was $4.8 million.

Total debt was $130.2 million at July 31, 1999 (37% of total capital) compared to $126.1 million (39% of total capital) at October 31, 1998. Excluding the effects of any future acquisitions, the Company expects debt levels to be reduced over the remainder of fiscal 1999 resulting in further strengthening of its capital structure. Despite the cash acquisition of Petroleum Analyzer Corporation, the Company's capital structure was less leveraged at July 31, 1999 compared to October 31, 1998 and total debt only increased slightly during this nine-month period. At July 31, 1999, the Company had $88.3 million of credit available under its primary debt agreement, which the Company considered sufficient for any reasonable short-term needs.

At July 31, 1999, the estimated fair value of the Company's interest rate swap agreements for a notional amount of $75 million was an unrecorded liability of $1.8 million compared to $2.6 million at October 31, 1998. Most of the decrease was due to an increase in LIBOR to 5.3% at July 31, 1999 compared to 5.2% at October 31, 1998. The interest rate swap agreements expire in 2003 and the other party to the agreements has an option to extend each of the agreements until 2008. The current value attributed to these agreements assumes the options will be exercised.

In May 1999, the Company's Board of Directors terminated an open-market stock buy-back program it authorized in August 1998 under which the Company was authorized to repurchase up to 5% of its outstanding common stock. Pursuant to the buy-back program the Company purchased 1.2 million shares of its common stock for $23.5 million. Total purchases were about 80% of the eligible number of shares.

Capital expenditures in fiscal 1999 are expected to be marginally higher than fiscal 1998.

The Company continues to expect fiscal 1999 to be its seventh consecutive year of record sales and earnings and increases are also expected in fiscal 2000. The Company's energy-related and, to a lesser extent, semiconductor markets continue to show poor fundamentals, although the semiconductor industry began showing some signs of strengthening, and achievement of expected results may be dependent on these markets showing some, or continuing to show, signs of recovery.

The Company expects to continue an active acquisition program and recently announced a signed letter of intent to acquire a company for its Analytical Instrumentation segment that is expected to close in the Company's fourth quarter of fiscal 1999. However, completion of this or any other future acquisitions will be dependent upon numerous factors and it is not feasible to reasonably estimate when any such acquisitions will actually occur, what the financing requirements will be or what the impact will be on the Company's operations, earnings, or other financial results or financial condition.

Year 2000 Issues

Many data processing applications identify a year using its last two digits and assume the first two digits are 19. After December 31, 1999 when the first two digits of a year become 20, there is uncertainty regarding how these applications will interpret the current date and the inability to interpret the date correctly might disrupt the effectiveness of the data processing applications. Such disruptions might adversely affect normal business operations. These issues are commonly known as "Y2K" issues.

The Company believes it has taken reasonable steps to instigate a process that should ensure that its operations are not going to be materially affected by Y2K issues that could impair the functionality of its products or processes. The Company has identified some products and processes that need to be modified and such changes are planned to be implemented well in advance of January 1, 2000. In general, the Company has very few products that are date sensitive and most of these products do not rely on the date for their performance.

Some of the Company's subsidiaries are or had been using data information systems that would not properly address Y2K issues. Some of the changes necessary to address these issues have already been made and remaining changes are planned to be implemented before January 1, 2000. Total prior and future implementation costs, including capital expenditures, are expected to be less than $3 million, most of which has already been incurred.

The Company does not utilize any material interdependent computer systems, either between its subsidiaries or between the Company and its suppliers or customers.

The Company believes that its most reasonably likely worst-case scenario with Y2K issues involves a disruption at a direct vendor or one of the vendor's vendors that reduces the availability of components to the Company's products. No individual product accounts for a significant amount of the Company's revenues and the Company believes it could find alternative sources for such components that might become unavailable from historical sources. Each of the Company's subsidiaries has been undergoing a process of contacting their vendors to assess their preparedness for Y2K issues. It's also possible that Y2K issues affecting the Company's customers could cause them to delay or cancel their orders for the Company's products. The Company is continuing to assess potential material disruption from Y2K issues that might disrupt our customers businesses. Due to the diversity of the Company's customer base, the Company does not believe that any disruption of its business by a single customer due to its problems with Y2K issues would materially affect its business as a whole.

The Company cautions that it's not possible to know the full impacts of what might happen when the events triggering Y2K issues actually occur and the impact on the Company could be significantly worse than the worst-case scenario the Company believes reasonably likely to occur.

Recently Issued Accounting Standards

The Financial Accounting Standards Board has issued, among others, Statement of Financial Accounting Standards ("SFAS") 131 - Disclosures about Segments of an Enterprise and Related Information, SFAS 132 - Employers' Disclosures about Pensions and Other Postretirement Benefits, and SFAS 133 - Accounting for Derivative Instruments and Hedging Activities that will be applicable to the Company by the end of fiscal 1999 (SFAS 131 and SFAS 132) or fiscal 2001 (SFAS 133, as amended by SFAS 137 to defer its effective date by one year). Once adopted, SFAS 133 will require that the Company's interest rate swap agreements be reflected in its financial statements. This change along with any other changes resulting from adopting these standards is not expected to significantly affect the Company's financial position, results of operations or other disclosures.

Forward-Looking Information

The information provided in this report, in other Company filings with the Securities and Exchange Commission, and in other press releases and public disclosures contains forward-looking statements about the Company's businesses and prospects as to which there are numerous risks and uncertainties which generally are beyond the Company's control. Some of these risks include, but are not limited to, completion of and the anticipated operating results of new acquisitions, the level and the timing of future business with Gazprom, the effects of Y2K issues on the Company, its customers or its suppliers, market conditions failing to improve or showing further deterioration in several of the Company's key end-user markets, changing interest rates and changing foreign currency exchange rates. There is no assurance that these and other risks and uncertainties will not have an adverse impact on the Company's future operations, earnings, or other financial results or financial condition.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

The Company is exposed to foreign currency risks and interest rate risks pertaining to its business activities conducted outside the United States and interest rate swap agreements, respectively.

Foreign currency risks include transactions denominated in a currency other than the functional currency of a business (direct exposure is to earnings) or assets and liabilities of the Company's non-U.S. subsidiaries whose functional currency is not the U.S. dollar (direct exposure is to net assets). The Company and its subsidiaries generally do not enter into transactions denominated in a currency other than their functional currency. Net assets of non-U.S. subsidiaries are located primarily in Europe and Japan and the exchange rate exposures of these assets are mitigated by local currency borrowings. The Company expects that the effects of changing exchange rates will not be material to the Company's financial position.

The Company entered into interest rate swap agreements with a total notional value of $75 million to reduce the risk of changing interest rates associated with borrowings under its primary debt agreement. Individual borrowings under this agreement are at fixed rates, but with generally short terms of 30-90 days. The effect of the swap agreements converts the essentially variable debt agreement borrowings to fixed rate borrowings. Market interest rates lower than the swap agreement rates represents a potential liability to the Company. At July 31, 1999, market rates were about 5.3% and the average swap agreement rate was 5.7%. The value attributed to these agreements was an unrecorded liability of $1.8 million. Each 0.1% interest rate movement affects this value by about $570,000.

At July 31, 1999, the Company's total debt was $130 million. To the extent that actual borrowings exceed the notional amount of the interest rate swap agreements, the Company's total interest expense will fluctuate as a function of market interest rates.

Part II. OTHER INFORMATION

Item 6. Exhibits and Reports on Form 8-K

a. Exhibits

/(a)/3.1	Amended and Restated Certificate of Incorporation, including Form of Certificate of Designation, Preferences and Rights of Series A Preferred Stock
/(b)/3.2	Amended and Restated By-Laws
/(c)/4.01	Rights Agreement between Roper Industries, Inc. and SunTrust Bank, Atlanta, Inc. as Rights Agent, dated as of January 8, 1996, including Certificate of Designation, Preferences and Rights of Series A Preferred Stock (Exhibit A), Form of Rights Certificate (Exhibit B) and Summary of Rights (Exhibit C)
/(b)/4.02	Third Amended and Restated Credit Agreement dated May 15, 1997 by and between Roper Industries, Inc. and NationsBank, N.A. (South) and the lender parties thereto
/(d)/4.03	Amendment Agreement No. 1 to Amended and Restated Credit Agreement
/(d)/4.04	Amendment Agreement No. 2 to Amended and Restated Credit Agreement
/(e)/4.05	Amendment Agreement No. 3 to Amended and Restated Credit Agreement
/(f)/10.01	Lease of Milwaukee, Oregon facility
/(a)/10.02	1991 Stock Option Plan, as amended+
/(e)/10.03	Non-employee Director Stock Option Plan, as amended+
10.04	Form of Amended and Restated Indemnification Agreement+
/(a)/10.05	Consulting Agreement (G.L. Ohrstrom & Co., Inc.)+
/(g)/10.06	Amendment to G.L. Ohrstrom & Co., Inc. Consulting Agreement+
/(h)/10.11	Labor Agreement
27	Financial Data Schedule

/(a)/ Incorporated herein by reference to Exhibits 3.1, 10.2 and 10.5 to the Roper Industries, Inc. Annual Report on Form 10-K filed January 21, 1998.
/(b)/ Incorporated herein by reference to Exhibits 3 and 4 to the Roper Industries, Inc. Current Report on Form 8-K filed June 2, 1997.
/(c)/ Incorporated herein by reference to Exhibit 4.02 to the Roper Industries, Inc. Current Report on Form 8-K filed January 18, 1996.
/(d)/ Incorporated herein by reference to Exhibits 4.03 and 4.04 to the Roper Industries, Inc. Quarterly Report on Form 10-Q filed August 21, 1998.
/(e)/ Incorporated herein by reference to Exhibits 4.05 and 10.03 to the Roper Industries, Inc. Annual Report on Form 10-K filed January 20, 1999.
/(f)/ Incorporated herein by reference to Exhibits 10.8 and 10.10 to the Roper Industries, Inc. Registration Statement (No. 33-44665) on Form S-1 filed December 20, 1991.
/(g)/ Incorporated herein by reference to exhibit 10.06 to the Roper Industries, Inc. Quarterly Report on Form 10-Q filed June 11, 1999.
/(h)/ Incorporated herein by reference to Exhibit 10.3 to the Roper Industries, Inc. Annual Report on Form 10-K filed January 25, 1996.

+ Management contract or compensatory plan or arrangement.

b. Reports on Form 8-K

None.

Signatures

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/ Derrick N. Key Derrick N. Key	Chief Executive Officer and President	August 31, 1999
/s/ Martin S. Headley Martin S. Headley	Vice President and Chief Financial Officer	August 31, 1999
/s/ Kevin G. McHugh Kevin G. McHugh	Controller	August 31, 1999

EXHIBIT INDEX
TO REPORT ON FORM 10-Q

Number	Exhibit
3.1	Amended and Restated Certificate of Incorporation, including Form of Certificate of Designation, Preferences and Rights of Series A Preferred Stock, incorporated herein by reference to Exhibit 3.1 to the Roper Industries, Inc. Annual Report on Form 10-K filed January 21, 1998.
3.2	Amended and Restated By-Laws, incorporated herein by reference to Exhibit 3 to the Roper Industries, Inc. Current Report on Form 8-K filed June 2, 1997.
4.01	Rights Agreement between Roper Industries, Inc. and SunTrust Bank, Atlanta, Inc. as Rights Agent, dated as of January 8, 1996, including Certificate of Designation, Preferences and Rights of Series A Preferred Stock (Exhibit A), Form of Rights Certificate (Exhibit B) and Summary of Rights (Exhibit C), incorporated herein by reference to Exhibit 4.02 to the Roper Industries, Inc. Current Report on Form 8-K filed January 18, 1996.
4.02	Third Amended and Restated Credit Agreement dated May 15, 1997 by and between Roper Industries, Inc. and NationsBank, N.A. (South) and the lender parties thereto, incorporated herein by reference to Exhibit 4 to the Roper Industries, Inc. Current Report on Form 8-K filed June 2, 1997.
4.03	Amendment Agreement No. 1 to Amended and Restated Credit Agreement, incorporated herein by reference to Exhibit 4.03 to the Roper Industries, Inc. Quarterly Report on Form 10-Q filed August 21, 1998.
4.04	Amendment Agreement No. 2 to Amended and Restated Credit Agreement, incorporated herein by reference to Exhibit 4.03 to the Roper Industries, Inc. Quarterly Report on Form 10-Q filed August 21, 1998.
4.05	Amendment Agreement No. 3 to Amended and Restated Credit Agreement, incorporated herein by reference to Exhibit 4.05 to the Roper Industries, Inc. Annual Report on Form 10-K filed January 20, 1999.
10.01	Lease of Milwaukee, Oregon facility, incorporated herein by reference to Exhibit 10.8 to the Roper Industries, Inc. Registration Statement (No. 33-44665 on Form S-1 filed December 20, 1991.
10.02	1991 Stock Option Plan, as amended, incorporated herein by reference to Exhibit 10.02 to the Roper Industries, Inc. Annual Report on Form 10-K filed January 21, 1998.+
10.03	Non-employee Director Stock Option Plan, as amended, incorporated herein by reference to Exhibit 10.03 to the Roper Industries, Inc. Annual Report on Form 10-K filed January 20, 1999.+
10.04	Form of Amended and Restated Indemnification Agreement.+
10.05	Consulting Agreement (G.L. Ohrstrom & Co.), incorporated herein by reference to Exhibit 10.5 to the Roper Industries, Inc. Annual Report on Form 10-K filed January 21, 1998.+
10.06	Amendment to G.L. Ohrstrom & Co., Inc. Consulting Agreement incorporated herein by reference to Exhibit 10.06 to the Roper Industries, Inc. Quarterly Report on Form 10-Q filed June 11, 1999.+

10.11 Labor Agreement, incorporated herein by reference to Exhibit 10.3 to the Roper Industries, Inc. Annual Report on Form 10-K filed January 25, 1996.

27 Financial Data Schedule

\+ Management contract or compensatory plan or arrangement.

EXHIBIT 10.04

AMENDED AND RESTATED INDEMNITY AGREEMENT

This Agreement, made by and among Roper Industries, Inc., a Delaware corporation (the "Company"), and [   ],the undersigned [officer/director] of the Company (referred to herein individually as an "Indemnitee").

RECITALS

A. The Company and the Indemnitee recognize that the present state of the law is too uncertain to provide the directors and officers with adequate and reliable advance knowledge or guidance with respect to the legal risks and potential liabilities to which they may become personally exposed as a result of performing their duties for the Company;

B. The Company believes that the interest of the Company's stockholders would be best served by contracts with its officers and directors to indemnify them to the fullest extent permitted by law (as in effect on the date hereof or, to the extent any amendment may expand such permitted indemnification, as hereafter in effect) against personal liability for actions taken in the performance of their duties to the Company;

C. The Board of Directors of the Company has concluded that, to retain and attract talented and experienced individuals to serve as directors and officers of the Company and to encourage such individuals to take the business risks necessary for the success of the Company, it is necessary for the Company to indemnify contractually its directors and officers and to assume for itself liability for such expenses and damages in connection with claims against such directors and officers, in connection with their service to the Company, and has further concluded that the failure to provide such contractual indemnification could result in great harm to the Company and its stockholders;

D. The Company desires and has requested the Indemnitee to serve or continue to serve as a director of the Company, free from undue concern for the risks and potential liabilities associated with such services to the Company; and

E. The Company and its directors and officers entered into an indemnification agreement effective as of December 18, 1991 (the "1991 Agreement"), a form of which is attached hereto, which the Board of Directors and those continuing directors and officers party to the 1991 Agreement have concluded in their respective best interests should be amended and restated to reflect developments in applicable law;

F. The Indemnitee is willing to serve, or continued to serve, the Company, provided, and on the expressed condition, that he is furnished with the indemnification provided for in this Agreement.

AGREEMENT

NOW, THEREFORE, the Company and Indemnitee agree as follows:

1. Grant of Indemnification. Subject only to the exclusions set forth in Section 2 hereof, the Company hereby agrees to hold harmless and indemnify Indemnitee:

(a) Against any and all expenses (including attorneys' fees and disbursements), judgments, fines (including excise taxes assessed with respect to any Employee Benefit Plan) and amounts paid in settlement actually and reasonably incurred by the Indemnitee in connection with any Proceeding (as hereinafter defined) to which the Indemnitee is, was or at any time becomes a party, or is threatened to be made a party, or in which the Indemnitee becomes involved, by reason of the fact that the Indemnitee is, was or at any time becomes a director, officer, employee or agent of the Company, or is or was serving or at any time serves at the request of the Company as a director, officer, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise; and

(b) Otherwise to the fullest extent permitted under the provisions of Section 145 of the General Corporation Law of the State of Delaware or any provision of the Company's certificate of incorporation or bylaws; provided, however, that the Company shall not be obligated, under this Section 1, to pay any expenses, judgments, fines or amounts paid in settlement, or any other expenses:

(i) if such payment is prohibited by applicable law, or

(ii) in connection with any Proceeding initiated by the Indemnitee without authorization from the Company, except for (a) a Proceeding initiated by Indemnitee to enforce Indemnitee's rights to indemnification or advancement of expenses hereunder (b) an appeal by Indemnitee from a Proceeding that was not initiated by Indemnitee, and (c) a Proceeding initiated by Indemnitee, in his or her capacity as a director of the Company, to contest the legality of any actions that resulted (or allegedly resulted) in the removal or failure to elect such Indemnitee and a majority of the incumbent directors (or their nominees as directors).

(c) For purposes of this Agreement, a "Proceeding" shall mean any, threatened, pending or completed investigation, action, suit, arbitration or other proceeding (including any appeals therefrom), whether civil, criminal, administrative or investigative in nature, whether before a court or arbitrator, or before or involving a governmental, administrative or private entity (including but not limited to an investigation, action, suit, arbitration or other proceeding initiated by or on behalf of the Company, an affiliate of the Company, or the Board of Directors or other fiduciaries of any thereof).

2. Exclusions. The Company shall not be liable under this Agreement to make any payment in connection with any Proceeding against the Indemnitee;

(a) (i) in connection with any Proceeding against the Indemnitee for which payment is actually made to or on behalf of the Indemnitee under a valid and collectible insurance policy, except in respect to any deductible amount or excess liability beyond the amount of payment under such insurance;

(ii) for which payment is actually made to the Indemnitee by the Company with respect to indemnification of the Indemnitee by the Company otherwise than pursuant to this Agreement;

(iii) for an accounting of profits made by the Indemnitee from the Indemnitee's purchase or sale of securities of the Company within the meaning of Section 16(b) of the Securities Exchange Act of 1934 and amendments thereto or similar provisions of any state statutory law or common law; or

(b) which payment is not permitted by applicable law.

3. Notice. The Indemnitee shall give to the Company notice in writing as soon as practicable of any Proceeding for which indemnity will or could be sought under this Agreement; provided, however, that any delay in so notifying the Company shall not constitute a waiver by Indemnitee of Indemnitees rights hereunder. Notice to the Company shall be directed to the Company's main offices, 160 Ben Burton Road, Bogart, Georgia 30622, Attention: Board of Directors (or such other address as the Company shall designate in writing to the Indemnitee); notice shall be deemed received if sent by prepaid mail properly addressed, the date of such notice being the date postmarked.

4. Expenses and Conduct of Proceedinqs.

(a) Unless prohibited by applicable law, the Company shall promptly pay in advance of the final disposition of any Proceeding all expenses (including attorneys' fees and disbursements) incurred by the Indemnitee in connection with such Proceeding; provided, however, that if applicable law shall require an undertaking by or on behalf of the Indemnitee to repay such expenses if it shall ultimately be determined that Indemnitee is not entitled to be indemnified by the Company, then any such undertaking shall be unsecured and shall be accepted without reference to financial ability to make repayment.

(b) With respect to any Proceeding as to which the Indemnitee notifies the Company hereunder of the commencement thereof:

(i) The Company will be entitled to participate therein at its own expense; and

(ii) Except as otherwise provided below, to the extent that it may wish, the Company jointly with any other indemnifying party similarly notified will be entitled to assume the legal representation thereof, with counsel satisfactory to the Indemnitee. After notice from the Company to the Indemnitee of its election so to assume legal representation, the Company will not be liable to the Indemnitee under this Agreement for any legal or other expenses subsequently incurred by the Indemnitee in connection with legal representation other than reasonable costs of investigation or as otherwise provided below. The Indemnitee shall have the right to employ counsel in such action, suit or proceeding but the fees and expenses of such counsel incurred after notice from the Company of its assumption of legal representation shall be at the expense of the Indemnitee unless (A) the employment of counsel by the Indemnitee has been authorized by the Company, (B) the Indemnitee shall have reasonably concluded that there may be a conflict of interest between the Company and the Indemnitee in the conduct of such action or (C) the Company shall not in fact have employed counsel to assume legal representation in such Proceeding within a reasonable period of time after notice of the claim is given to the Company by the Indemnitee, in which case the fees and expenses of counsel shall be at the expense of the Company. The Company shall not be entitled to assume the conduct of any Proceeding brought by or on behalf of the Company or as to which the Indemnitee shall have made the conclusion in (B) above.

(c) The Company shall not be liable to indemnify the Indemnitee under this Agreement for any amounts paid in settlement of any Proceeding affected without its written consent. The Company shall not settle any Proceeding in any manner which would impose any penalty or limitation on the Indemnitee without the Indemnitee's written consent. Neither the Company nor the Indemnitee will unreasonably withhold their consent to any proposed settlement.

5. Determination of Entitlement to Indemnification. No determination of the Indemnitee's entitlement to indemnification in the specific case shall be made unless required by applicable law; provided however, that if and only if a determination of the Indemnitee entitlement to indemnification in the specific case is required by applicable law, then any such determination shall be made in the following manner:

(a) If the Indemnitee shall so request, or if the Board of Directors shall so resolve by a majority vote of directors who are not parties to the subject Proceeding, even though less than a quorum, such determination shall be made by Independent Counsel (as hereinafter defined) in a written opinion to the Board of Directors, a copy of which shall be delivered to Indemnitee.

(i) The Independent Counsel shall be selected by a majority vote of the Board of Directors from a list of at least two separate Independent Counsel provided by Indemnitee. Within seven (7) days after receipt of such list, the Company shall either advise Indemnitee of the Independent Counsel so selected or deliver a written objection to such list of Independent Counsel. Such objection may be asserted only on the ground that the Independent Counsel identified in the list do not meet the requirements of "Independent Counsel" as defined herein, and the objection shall set forth with particularity the factual basis of such assertion. The Indemnitee may then give the Company a list identifying two alternative separate Independent Counsel, and the procedure for selecting or objecting to such Independent Counsel set forth above shall again be followed.

(ii) For purposes of this Agreement, "Independent Counsel", shall mean a law firm, or a member of a law firm, that is experienced in matters of corporation law and neither currently is, nor in the past five (5) years has been, retained to represent (A) the Company, any affiliate of the Company, or Indemnitee in any matter material to either such party, or (B) any other party to the Proceeding giving rise to a claim for indemnification hereunder. Notwithstanding the foregoing, the term "Independent Counsel" shall not include any person who, under the applicable standards of professional conduct then prevailing, would have a conflict of interest in representing either the Company or Indemnitee in an action to determine Indemnitee's rights under this Agreement.

(iii) The Company shall pay any and all reasonable fees and expenses of Independent Counsel incurred by such Independent Counsel in connection with action pursuant to this Agreement, and the Company shall pay all reasonable fees and expenses incident to the selection procedure described herein. Upon the commencement of any judicial proceeding or arbitration pursuant to Section 6 of this Agreement, Independent Counsel shall be discharged and relieved of any further responsibility in such capacity (subject to the applicable standards of professional conduct then prevailing.)

(b) Absent a request by Indemnitee or a resolution by the Board of Directors pursuant to Section 5(a) of this Agreement for a determination by Independent Counsel, any determination required by law may be made (i) by the Board of Directors acting by a majority vote of the directors who are not parties to the subject Proceeding, even though less than a quorum, or (ii) by a committee of such directors designated by majority vote of such directors, even though less than a quorum, or (iii) by the stockholders of the Company.

(c) The Indemnitee shall cooperate with the person, persons, or entity making such determination with respect to Indemnitee's entitlement to indemnification, including providing to such person, persons or entity upon reasonable advance request any documentation or information which is not privileged or otherwise protected from disclosure and which is reasonably available to Indemnitee and reasonably necessary to such determination. Any costs or expenses (including attorneys, fees and disbursements) incurred by Indemnitee in so cooperating with the person, persons or entity making such determination shall be borne by the Company (irrespective of the determination as to Indemnitee's entitlement to indemnification) and the Company hereby indemnities and agrees to hold Indemnitee harmless therefrom.

(d) If the person, persons or entity empowered or selected under Section 5(a) or 5(b) of this Agreement to determine whether Indemnitee is entitled to indemnification shall not have made a determination within ninety (90) days after receipt by the Company of the request therefor, the requisite determination of entitlement to indemnification shall be deemed to have been made and Indemnitee shall be entitled to such indemnification, absent a prohibition of such indemnification by applicable law.

6. Remedies of Indemnitee.

(a) In the event that:

(i) a determination is made pursuant to Section 5 of this Agreement that Indemnitee is not entitled to indemnification under this Agreement;

(ii) advancement of expenses is not timely made pursuant to Section 4 of this agreement;

(iii) the determination of entitlement to indemnification is to be made by Independent Counsel pursuant to Section 5(a) of this Agreement and such determination shall not have been made and delivered in a written opinion within ninety (90) days after receipt by the Company of the request for indemnification, or

(iv) payment of indemnification is not made pursuant to Section 1 of this Agreement within ninety (90) days after receipt by the Company of a written request therefor, or

(v) payment of indemnification is not made within ten (10) days after a determination has been made that Indemnitee is entitled to indemnification or such determination is deemed to have been made pursuant to Section 5 of this Agreement,

Indemnitee shall be entitled to an adjudication in any court of competent jurisdiction of his entitlement to such indemnification or advancement of expenses. Alternatively, Indemnitee, at his option, may seek an award in arbitration to be conducted by a single arbitrator pursuant to the rules of the American Arbitration Association. The Company shall not oppose Indemnitee's right to seek any such adjudication or award in arbitration.

(b) In the event that a determination shall have been made pursuant to Section 5 of this Agreement that Indemnitee is not entitled to indemnification, any judicial proceeding or arbitration commenced pursuant to this Section 6 shall be conducted in all respects as a *de novo* trial, or arbitration, on the merits and Indemnitee shall not be prejudiced by reason of that adverse determination. In any judicial proceeding or arbitration commenced pursuant to this Section 6, the Company shall have the burden of proving that Indemnitee is not entitled to indemnification or advancement of expenses, as the case may be.

(c) If a determination shall have been made or deemed to have been made pursuant to Section 5 of this Agreement that Indemnitee is entitled to indemnification, the Company shall be bound by such determination in any judicial proceeding or arbitration commenced pursuant to this Section 6.

(d) The Company shall be precluded from asserting in any judicial proceeding or arbitration commenced pursuant to this Section 6 that the procedures and presumptions of this Agreement are not valid, binding and enforceable and shall stipulate in any such court or before any such arbitrator that the Company is bound by all the provisions of this Agreement.

(e) To the extent permitted by then applicable law, in the event that Indemnitee, pursuant to this Section 6, seeks a judicial adjudication of or an award in arbitration to enforce his rights under, or to recover damages for breach of, this Agreement, if successful in whole or part, Indemnitee shall be entitled to recover from the Company, and shall be indemnified by the Company against, any and all expenses (including attorneys' fees and disbursements) actually and reasonably incurred by him in such judicial adjudication or arbitration.

7. Presumptions and Effect of Proceedings. The termination of any Proceeding or of any claim, issue or matter therein, by judgment, order, settlement or conviction, or upon a plea of nolo contendre or its equivalent, shall not of itself create a presumption that Indemnitee did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the Company, or, with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful. Indemnitee shall be deemed to have been found liable in respect of any claim, issue or matter only after Indemnitee shall have been so adjudged by a court of competent jurisdiction after exhaustion of all appeals therefrom.

8. Subrogation. In the event of payment under this Agreement, the Company shall be subrogated to the extent of such payment to all of the rights of recovery of the Indemnitee, who shall execute all papers required and shall do everything that may be necessary to secure such rights, including the execution of such documents necessary to enable the Company effectively to bring suit to enforce such rights.

9. Counterparts. This Agreement may be executed in counterparts, all of which taken together shall constitute one instrument.

10. Non-exclusivity. Nothing herein shall be deemed to diminish or otherwise restrict the Indemnitee's right to indemnification under any provision of the Certificate of incorporation or By-Laws of the Company.

11. Governance Law. This Agreement shall be governed by and construed in accordance with Delaware law. To the extent permitted by applicable law, the parties hereby waive any provisions of law which render any provision of this Agreement unenforceable in any respect.

12. Severability. The provisions of this Agreement are severable, and if any clause or provision hereof shall be held invalid or unenforceable in whole or in part, then such invalidity or unenforceability shall affect only such clause or provision, or part thereof, and shall not in any manner affect such clause or provision to the extent that such clause or provision is valid or enforceable, and shall not in any manner affect any other clause or provision of this Agreement.

13. Successors and Assigns. This Agreement shall be binding upon all successors and assigns of the Company (including any transferee of all or substantially all of its assets and any successor by merger or operation of law) and shall inure to the benefit of the heirs, personal representatives and estate of each Indemnitee.

14. Continuation of Obligations. All agreements and obligations of the Company contained herein shall be effective with respect to the Indemnitee as of the date that Indemnitee first became a director, officer, employee or agent of the Company (or is or was serving at the request of the Company as a director, officer, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise), as if entered into by and between the Company and such Indemnitee on that date, and shall continue in effect thereafter so long as the Indemnitee shall be subject to any possible Proceeding by reason of the fact that the Indemnitee was a director or officer of the Company or serving in any other capacity referred to herein.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and signed as of the 13th day of August, 1999.

ROPER INDUSTRIES, INC.:

Dated: August 20, 1999 By:____________________________________
Derrick N. Key, President,

INDEMNITEE:

Dated: August 20, 1999 By:____________________________________
[ ], Director

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