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SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, DC 20549

FORM 8-K

**CURRENT REPORT PURSUANT
TO SECTION 13 OR 15(D) OF THE
SECURITIES EXCHANGE ACT OF 1934**

December 29, 2003

DATE OF REPORT (DATE OF EARLIEST EVENT REPORTED)

ROPER INDUSTRIES, INC.

(EXACT NAME OF REGISTRANT AS SPECIFIED IN CHARTER)

DELAWARE

(STATE OR OTHER JURISDICTION OF INCORPORATION)

1-12273	**51-0263969**
(COMMISSION FILE NUMBER)	(IRS EMPLOYER IDENTIFICATION NO.)

2160 SATELLITE BLVD., SUITE 200, DULUTH, GEORGIA 30097

(ADDRESS OF PRINCIPAL EXECUTIVE OFFICES) (ZIP CODE)

(770) 495-5100

(REGISTRANT'S TELEPHONE NUMBER, INCLUDING AREA CODE)

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Item 2. Acquisition or Disposition of Assets

On December 29, 2003, Roper Industries, Inc. (the "Company") completed the acquisition of all of the outstanding capital stock of Neptune Technology Group Holdings, Inc. ("NTGH") for a cash purchase price of approximately $475 million, which is net of cash acquired and includes debt which was repaid (the "NTGH Acquisition"). In connection with the NTGH Acquisition, the Company also purchased the remaining one-third interest in DAP Technologies, a Canadian company that manufactures fully-rugged handheld computers, that NTGH did not own for total consideration of approximately $9.1 million. Roper also completed a public offering of 4,830,000 shares of its common stock for gross proceeds of approximately $231.8 million (the "Common Stock Offering") and an offering of senior subordinated convertible notes for gross proceeds of approximately $230 million (the "Notes Offering," and together with the Common Stock Offering, the "Offerings"), including exercise of the underwriters' overallotment for both Offerings. Concurrently with the closing of the Offerings, the Company also entered into a new $625 million senior secured credit facility with JPMorgan Chase Bank, as administrative agent, Merrill Lynch Capital Corporation, as documentation agent, Wachovia Bank, National Association, as syndication agent and certain other lenders consisting of a $400 million five-year term loan and a $225 million three-year revolving credit facility. The Company used the proceeds from the Common Stock Offering, together with borrowings under its new senior secured credit facility, to pay for the acquisition, repay a portion of its existing credit facility and pay related fees and expenses. The Company used the proceeds from the Notes Offering to redeem its outstanding senior notes and to repay a portion of its existing credit facility. A press release announcing the completion of the NTGH Acquisition and related transactions is included as Exhibit 99.2 and is incorporated herein by reference in its entirety. In addition, the Stock Purchase Agreement, dated as of October 21, 2003, by and among NTGH, the selling stockholders named in the agreement, and the Company, was filed as Exhibit 2.1 to the Company's Current Report on Form 8-K dated November 14, 2003.

Item 5. Other Events

The Company is filing as exhibits to this Current Report on Form 8-K certain documents executed in connection with the NTGH Acquisition, the Offerings and related transactions that closed on December 29, 2003.

Item 7. Financial Statements, *Pro Forma* Financial Information and Exhibits

(a) The financial statements of NTGH required by Item 7(a) of Form 8-K were previously provided in a Current Report on Form 8-K filed with the Securities and Exchange Commission on November 14, 2003 and are specifically incorporated herein by reference.

(b) *Pro Forma* Information

(1) The following Unaudited Pro Forma Consolidated Financial Information of the Company and NTGH are included as Exhibit 99.1 and are incorporated herein by reference in their entirety:

(a) Pro Forma Consolidated Balance Sheets as of September 30, 2003;

(b) Pro Forma Consolidated Statements of Operations for the year ended October 31, 2002;

(c) Pro Forma Consolidated Statements of Operations for the nine months ended September 30, 2003; and

(d) the Notes to such financial statements.

(c) Exhibits

1.1 Purchase Agreement for Common Stock

1.2 Purchase Agreement for Convertible Senior Subordinated Notes due 2034

4.1 Supplemental Indenture between the Company and SunTrust Bank, dated December 29, 2003

5.1 Opinion of King & Spalding LLP

23.1 Consent of PricewaterhouseCoopers, LLP

23.2 Consent of King & Spalding LLP (included in Exhibit 5.1)

99.1 Unaudited Pro Forma Consolidated Financial Information of the Company and NTGH, as described in Item 7(b) of this Current Report on Form 8-K.

99.2 Press Release

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SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

ROPER INDUSTRIES, INC.

BY: /s/ Martin S. Headley

Martin S. Headley
Vice President and Chief Financial Officer

Date: January 13, 2004

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EXHIBIT INDEX

Exhibit No.	Description
1.1	Purchase Agreement for Common Stock
1.2	Purchase Agreement for Convertible Senior Subordinated Notes due 2034
4.1	Supplemental Indenture between the Company and SunTrust Bank, dated December 29, 2003
5.1	Opinion of King & Spalding LLP
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23.2	Consent of King & Spalding LLP (included in Exhibit 5.1)
99.1	Unaudited Pro Forma Consolidated Financial Information of the Company and NTGH, as described in Item 7(b) of this Current Report on Form 8-K.
99.2	Press Release

EXHIBIT 1.1

PURCHASE AGREEMENT FOR COMMON STOCK

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ROPER INDUSTRIES, INC.

(a Delaware corporation)

4,200,000 Shares of Common Stock

PURCHASE AGREEMENT

Dated: December 22, 2003

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EXECUTION COPY

ROPER INDUSTRIES, INC.

(a Delaware corporation)

4,200,000 Shares of Common Stock

(Par Value $0.01 Per Share)

PURCHASE AGREEMENT

December 22, 2003

MERRILL LYNCH & CO.
Merrill Lynch, Pierce, Fenner & Smith
Incorporated
J.P. Morgan Securities Inc.
Wachovia Capital Markets, LLC
Robert W. Baird & Co. Incorporated
JMP Securities LLC
McDonald Investments Inc., a KeyCorp Company
SunTrust Capital Markets, Inc.
as Representatives of the several Underwriters
c/o Merrill Lynch & Co.
Merrill Lynch, Pierce, Fenner & Smith
Incorporated
4 World Financial Center
New York, New York 10080

Ladies and Gentlemen:

Roper Industries, Inc., a Delaware corporation (the "Company"), confirms its agreement with Merrill Lynch & Co., Merrill Lynch, Pierce, Fenner & Smith Incorporated ("Merrill Lynch"), J.P. Morgan Securities Inc., Wachovia Capital Markets, LLC, Robert W. Baird & Co. Incorporated, JMP Securities LLC McDonald Investments Inc., a KeyCorp Company and SunTrust Capital Markets, Inc., and each of the other Underwriters named in Schedule A hereto (collectively, the "Underwriters", which term shall also include any underwriter substituted as hereinafter provided in Section 10 hereof), for whom Merrill Lynch, J.P. Morgan Securities Inc., Wachovia Capital Markets, LLC, Robert W. Baird & Co. Incorporated, JMP Securities LLC, McDonald Investments Inc., a KeyCorp Company and SunTrust Capital Markets, Inc. are acting as representatives (in such capacity, the "Representatives"), with respect to (i) the issue and sale by the Company and the purchase by the Underwriters, acting severally and not jointly, of the respective numbers of shares of Common Stock, par value $0.01 per share, of the Company ("Common Stock") set forth in Schedules A hereto and (ii) the grant by the Company to the Underwriters, acting severally and not jointly, of the option described in Section 2(b) hereof to purchase all or any part of 630,000 additional shares of Common Stock to cover overallotments, if any. The aforesaid 4,200,000 shares of Common Stock (the "Initial Securities") to be purchased by the Underwriters and all or any part of the 630,000 shares of Common Stock subject to the option described in Section 2(b) hereof (the "Option Securities") are hereinafter called, collectively, the "Securities."

The Company understands that the Underwriters propose to make a public offering of the Securities as soon as the Representatives deem advisable after this Agreement has been executed and delivered.

The Company has filed with the Securities and Exchange Commission (the "Commission") a registration statement on Form S-3 (No. 333-110491), for the registration of debt securities, common stock, stock purchase contracts and equity units (including the Securities) under the Securities Act of 1933 (the "1933 Act"). Such registration statement was declared effective by the Commission on December 1, 2003. Such registration statement, as amended, including the financial statements, exhibits and schedules thereto, in the form in which it was declared effective by the Commission under the 1933 Act (the "1933 Act Regulations"), including all documents incorporated or deemed incorporated by reference therein and any information deemed to be a part thereof at the time of effectiveness pursuant to Rule 430A (the "Rule 430A Information") under the 1933 Act or the Securities Exchange Act of 1934 (the "1934 Act") is called the "Registration Statement." Any registration statement filed pursuant to Rule 462(b) of the 1933 Act Regulations is herein referred to as the "Rule 462(b) Registration Statement," and after such filing the term "Registration Statement" shall include the Rule 462(b) Registration Statement. The Company has prepared and filed with the Commission a preliminary prospectus supplement relating to the Securities together with the prospectus included in the Registration Statement at the time it was declared effective (collectively, together with all documents incorporated or deemed incorporated therein by reference, the "preliminary prospectus"). Promptly after execution and delivery of this Agreement, the Company will prepare and file a final prospectus supplement relating to the Securities together with the prospectus included in the Registration Statement at the time it was declared effective, in accordance with the provisions of Rule 424(b) of the 1933 Act. Such final prospectus supplement and prospectus in the form first furnished to the Underwriters to confirm sales of the Securities, together with all documents incorporated by reference therein pursuant to the 1933 Act or the 1934 Act, is herein called the "Prospectus." For purposes of this Agreement, all references to the Registration Statement, any preliminary prospectus, the Prospectus or any amendment or supplement to any of the foregoing shall be deemed to include the copy filed with the Commission pursuant to its Electronic Data Gathering, Analysis and Retrieval system ("EDGAR").

All references in this Agreement to financial statements and schedules and other information which is "contained," "included" or "stated" in the Registration Statement, any preliminary prospectus or the Prospectus (or other references of like import) shall be deemed to mean and include all such financial statements and schedules and other information which is incorporated by reference in the Registration Statement, any preliminary prospectus or the Prospectus, as the case may be; and all references in this Agreement to amendments or supplements to the Registration Statement, any preliminary prospectus or the Prospectus shall be deemed to mean and include the filing of any document under the Securities Exchange Act of 1934 (the "1934 Act"), which is incorporated by reference in the Registration Statement, such preliminary prospectus or the Prospectus, as the case may be.

The Securities are being issued in connection with the Company's acquisition (the "Neptune Acquisition") of all of the outstanding capital stock of Neptune Technology Group Holdings, Inc. ("Neptune") pursuant to the Stock Purchase Agreement, dated October 21, 2003, among Neptune, the stockholders of Neptune and the Company (the "Stock Purchase Agreement"). The Company has also entered into a purchase agreement dated as of December 22, 2003 (the "Convertible Notes Purchase Agreement") with a group of underwriters in connection with the sale of $506,304,000 aggregate principal amount at maturity of the Company's 3 3/4% Convertible Senior Subordinated Notes due 2034 (the "Convertible Notes"). The Company also intends to enter into $625.0 million principal amount of senior secured credit facilities in connection with the Neptune Acquisition (the "New Senior Secured Credit Facilities") by and among the Company, the other credit parties party thereto, JP Morgan Chase Bank as administrative agent, Wachovia Bank National Association as syndication agent, Merrill Lynch

Capital Corporation as documentation agent and the lenders party thereto. The Company intends to use the proceeds from the sale of the Securities together with borrowings under the New Senior Secured Credit Facilities to pay for the Neptune acquisition and the cash portion of the DAP Technologies acquisition, repay the Company's existing revolving credit facility and pay related fees and expenses. The Company intends to use all of the proceeds from the Convertible Notes offering to redeem its outstanding senior notes.

SECTION 1. Representations and Warranties.

(a) Representations and Warranties by the Company. The Company represents and warrants to each Underwriter as of the date hereof, as of the Closing Time referred to in Section 2(c) hereof, and as of each Date of Delivery (if any) referred to in Section 2(b) hereof, and agrees with each Underwriter, as follows:

(i) Compliance with Registration Requirements. The Company meets the requirements for use of Form S-3 under the 1933 Act and has complied with the requirements of Rule 415 with respect to the Registration Statement. Each of the Registration Statement, any Rule 462(b) Registration Statement and any post-effective amendment thereto has become effective under the 1933 Act and no stop order suspending the effectiveness of the Registration Statement, any Rule 462(b) Registration Statement or any post-effective amendment thereto has been issued under the 1933 Act and no proceedings for that purpose have been instituted or are pending or, to the knowledge of the Company, are contemplated by the Commission, and any request on the part of the Commission for additional information has been complied with.

At the respective times the Registration Statement, any Rule 462(b) Registration Statement and any post-effective amendments thereto became effective and at the date hereof (and, if any Option Securities are purchased, at the Date of Delivery), the Registration Statement, the Rule 462(b) Registration Statement and any amendments and supplements thereto complied and will comply in all material respects with the requirements of the 1933 Act and the 1933 Act Regulations and did not and will not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading. Neither the Prospectus nor any amendments or supplements thereto, at the time the Prospectus or any such amendment or supplement was issued and at the Closing Time (and, if any Option Securities are purchased, at the Date of Delivery), included or will include an untrue statement of a material fact or omitted or will omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading. The representations and warranties in this subsection shall not apply to statements in or omissions from the Registration Statement or Prospectus made in reliance upon and in conformity with written information furnished to the Company by any Underwriter expressly for use in the Registration Statement (or any amendment thereto) or the Prospectus (or any amendment or supplement thereto).

Each preliminary prospectus and the prospectus filed as part of the Registration Statement as originally filed or as part of any amendment thereto complied when so filed in all material respects with the 1933 Act Regulations and each preliminary prospectus and the Prospectus delivered to the Underwriters for use in connection with this offering was identical to the electronically transmitted copies thereof filed with the Commission pursuant to EDGAR, except to the extent permitted by Regulation S-T.

(ii) Incorporated Documents. The documents incorporated or deemed to be incorporated by reference in the Registration Statement and the Prospectus, at the time they were

or hereafter are filed with the Commission, complied and will comply in all material respects with the requirements of the 1934 Act and the rules and regulations of the Commission thereunder (the "1934 Act Regulations"), at the time they were or are filed, they did not and will not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading.

(iii) Independent Accountants. PricewaterhouseCoopers LLP, who certified the financial statements and supporting schedules included in the Registration Statement, is an independent public accountant with respect to the Company as required by the 1933 Act and the 1933 Act Regulations. PricewaterhouseCoopers LLP has not provided to the Company or its subsidiaries any non-audit services, the provision of which is prohibited by applicable law or accounting standards. To the knowledge of the Company, PricewaterhouseCoopers LLP, who certified Neptune's financial statements included in the Registration Statement, is an independent public accountant with respect to Neptune as required by the 1933 Act and the 1933 Act Regulations.

(iv) Financial Statements. The financial statements included in the Registration Statement and the Prospectus, together with the related schedules and notes, present fairly in all material respects the financial position of the Company and its consolidated subsidiaries at the dates indicated and the statement of operations, stockholders' equity and cash flows of the Company and its consolidated subsidiaries for the periods specified; said financial statements have been prepared in conformity with generally accepted accounting principles ("GAAP") applied on a consistent basis throughout the periods involved. To the knowledge of the Company, the financial statements of Neptune included in the Registration Statement and the Prospectus, together with the related schedules and notes, present fairly in all material respects the financial position of Neptune and its consolidated subsidiaries at the dates indicated and the statement of operations, stockholders' equity and cash flows of Neptune and its consolidated subsidiaries for the periods specified; said financial statements have been prepared in conformity with generally accepted accounting principles ("GAAP") applied on a consistent basis throughout the periods involved. The pro forma financial statements and the related notes thereto included in the Registration Statement and the Prospectus present fairly in all material respects the information shown therein, have been prepared in accordance with the Commission's rules and guidelines with respect to pro forma financial statements and have been properly compiled on the bases described therein, and in the Company's opinion the assumptions used in the preparation thereof are reasonable and the adjustments used therein are appropriate to give effect to the transactions referred to therein.

(v) No Material Adverse Change in Business. Since the respective dates as of which information is given in the Registration Statement and the Prospectus, except as otherwise stated therein, (A) there has been no material adverse change in the condition, financial or otherwise, or in the earnings, business affairs or business prospects of the Company and its subsidiaries considered as one enterprise, whether or not arising in the ordinary course of business (a "Material Adverse Effect"), (B) there have been no transactions entered into by the Company or any of its subsidiaries, other than those in the ordinary course of business, which are material with respect to the Company and its subsidiaries considered as one enterprise, and (C) except for regular dividends on the Common Stock in amounts per share that are consistent with past practice, there has been no dividend or distribution of any kind declared, paid or made by the Company on any class of its capital stock.

(vi) Good Standing of the Company. The Company has been duly organized and is validly existing as a corporation in good standing under the laws of the State of Delaware and has

corporate power and authority to own, lease and operate its properties and to conduct its business as described in the Prospectus and to enter into and perform its obligations under this Agreement; and the Company is duly qualified as a foreign corporation to transact business and is in good standing in each other jurisdiction in which such qualification is required, whether by reason of the ownership or leasing of property or the conduct of business, except where the failure so to qualify or to be in good standing could not reasonably be expected to result in a Material Adverse Effect.

(vii) Good Standing of Subsidiaries. Each subsidiary of the Company over which the Company controls a majority of the vote or has a majority of the economic interest has been duly organized and is validly existing as a corporation, partnership or limited liability company (or the equivalent concept in a foreign jurisdiction) in good standing under the laws of the jurisdiction of its incorporation or organization, has corporate power and authority to own, lease and operate its properties and to conduct its business as described in the Prospectus and is duly qualified as a foreign corporation, partnership or limited liability company to transact business and is in good standing in each jurisdiction in which such qualification is required, whether by reason of the ownership or leasing of property or the conduct of business, except where the failure so to qualify or to be in good standing could not reasonably be expected to result in a Material Adverse Effect; except as otherwise disclosed in the Registration Statement, all of the issued and outstanding capital stock, limited partnership interests or membership interests of each such subsidiary has been duly authorized and validly issued, is fully paid and non-assessable and is owned by the Company, directly or through subsidiaries, free and clear of any security interest, mortgage, pledge, lien, encumbrance, claim or equity; none of the outstanding shares of capital stock, limited partnership interests or membership interests of any subsidiary was issued in violation of the preemptive or similar rights of any securityholder of such subsidiary.

(viii) Capitalization. The authorized, issued and outstanding capital stock of the Company is as set forth in the Prospectus in the column entitled "Actual" under the caption "Capitalization" as of the date shown in the Prospectus (except for subsequent issuances, if any, pursuant to this Agreement, pursuant to reservations, agreements or employee benefit plans referred to in the Prospectus or pursuant to the exercise of convertible securities or options referred to in the Prospectus. The shares of issued and outstanding capital stock of the Company have been duly authorized and validly issued and are fully paid and non-assessable; none of the outstanding shares of capital stock of the Company was issued in violation of the preemptive or other similar rights of any securityholder of the Company.

(ix) Power and Authority. The Company has all requisite corporate or such other similar power and authority to enter into and perform its obligations under this Agreement, the New Senior Secured Credit Facilities and the Stock Purchase Agreement, in each case to the extent a party thereto, and to consummate all the transactions in connection therewith as contemplated in the Registration Statement and the Prospectus.

(x) Authorization of Agreement. This Agreement has been duly authorized, executed and delivered by the Company.

(xi) Authorization and Description of Securities. The Securities to be purchased by the Underwriters have been duly authorized for issuance and sale to the Underwriters pursuant to this Agreement and, when issued and delivered by the Company pursuant to this Agreement against payment of the consideration set forth herein, will be validly issued and fully paid and non-assessable; the Common Stock conforms to all statements relating thereto contained in the Prospectus; no holder of the Securities will be subject to debts or liabilities of the Company by

reason of being such a holder; and the issuance of the Securities is not subject to the preemptive or other similar rights of any securityholder of the Company.

(xii) Authorization of the Stock Purchase Agreement. The Stock Purchase Agreement has been duly authorized, executed and delivered by the Company and constitutes a valid and binding agreement of the Company enforceable against the Company in accordance with its terms, subject, as to enforcement of remedies, to bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the rights and remedies of creditors generally and the effect of general principles of equity.

(xiii) Authorization of the New Senior Secured Credit Facilities. The New Senior Secured Credit Facilities have been authorized by the Company and, when executed and delivered by the Company, will constitute valid and binding agreements of the Company enforceable against the Company in accordance with their terms, subject, as to enforcement of remedies, to bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the rights and remedies of creditors generally and to the effect of general principles of equity.

(xiv) Description of the Agreement, the New Senior Secured Credit Facilities and the Stock Purchase Agreement. This Agreement, the New Senior Secured Credit Facilities and the Stock Purchase Agreement will conform in all material respects to the respective statements relating thereto contained in the Prospectus and will be in substantially the respective forms filed or incorporated by reference, as the case may be, as exhibits to the Registration Statement.

(xv) Absence of Defaults and Conflicts. Neither the Company nor any of its subsidiaries is in violation of its charter or by-laws or in default in the performance or observance of any obligation, agreement, covenant or condition contained in any contract, indenture, mortgage, deed of trust, loan or credit agreement, note, lease or other agreement or instrument to which the Company or any of its subsidiaries is a party or by which it or any of them may be bound, or to which any of the property or assets of the Company or any subsidiary is subject (collectively, "Agreements and Instruments") except for such defaults that could not reasonably be expected to result in a Material Adverse Effect; and the execution, delivery and performance of this Agreement, the New Senior Secured Credit Facilities and the Stock Purchase Agreement and the consummation of the transactions contemplated herein and therein and in the Registration Statement after giving pro forma effect to all such transactions collectively (including the issuance and sale of the Securities and the use of the proceeds from the sale of the Securities as described in the Prospectus under the caption "Use of Proceeds") and compliance by the Company with its obligations hereunder have been duly authorized by all necessary corporate action and do not and will not, whether with or without the giving of notice or passage of time or both, conflict with or constitute a breach of, or default or Repayment Event (as defined below) under, or result in the creation or imposition of any lien, charge or encumbrance upon any property or assets of the Company or any subsidiary pursuant to, the Agreements and Instruments (except for such conflicts, breaches, defaults or Repayment Events or liens, charges or encumbrances that, singly or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect), nor will such action result in any violation (except for such violations that, singly or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect) of the provisions of the charter or by-laws of the Company or any subsidiary or any applicable law, statute, rule, regulation, judgment, order, writ or decree of any government, government instrumentality or court, domestic or foreign, having jurisdiction over the Company or any subsidiary or any of their assets, properties or operations. As used herein, a "Repayment Event" means any event or condition which gives the holder of any note, debenture or other evidence of indebtedness (or any person acting on such holder's behalf) the right to require the

repurchase, redemption or repayment of all or a portion of such indebtedness by the Company or any subsidiary.

(xvi) Absence of Labor Dispute. No labor dispute with the employees of the Company or any subsidiary exists or, to the knowledge of the Company, is imminent, and the Company is not aware of any existing or imminent labor disturbance by the employees of any of its or any subsidiary's principal suppliers, manufacturers, customers or contractors, which, in either case, could reasonably be expected to result in a Material Adverse Effect.

(xvii) Absence of Proceedings. Except as disclosed in the Prospectus, there is no action, suit, proceeding, inquiry or investigation before or brought by any court or governmental agency or body, domestic or foreign, now pending, or, to the knowledge of the Company, threatened, against or affecting the Company or any subsidiary, which is required to be disclosed in the Registration Statement (other than as disclosed therein), or which, singly or in the aggregate, could reasonably be expected to result in a Material Adverse Effect, or which, singly or in the aggregate, could reasonably be expected to materially and adversely affect the properties or assets thereof or the consummation of the transactions contemplated in this Agreement or the performance by the Company of its obligations hereunder.

(xviii) Possession of Intellectual Property. The Company and its subsidiaries own or possess, or can acquire on reasonable terms, adequate patents, patent rights, licenses, inventions, copyrights, know-how (including trade secrets and other unpatented and/or unpatentable proprietary or confidential information, systems or procedures), trademarks, service marks, trade names or other intellectual property (collectively, "Intellectual Property") necessary to carry on the business now operated by them, except where the failure to own or have the right to use could not reasonably be expected to have a Material Adverse Effect, and neither the Company nor any of its subsidiaries has received any notice or is otherwise aware of any infringement of or conflict with asserted rights of others with respect to any Intellectual Property or of any facts or circumstances which would render any Intellectual Property invalid or inadequate to protect the interest of the Company or any of its subsidiaries therein, and which infringement or conflict (if the subject of any unfavorable decision, ruling or finding) or invalidity or inadequacy, singly or in the aggregate, could reasonably be expected to result in a Material Adverse Effect.

(xix) Stabilization or Manipulation. Neither the Company nor any affiliate of the Company has taken, nor will the Company or any affiliate take, directly or indirectly, any action which is designed to or which has constituted or which would be expected to cause or result in stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of the Securities. The Company has not distributed and, prior to the later to occur of (i) the Closing Time and (ii) completion of the distribution of the Securities, will not distribute any offering material in connection with the offering and sale of the Securities other than the preliminary or final prospectus, if any, permitted by the 1933 Act and approved by the Representatives.

(xx) Absence of Further Requirements. No filing with, or authorization, approval, consent, license, order, registration, qualification or decree of, any court or governmental authority or agency is necessary or required for the performance by the Company of its obligations hereunder, in connection with the offering, issuance or sale of the Securities hereunder or the consummation of the transactions contemplated by this Agreement, except such as have been already obtained or as may be required under the 1933 Act or the 1933 Act Regulations or state securities laws.

(xxi) Possession of Licenses and Permits. The Company and its subsidiaries possess such permits, licenses, approvals, consents and other authorizations (collectively, "Governmental Licenses") issued by the appropriate federal, state, local or foreign regulatory agencies or bodies necessary to conduct the business now operated by them, except where the failure so to possess could not, singly or in the aggregate, reasonably be expected to result in a Material Adverse Effect; the Company and its subsidiaries are in compliance with the terms and conditions of all such Governmental Licenses, except where the failure so to comply could not, singly or in the aggregate, reasonably be expected to result in a Material Adverse Effect; all of the Governmental Licenses are valid and in full force and effect, except when the invalidity of such Governmental Licenses or the failure of such Governmental Licenses to be in full force and effect could not, singly or in the aggregate, reasonably be expected to result in a Material Adverse Effect; and neither the Company nor any of its subsidiaries has received any notice of proceedings relating to the revocation or modification of any such Governmental Licenses which, singly or in the aggregate, if the subject of an unfavorable decision, ruling or finding, could reasonably be expected to result in a Material Adverse Effect.

(xxii) Title to Property. The Company and its subsidiaries have good and marketable title to all real property owned by the Company and its subsidiaries and good title to all material personal property owned by them, in each case, free and clear of all mortgages, pledges, liens, security interests, claims, restrictions or encumbrances of any kind except such as (a) are described in the Prospectus or (b) do not, singly or in the aggregate, materially affect the value of such property and do not interfere with the use made and proposed to be made of such property by the Company or any of its subsidiaries; and all of the leases and subleases material to the business of the Company and its subsidiaries, considered as one enterprise, and under which the Company or any of its subsidiaries holds properties described in the Prospectus, are in full force and effect, and neither the Company nor any subsidiary has any notice of any material claim of any sort that has been asserted by anyone adverse to the rights of the Company or any subsidiary under such material lease or subleases, or affecting or questioning the rights of the Company or such subsidiary to the continued possession of the leased or subleased premises under any such material lease or sublease.

(xxiii) Tax Returns. All United States federal income tax returns of the Company and its subsidiaries required by law to be filed have been filed, except where the failure to file such returns, could not, singly or in the aggregate, reasonably be expected to have a Material Adverse Effect, and all taxes shown by such returns or otherwise assessed, which are due and payable, have been paid, except assessments against which appeals have been or will be promptly taken and as to which adequate reserves have been provided. The Company and its subsidiaries have filed all other tax returns that are required to have been filed by them pursuant to applicable foreign, federal, state, local or other law except insofar as the failure to file such returns could not reasonably be expected to result in a Material Adverse Effect, and have paid all taxes due pursuant to such returns or pursuant to any assessment received by the Company and its subsidiaries, except for such taxes, if any, as are being contested in good faith and by appropriate proceedings and as to which adequate reserves have been provided. The charges, accruals and reserves on the books of the Company in respect of all federal, state, local and foreign tax liabilities of the Company and its subsidiaries for any years not finally determined are adequate to meet any assessments or re-assessments for additional income tax for any years not finally determined, except to the extent of any inadequacy that could not reasonably be expected to result in a Material Adverse Effect.

(xxiv) Insurance. The Company and its subsidiaries carry or are entitled to the benefits of insurance, with financially sound and reputable insurers, in such amounts, containing such

deductibles and covering such risks as commercially prudent under the circumstances, except where the failure to do so could not, singly or in the aggregate, reasonably be expected to have a Material Adverse Effect, and all such insurance is in full force and effect.

(xxv) Related Party Transactions. No relationship, direct or indirect, exists between or among any of the Company or any affiliate of the Company on the one hand, and any former or current director, officer, stockholder, customer or supplier of any of them, on the other hand, which is required by the 1933 Act or by the rules and regulations enacted thereunder to be described in the Registration Statement or the Prospectus which is not so described or is not described as required.

(xxvi) Suppliers. No contract manufacturer or supplier of merchandise to the Company or any of its subsidiaries has ceased shipments of merchandise to the Company or any of its subsidiaries since September 30, 2003, other than in the normal and ordinary course of business consistent with past practices, which cessation could not reasonably be expected to result in a Material Adverse Effect.

(xxvii) Accounting Controls. The Company and its consolidated subsidiaries maintain a system of internal accounting controls sufficient to provide reasonable assurances that (A) transactions are executed in accordance with management's authorization; (B) transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles and to maintain accountability for assets; (C) access to assets is permitted only in accordance with management's authorization; (D) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences; (E) material information relating to the Company and its consolidated subsidiaries is promptly made known to the officers responsible for establishing and maintaining the system of internal accounting controls; and (F) any significant deficiencies or weaknesses in the design or operation of internal accounting controls which could adversely affect the Company's ability to record, process, summarize and report financial data, and any fraud whether or not material that involves management or other employees who have a significant role in internal controls, are adequately and promptly disclosed to the Company's independent auditors and the audit committee of the Company's board of directors.

(xxviii) Disclosure Controls. The Company and its consolidated subsidiaries employ disclosure controls and procedures that are designed to ensure that information required to be disclosed by the Company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the Commission's rules and forms, and is accumulated and communicated to the Company's management, including its principal executive officer or officers and principal financial officer or officers, as appropriate to allow timely decisions regarding disclosure.

(xxix) Investment Company Act. The Company is not required, and upon the issuance and sale of the Securities as herein contemplated and the application of the net proceeds therefrom as described in the Prospectus will not be required, to register as an "investment company" under the Investment Company Act of 1940, as amended (the "1940 Act").

(xxx) Environmental Laws. Except as described in the Registration Statement and except as could not, singly or in the aggregate, reasonably be expected to result in a Material Adverse Effect, (A) neither the Company nor any of its subsidiaries is in violation of any federal, state, local or foreign statute, law, rule, regulation, ordinance, code, policy or rule of common law

or any judicial or administrative interpretation thereof, including any judicial or administrative order, consent, decree or judgment, relating to pollution or protection of human health, the environment (including, without limitation, ambient air, surface water, groundwater, land surface or subsurface strata) or wildlife, including, without limitation, laws and regulations relating to the release or threatened release of chemicals, pollutants, contaminants, wastes, toxic substances, hazardous substances, petroleum or petroleum products or asbestos-containing materials (collectively, "Hazardous Materials") or to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of Hazardous Materials (collectively, "Environmental Laws"), (B) the Company and its subsidiaries have all permits, authorizations and approvals required under any applicable Environmental Laws and are each in compliance with their requirements, (C) there are no pending or, to the knowledge of the Company, threatened administrative, regulatory or judicial actions, suits, demands, demand letters, claims, liens, notices of noncompliance or violation, investigation or proceedings relating to any Environmental Law against the Company or any of its subsidiaries and (D) there are no events or circumstances that would reasonably be expected to form the basis of an order for clean-up or remediation, or an action, suit or proceeding by any private party or governmental body or agency, against or affecting the Company or any of its subsidiaries relating to Hazardous Materials or any Environmental Laws.

(xxxi) Stock Purchase Agreement. To the knowledge of the Company, the representations and warranties of Neptune contained in the Stock Purchase Agreement are true and correct in all material respects. All consents from third parties and government entities necessary to consummate the Neptune Acquisition have been obtained.

(xxxiv) Registration Rights. There are no persons with registration rights or other similar rights to have any securities registered pursuant to the Registration Statement.

b. Officer's Certificates. Any certificate signed by any officer of the Company or any of its subsidiaries delivered to the Representatives or to counsel for the Underwriters shall be deemed a representation and warranty by the Company to each Underwriter as to the matters covered thereby.

SECTION 2. Sale and Delivery to Underwriters; Closing.

(a) Initial Securities. On the basis of the representations and warranties herein contained and subject to the terms and conditions herein set forth, the Company agrees to sell to each Underwriter, severally and not jointly, and each Underwriter, severally and not jointly, agrees to purchase from the Company, at the price per share set forth in Schedule B, the number of Initial Securities set forth in Schedule A opposite the name of such Underwriter, plus any additional number of Initial Securities which such Underwriter may become obligated to purchase pursuant to the provisions of Section 10 hereof.

(b) Option Securities. In addition, on the basis of the representations and warranties herein contained and subject to the terms and conditions herein set forth, the Company hereby grants an option to the Underwriters, severally and not jointly, to purchase up to an additional 630,000 shares of Common Stock at the price per share set forth in Schedule B, less an amount per share equal to any dividends or distributions declared by the Company and payable on the Initial Securities but not payable on the Option Securities. The option hereby granted will expire 30 days after the date hereof and may be exercised in whole or in part from time to time only for the purpose of covering overallotments which may be made in connection with the offering and distribution of the Initial Securities upon notice by Merrill Lynch to the Company setting forth the number of Option Securities as to which the several Underwriters are then exercising the option and the time and date of payment and delivery for such Option Securities, which shall be no earlier than two business days following the date on which the Company receives such notice or as otherwise agreed to by the parties hereto. Subject to the foregoing, any such time and date of

delivery (a "Date of Delivery") shall be determined by Merrill Lynch, but shall not be later than seven full business days after the exercise of said option, nor in any event prior to the Closing Time, as hereinafter defined. If the option is exercised as to all or any portion of the Option Securities, each of the Underwriters, acting severally and not jointly, will purchase that proportion of the total number of Option Securities then being purchased which the number of Initial Securities set forth in Schedule A opposite the name of such Underwriter bears to the total number of Initial Securities, subject in each case to such adjustments as Merrill Lynch in its discretion shall make to eliminate any sales or purchases of fractional shares.

(c) Payment. Payment of the purchase price for, and delivery of certificates for, the Initial Securities shall be made at the offices of King & Spalding LLP, 191 Peachtree Street, Atlanta, GA 30303, or at such other place as shall be agreed upon by the Representatives and the Company, at 9:00 A.M. (Eastern time) on December 29, 2003 (unless postponed in accordance with the provisions of Section 10), or such other time not later than ten business days after such date as shall be agreed upon by the Representatives and the Company (such time and date of payment and delivery being herein called "Closing Time").

In addition, in the event that any or all of the Option Securities are purchased by the Underwriters, payment of the purchase price for, and delivery of certificates for, such Option Securities shall be made at the above-mentioned offices, or at such other place as shall be agreed upon by the Representatives and the Company, on each Date of Delivery as specified in the notice from the Representatives to the Company.

Payment shall be made to the Company by wire transfer of immediately available funds to a bank account designated by the Company against delivery to the Representatives for the respective accounts of the Underwriters of certificates for the Securities to be purchased by them. It is understood that each Underwriter has authorized the Representatives, for its account, to accept delivery of, receipt for, and make payment of the purchase price for, the Initial Securities and the Option Securities, if any, which it has agreed to purchase. Merrill Lynch, individually and not as representative of the Underwriters, may (but shall not be obligated to) make payment of the purchase price for the Initial Securities or the Option Securities, if any, to be purchased by any Underwriter whose funds have not been received by the Closing Time or the relevant Date of Delivery, as the case may be, but such payment shall not relieve such Underwriter from its obligations hereunder.

(d) Denominations; Registration. Certificates for the Initial Securities and the Option Securities, if any, shall be in such denominations and registered in such names as the Representatives may request in writing at least one full business day before the Closing Time or the relevant Date of Delivery, as the case may be. The certificates for the Initial Securities and the Option Securities, if any, will be made available for examination and packaging by the Representatives in The City of New York not later than 10:00 A.M. (Eastern time) on the business day prior to the Closing Time or the relevant Date of Delivery, as the case may be.

SECTION 3. Covenants of the Company. The Company covenants with each Underwriter as follows:

(a) Compliance with Securities Regulations and Commission Requests. The Company, subject to Section 3(b), will comply with the requirements of Rule 430A, and will notify the Representatives immediately, (i) when any post-effective amendment to the Registration Statement shall become effective, or any supplement to the Prospectus or any amended Prospectus, in each case relating to the Securities, shall have been filed, (ii) of the receipt of any comments from the Commission relating to the Prospectus or the Registration

Statement, (iii) of any request by the Commission for any amendment to the Registration Statement or any amendment or supplement to the Prospectus or any document incorporated by reference therein and (iv) of the issuance by the Commission of any stop order suspending the effectiveness of the Registration Statement or of any order preventing or suspending the use of any preliminary prospectus, or of the suspension of the qualification of the Securities for offering or sale in any jurisdiction, or of the initiation or threatening of any proceedings for any of such purposes. The Company will effect the filings of the preliminary prospectus and the Prospectus as necessary pursuant to Rule 424(b) in compliance with such rule. The Company will make every reasonable effort to prevent the issuance of any stop order and, if any stop order is issued, to obtain the lifting thereof at the earliest possible moment.

(b) Filing of Amendments. Until the end of the period during which a Prospectus is required to be delivered under the 1933 Act in connection with the offering of Securities, the Company will give the Representatives notice of its intention to file or prepare any amendment to the Registration Statement (including any filing under Rule 462(b)) or any amendment, supplement or revision to either the prospectus included in the Registration Statement at the time it became effective or to the Prospectus, but in either case only to the extent that such amendment, supplement or revision relates to the Securities to be sold hereunder, whether pursuant to the 1933 Act, the 1934 Act or otherwise, will furnish the Representatives with copies of any such documents a reasonable amount of time prior to such proposed filing or use, as the case may be, and will not file or use any such document to which the Representatives or counsel for the Underwriters shall object. This subsection (b) shall not apply to regular filings of periodic or current reports pursuant to the 1934 Act.

(c) Delivery of Registration Statements. The Company has furnished or will deliver to the Representatives and counsel for the Underwriters, without charge, signed copies of the Registration Statement as originally filed and of each amendment thereto relating to the Securities (including exhibits filed therewith or incorporated by reference therein and documents incorporated or deemed to be incorporated by reference therein) and signed copies of all consents and certificates of experts, and will also deliver to the Representatives, without charge, a conformed copy of the Registration Statement as originally filed and of each amendment thereto relating to the Securities (without exhibits) for each of the Underwriters. The copies of the Registration Statement and each amendment thereto furnished to the Underwriters will be identical to the electronically transmitted copies thereof filed with the Commission pursuant to EDGAR, except to the extent permitted by Regulation S-T.

(d) Delivery of Prospectuses. The Company has delivered to each Underwriter, without charge, as many copies of each preliminary prospectus as such Underwriter reasonably requested, and the Company hereby consents to the use of such copies for purposes permitted by the 1933 Act. The Company will furnish to each Underwriter, without charge, during the period when the Prospectus is required to be delivered under the 1933 Act, such number of copies of the Prospectus (as amended or supplemented) as such Underwriter may reasonably request. The Prospectus and any amendments or supplements thereto furnished to the Underwriters will be identical to the electronically transmitted copies thereof filed with the Commission pursuant to EDGAR, except to the extent permitted by Regulation S-T.

(e) Continued Compliance with Securities Laws. The Company will comply with the 1933 Act and the 1933 Act Regulations and the 1934 Act and the 1934 Act and the 1934 Act Regulations so as to permit the completion of the distribution of the Securities as contemplated in this Agreement and in the Prospectus. If at any time when a prospectus is required by the 1933 Act to be delivered in connection with sales of the Securities, any event shall occur or condition

shall exist as a result of which it is necessary, in the opinion of counsel for the Underwriters or for the Company, to amend the Registration Statement or amend or supplement the Prospectus in order that the Prospectus will not include any untrue statements of a material fact or omit to state a material fact necessary in order to make the statements therein not misleading in the light of the circumstances existing at the time it is delivered to a purchaser, or if it shall be necessary, in the opinion of such counsel, at any such time to amend the Registration Statement or amend or supplement the Prospectus in order to comply with the requirements of the 1933 Act or the 1933 Act Regulations, the Company will promptly prepare and file with the Commission, subject to Section 3(b), such amendment or supplement as may be necessary to correct such statement or omission or to make the Registration Statement or the Prospectus comply with such requirements, and the Company will furnish to the Underwriters such number of copies of such amendment or supplement as the Underwriters may reasonably request.

(f) Blue Sky Qualifications. The Company will use its best efforts, in cooperation with the Underwriters, to qualify the Securities for offering and sale under the applicable securities laws of such states and other jurisdictions (domestic or foreign) as the Representatives may designate and to maintain such qualifications in effect for a period of not less than one year from the later of the effective date of the Registration Statement and any Rule 462(b) Registration Statement; provided, however, that the Company shall not be obligated to file any general consent to service of process or to qualify as a foreign corporation or as a dealer in securities in any jurisdiction in which it is not so qualified or to subject itself to taxation in respect of doing business in any jurisdiction in which it is not otherwise so subject.

(g) Rule 158. The Company will timely file such reports pursuant to the 1934 Act as are necessary in order to make generally available to its securityholders as soon as practicable an earnings statement for the purposes of, and to provide the benefits contemplated by, the last paragraph of Section 11(a) of the 1933 Act.

(h) Use of Proceeds. The Company will use the net proceeds received by it from the sale of the Securities in the manner specified in the Prospectus under "Use of Proceeds".

(i) Listing. The Company will use its best efforts to effect the listing of the Securities on the New York Stock Exchange.

(j) Restriction on Sale of Securities. During a period of 90 days from the date of the Prospectus, the Company will not, without the prior written consent of Merrill Lynch, (i) directly or indirectly, offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase or otherwise transfer or dispose of any share of Common Stock or any securities convertible into or exercisable or exchangeable for Common Stock or file any registration statement under the 1933 Act with respect to any of the foregoing or (ii) enter into any swap or any other agreement or any transaction that transfers, in whole or in part, directly or indirectly, the economic consequence of ownership of the Common Stock, whether any such swap or transaction described in clause (i) or (ii) above is to be settled by delivery of Common Stock or such other securities, in cash or otherwise. The foregoing sentence shall not apply to (A) the Securities to be sold hereunder, (B) any shares of Common Stock issued by the Company upon the exercise of an option or warrant or the conversion of a security outstanding on the date hereof and referred to in the Prospectus, (C) any shares of Common Stock issued or options to purchase Common Stock granted pursuant to existing employee or director benefit plans of the Company referred to in the Prospectus and registrations in connection with such issuances or grants, (D) any shares of Common Stock issued pursuant to the Convertible Notes Purchase Agreement, (E) issuances of Common Stock pursuant

to any rights plan or any shares of Common Stock issued pursuant to any non-employee director stock plan or dividend reinvestment plan any related registrations (F) issuances of Common Stock in connection with strategic or other significant investments in which the purchaser agrees to be bound for any remaining portion of such 90 day period on the above terms or (G) any shares of Common Stock issued in any business combination and registrations related thereto so long as the recipient agrees to be bound for any remaining portion of such 90 day period on the above terms.

Reporting Requirements. The Company, during the period when the Prospectus is required to be delivered under the 1933 Act, will file all documents required to be filed with the Commission pursuant to the 1934 Act within the time periods required by the 1934 Act and the 1934 Act Regulations.

SECTION 4. Payment of Expenses.

(a) Expenses. The Company will pay all expenses incident to the performance of its obligations under this Agreement, including (i) the preparation, printing and filing of the Registration Statement (including financial statements and exhibits) as originally filed and of each amendment thereto, (ii) the preparation, printing and delivery to the Underwriters of this Agreement, any Agreement among Underwriters and such other documents as may be required in connection with the offering, purchase, sale, issuance or delivery of the Securities, (iii) the preparation, issuance and delivery of the certificates for the Securities to the Underwriters, if any, including any stock or other transfer taxes and any stamp or other duties payable upon the sale, issuance or delivery of the Securities to the Underwriters, (iv) the fees and disbursements of the Company's counsel, accountants and other advisors, (v) the qualification of the Securities under securities laws in accordance with the provisions of Section 3(f) hereof, including filing fees and the reasonable fees and disbursements of counsel for the Underwriters in connection therewith and in connection with the preparation of the Blue Sky Survey and any supplement thereto, (vi) the printing and delivery to the Underwriters of copies of each preliminary prospectus and of the Prospectus and any amendments or supplements thereto, (vii) the preparation, printing and delivery to the Underwriters of copies of the Blue Sky Survey and any supplement thereto, (viii) the fees and expenses of any transfer agent or registrar for the Securities, (ix) the costs and expenses of the Company relating to investor presentations on any "road show" undertaken in connection with the marketing of the Securities, including without limitation, expenses associated with the production of road show slides and graphics, fees and expenses of any consultants engaged in connection with the road show presentations, travel and lodging expenses of the representatives and officers of the Company and any such consultants, and the cost of aircraft and other transportation chartered in connection with the road show, (x) the filing fees incident to, and the reasonable fees and disbursements of counsel to the Underwriters in connection with, the review by the National Association of Securities Dealers, Inc. (the "NASD") of the terms of the sale of the Securities, (xi) the fees and expenses incurred in connection with the listing of the Securities on the New York Stock Exchange and (xii) the fees and expenses provided for in the Engagement Letter dated as of October 21, 2003 by and among the Company and Merrill Lynch, Pierce Fenner & Smith Incorporated, J. P. Morgan Securities, Inc. and Wachovia Capital Markets, LLC.

(b) Termination of Agreement. If this Agreement is terminated by the Representatives in accordance with the provisions of Section 5 or Section 9(a)(i) hereof, the Company shall reimburse the Underwriters for all of their out-of-pocket expenses, including the reasonable fees and disbursements of counsel for the Underwriters.

SECTION 5. Conditions of Underwriters' Obligations. The obligations of the several Underwriters hereunder are subject to the accuracy of the representations and warranties of the Company contained in Section 1 hereof or in certificates of any officer of the Company or any subsidiary of the

Company delivered pursuant to the provisions hereof, to the performance by the Company of its covenants and other obligations hereunder, and to the following further conditions:

(a) Effectiveness of Registration Statement. The Registration Statement, including any Rule 462(b) Registration Statement, shall remain effective and at Closing Time no stop order suspending the effectiveness of the Registration Statement shall have been issued under the 1933 Act or proceedings therefor initiated or threatened by the Commission, and any request on the part of the Commission for additional information shall have been complied with to the reasonable satisfaction of counsel to the Underwriters.

(b) Opinion of Counsel for Company. At Closing Time, the Representatives shall have received the opinion, dated as of Closing Time, of King & Spalding LLP, counsel for the Company, in the form attached hereto as Exhibit A. In giving such opinion such counsel may rely, as to all matters governed by the laws of jurisdictions other than the law of the State of New York and the federal law of the United States and the General Corporation Law of the State of Delaware, upon the opinions of counsel satisfactory to the Representatives. Such counsel may also state that, insofar as such opinion involves factual matters, they have relied, to the extent they deem proper, upon certificates of officers of the Company and its subsidiaries and certificates of public officials.

(c) Opinion of Counsel for Underwriters. At Closing Time, the Representatives shall have received the favorable opinion, dated as of Closing Time, of Fried, Frank, Harris, Shriver & Jacobson LLP, counsel for the Underwriters, together with signed or reproduced copies of such letter for each of the other Underwriters with respect to the matters set forth in clauses (i), (v), (vii) through (ix), inclusive, (xiii) (solely as to the information in the Prospectus under "Description of Common Stock") and the paragraph immediately preceding the penultimate paragraph of Exhibit A hereto. In giving such opinion such counsel may rely, as to all matters governed by the laws of jurisdictions other than the law of the State of New York, the federal law of the United States and the General Corporation Law of the State of Delaware, upon the opinions of counsel satisfactory to the Representatives. Such counsel may also state that, insofar as such opinion involves factual matters, they have relied, to the extent they deem proper, upon certificates of officers of the Company and its subsidiaries and certificates of public officials.

(d) Officers' Certificate. At Closing Time, there shall not have been, since the date hereof or since the respective dates as of which information is given in the Prospectus, any material adverse change in the condition, financial or otherwise, or in the earnings, business affairs or business prospects of the Company and its subsidiaries considered as one enterprise or Neptune together with its subsidiaries taken as a whole, as the case may be, whether or not arising in the ordinary course of business, and the Representatives shall have received a certificate of the Company signed by the President or a Vice President of the Company and by the chief financial or chief accounting officer of the Company, dated as of Closing Time, to the effect that (i) there has been no such material adverse change, (ii) the representations and warranties in Section 1(a) hereof are true and correct with the same force and effect as though expressly made at and as of Closing Time, (iii) the Company has complied with all agreements and satisfied all conditions on its part to be performed or satisfied at or prior to Closing Time, and (iv) no stop order suspending the effectiveness of the Registration Statement has been issued and no proceedings for that purpose have been instituted or are pending or, to their knowledge, contemplated by the Commission.

(e) Accountant's Comfort Letters. At the time of the execution of this Agreement, the Representatives shall have received from PricewaterhouseCoopers LLP letters dated such date, in form and substance satisfactory to the Representatives, together with signed or reproduced copies of such letters for each of the other Underwriters containing statements and information of the type ordinarily included in accountants' "comfort letters" to underwriters with respect to the financial statements and

certain financial information contained in the Registration Statement and the Prospectus of the Company and Neptune.

(f) Bring-down Comfort Letters. At Closing Time, the Representatives shall have received from PricewaterhouseCoopers LLP letters, dated as of Closing Time, to the effect that they reaffirm the statements made in the letters furnished pursuant to subsection (e) of this Section with respect to the Company and Neptune, except that the specified date referred to shall be a date not more than three business days prior to Closing Time.

(g) Approval of Listing. At Closing Time, the Securities shall have been approved for listing on the New York Stock Exchange, subject only to official notice of issuance.

(h) No Objection. The NASD has confirmed that it has not raised any objection with respect to the fairness and reasonableness of the underwriting terms and arrangements.

(i) Lock-up Agreements. At the date of this Agreement, the Representatives shall have received an agreement substantially in the form of Exhibit B-1 and B-2 hereto signed by the persons listed on Schedule C hereto.

(j) No Material Changes to Stock Purchase Agreement. At Closing Time, there shall not have been any material amendments, waivers or modifications to the Stock Purchase Agreement.

(k) Closing of the Neptune Acquisition, the New Senior Secured Credit Facilities and Common Stock Sale. At Closing Time, the Neptune Acquisition and the New Senior Secured Credit Facilities shall have all closed on substantially the terms set forth in the Registration Statement.

(l) Chief Financial Officer's Certificate. At the Closing Time, the Underwriters shall have received certificates of the Chief Financial Officer of the Company with respect to the Company's financial statements and certain financial information of the Company and its consolidated subsidiaries, in the form of Exhibit C attached hereto.

(m) Conditions to Purchase of Option Securities. In the event that the Underwriters exercise their option provided in Section 2(b) hereof to purchase all or any portion of the Option Securities, the representations and warranties of the Company contained herein and the statements in any certificates furnished by the Company or any subsidiary of the Company hereunder shall be true and correct as of each Date of Delivery and, at the relevant Date of Delivery, the Representatives shall have received:

(i) Officers' Certificate. A certificate, dated such Date of Delivery, of the Company signed by its President or a Vice President of the Company and of the chief financial or chief accounting officer of the Company confirming that the certificate delivered at the Closing Time pursuant to Section 5(d) hereof remains true and correct as of such Date of Delivery.

(ii) Opinion of Counsel for Company. The opinion of King & Spalding LLP, counsel for the Company, dated such Date of Delivery, relating to the Option Securities to be purchased on such Date of Delivery and otherwise to the same effect as the opinion required by Section 5(b) hereof.

(iii) Opinion of Counsel for Underwriters. The favorable opinion of Fried, Frank, Harris, Shriver & Jacobson LLP, counsel for the Underwriters, dated such Date of Delivery, relating to the Option Securities to be purchased on such Date of

Delivery and otherwise to the same effect as the opinion required by Section 5(c) hereof.

(iv) Bring-down Comfort Letters. Letters from PricewaterhouseCoopers LLP, in form and substance satisfactory to the Representatives and dated such Date of Delivery, substantially in the same form and substance as the letters furnished to the Representatives pursuant to Section 5(f) hereof, except that the "specified date" in the letters furnished pursuant to this paragraph shall be a date not more than five days prior to such Date of Delivery.

(n) Additional Documents. At Closing Time and at each Date of Delivery, counsel for the Underwriters shall have been furnished with such documents and opinions as they may require for the purpose of enabling them to pass upon the issuance and sale of the Securities as herein contemplated, or in order to evidence the accuracy of any of the representations or warranties, or the fulfillment of any of the conditions, herein contained; and all proceedings taken by the Company in connection with the issuance and sale of the Securities as herein contemplated shall be satisfactory in form and substance to the Representatives and counsel for the Underwriters.

(o) Termination of Agreement. If any condition specified in this Section shall not have been fulfilled when and as required to be fulfilled, this Agreement, or, in the case of any condition to the purchase of Option Securities, on a Date of Delivery which is after the Closing Time, the obligations of the several Underwriters to purchase the relevant Option Securities, may be terminated by the Representatives by notice to the Company at any time at or prior to Closing Time or such Date of Delivery, as the case may be, and such termination shall be without liability of any party to any other party except as provided in Section 4 and except that Sections 1, 6, 7 and 8 shall survive any such termination and remain in full force and effect.

SECTION 6. Indemnification.

(a) Indemnification of Underwriters. The Company agrees to indemnify and hold harmless each Underwriter, its affiliates, as such term is defined in Rule 501(b) under the 1933 Act (each, an "Affiliate"), its selling agents and each person, if any, who controls any Underwriter within the meaning of Section 15 of the 1933 Act or Section 20 of the 1934 Act as follows:

(i) against any and all loss, liability, claim, damage and expense whatsoever, as incurred, arising out of any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement (or any amendment thereto in connection with the offering of the Securities), including the Rule 430A Information or the omission or alleged omission therefrom of a material fact required to be stated therein or necessary to make the statements therein not misleading or arising out of any untrue statement or alleged untrue statement of a material fact included in any preliminary prospectus or the Prospectus (or any amendment or supplement thereto), or the omission or alleged omission therefrom of a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(ii) against any and all loss, liability, claim, damage and expense whatsoever, as incurred, to the extent of the aggregate amount paid in settlement of any litigation, or any investigation or proceeding by any governmental agency or body, commenced or threatened, or of any claim whatsoever based upon any such untrue statement or omission, or any such alleged untrue statement or omission; provided that (subject to Section 6(d) below) any such settlement is effected with the written consent of the Company;

(iii) against any and all expense whatsoever, as incurred (including the fees and disbursements of counsel chosen by Merrill Lynch), reasonably incurred in investigating, preparing or defending against any litigation, or any investigation or proceeding by any governmental agency or body, commenced or threatened, or any claim whatsoever based upon any such untrue statement or omission, or any such alleged untrue statement or omission, to the extent that any such expense is not paid under (i) or (ii) above;

provided, however, that this indemnity agreement shall not apply to any loss, liability, claim, damage or expense to the extent arising out of any untrue statement or omission or alleged untrue statement or omission made in reliance upon and in conformity with written information furnished to the Company by any Underwriter through Merrill Lynch expressly for use in the Registration Statement (or any amendment thereto), including the Rule 430A Information or any preliminary prospectus or the Prospectus (or any amendment or supplement thereto) and provided, further, that the Company will not be liable to any of the Underwriters with respect to the Prospectus to the extent that the Company shall sustain the burden of proving that any such loss, liability, claim, damage or expense resulted from the fact that such Underwriter, in contravention of a requirement of this Agreement or applicable law, sold Securities to a person to whom such Underwriter failed to send or give, at or prior to the Closing Time, a copy of the final prospectus, as then amended or supplemented if the Company has previously furnished copies thereof (sufficiently in advance of the Closing Time to allow for distribution by the Closing Time) to the Underwriters and the loss, liability, claim, damage or expense of such Underwriter resulted from an untrue statement or omission of a material fact contained in or omitted from the preliminary prospectus which was corrected in the final prospectus as, if applicable, amended or supplemented prior to the Closing Time.

(b) Indemnification of Company, Directors and Officers. Each Underwriter severally agrees to indemnify and hold harmless the Company, its directors, each of its officers who signed the Registration Statement, and each person, if any, who controls the Company within the meaning of Section 15 of the 1933 Act or Section 20 of the 1934 Act, against any and all loss, liability, claim, damage and expense described in the indemnity contained in subsection (a) of this Section, as incurred, but only with respect to untrue statements or omissions, or alleged untrue statements or omissions, made in the Registration Statement (or any amendment thereto), including the Rule 430A Information or any preliminary prospectus or the Prospectus (or any amendment or supplement thereto) in reliance upon and in conformity with written information furnished to the Company by such Underwriter through Merrill Lynch expressly for use in the Registration Statement (or any amendment thereto) or such preliminary prospectus or the Prospectus (or any amendment or supplement thereto).

(c) Actions against Parties; Notification. Each indemnified party shall give notice as promptly as reasonably practicable to each indemnifying party of any action commenced against it in respect of which indemnity may be sought hereunder, but failure to so notify an indemnifying party shall not relieve such indemnifying party from any liability hereunder to the extent it is not materially prejudiced as a result thereof and in any event shall not relieve it from any liability which it may have otherwise than on account of this indemnity agreement. In the case of parties indemnified pursuant to Section 6(a) above, counsel to the indemnified parties shall be selected by Merrill Lynch, and, in the case of parties indemnified pursuant to Section 6(b) above, counsel to the indemnified parties shall be selected by the Company. An indemnifying party may participate at its own expense in the defense of any such action and may assume the defense thereof with counsel satisfactory to such indemnified party, and shall pay the fees and expenses of such counsel; provided, however, (i) if the indemnifying party fails to assume such defense in a timely manner or (ii) if there exists or is reasonably likely to exist in the opinion of the indemnified party a conflict of interest or different defenses that would make it inappropriate in the judgment of such indemnified party for the same counsel to represent both the indemnified party and the indemnifying party, then such indemnified party shall be entitled to retain its own counsel at the expense

of the indemnifying party. In no event shall the indemnifying parties be liable for fees and expenses of more than one counsel (in addition to any local counsel) separate from their own counsel for all indemnified parties in connection with any one action or separate but similar or related actions in the same jurisdiction arising out of the same general allegations or circumstances. No indemnifying party shall, without the prior written consent of the indemnified parties, settle or compromise or consent to the entry of any judgment with respect to any litigation, or any investigation or proceeding by any governmental agency or body, commenced or threatened, or any claim whatsoever in respect of which indemnification or contribution could be sought under this Section 6 or Section 7 hereof (whether or not the indemnified parties are actual or potential parties thereto), unless such settlement, compromise or consent (i) includes an unconditional release of each indemnified party from all liability arising out of such litigation, investigation, proceeding or claim and (ii) does not include a statement as to or an admission of fault, culpability or a failure to act by or on behalf of any indemnified party.

(d) Settlement without Consent if Failure to Reimburse. If at any time an indemnified party shall have requested an indemnifying party to reimburse the indemnified party for fees and expenses of counsel, such indemnifying party agrees that it shall be liable for any settlement of the nature contemplated by Section 6(a)(ii) effected without its written consent if (i) such settlement is entered into more than 45 days after receipt by such indemnifying party of the aforesaid request, (ii) such indemnifying party shall have received notice of the terms of such settlement at least 30 days prior to such settlement being entered into and (iii) such indemnifying party shall not have reimbursed such indemnified party in accordance with such request prior to the date of such settlement.

SECTION 7. Contribution. If the indemnification provided for in Section 6 hereof is for any reason unavailable to or insufficient to hold harmless an indemnified party in respect of any losses, liabilities, claims, damages or expenses referred to therein, then each indemnifying party shall contribute to the aggregate amount of such losses, liabilities, claims, damages and expenses incurred by such indemnified party, as incurred, (i) in such proportion as is appropriate to reflect the relative benefits received by the Company on the one hand and the Underwriters on the other hand from the offering of the Securities pursuant to this Agreement or (ii) if the allocation provided by clause (i) is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) above but also the relative fault of the Company on the one hand and of the Underwriters on the other hand in connection with the statements or omissions which resulted in such losses, liabilities, claims, damages or expenses, as well as any other relevant equitable considerations.

The relative benefits received by the Company on the one hand and the Underwriters on the other hand in connection with the offering of the Securities pursuant to this Agreement shall be deemed to be in the same respective proportions as the total net proceeds from the offering of the Securities pursuant to this Agreement (before deducting expenses) received by the Company and the total underwriting discount received by the Underwriters, in each case as set forth on the cover of the Prospectus bear to the aggregate initial public offering price of the Securities as set forth on the cover of the Prospectus.

The relative fault of the Company on the one hand and the Underwriters on the other hand shall be determined by reference to, among other things, whether any such untrue or alleged untrue statement of a material fact or omission or alleged omission to state a material fact relates to information supplied by the Company or by the Underwriters and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission.

The Company and the Underwriters agree that it would not be just and equitable if contribution pursuant to this Section 7 were determined by pro rata allocation (even if the Underwriters were treated as one entity for such purpose) or by any other method of allocation which does not take account of the equitable considerations referred to above in this Section 7. The aggregate amount of losses, liabilities,

claims, damages and expenses incurred by an indemnified party and referred to above in this Section 7 shall be deemed to include any legal or other expenses reasonably incurred by such indemnified party in investigating, preparing or defending against any litigation, or any investigation or proceeding by any governmental agency or body, commenced or threatened, or any claim whatsoever based upon any such untrue or alleged untrue statement or omission or alleged omission.

Notwithstanding the provisions of this Section 7, no Underwriter shall be required to contribute any amount in excess of the amount by which the total price at which the Securities underwritten by it and distributed to the public were offered to the public exceeds the amount of any damages which such Underwriter has otherwise been required to pay by reason of any such untrue or alleged untrue statement or omission or alleged omission.

No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the 1933 Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation.

For purposes of this Section 7, each person, if any, who controls an Underwriter within the meaning of Section 15 of the 1933 Act or Section 20 of the 1934 Act and each Underwriter's Affiliates and selling agents shall have the same rights to contribution as such Underwriter, and each director of the Company, each officer of the Company who signed the Registration Statement, and each person, if any, who controls the Company within the meaning of Section 15 of the 1933 Act or Section 20 of the 1934 Act shall have the same rights to contribution as the Company. The Underwriters' respective obligations to contribute pursuant to this Section 7 are several in proportion to the number of Initial Securities set forth opposite their respective names in Schedule A hereto and not joint.

SECTION 8. Representations, Warranties and Agreements to Survive. All representations, warranties and agreements contained in this Agreement or in certificates of officers of the Company or any of its subsidiaries submitted pursuant hereto, shall remain operative and in full force and effect regardless of (i) any investigation made by or on behalf of any Underwriter or its Affiliates or selling agents, any person controlling any Underwriter, its officers or directors or any person controlling the Company and (ii) delivery of and payment for the Securities.

SECTION 9. Termination of Agreement.

(a) Termination; General. The Representatives may terminate this Agreement, by notice to the Company, at any time at or prior to Closing Time (i) if there has been, since the time of execution of this Agreement or since the respective dates as of which information is given in the Prospectus, any material adverse change in the condition, financial or otherwise, or in the earnings, business affairs or business prospects of the Company and its subsidiaries considered as one enterprise, whether or not arising in the ordinary course of business, or (ii) if there has occurred any material adverse change in the financial markets in the United States or the international financial markets, any outbreak of hostilities or escalation thereof or other calamity or crisis or any change or development involving a prospective change in national or international political, financial or economic conditions, in each case the effect of which is such as to make it, in the judgment of the Representatives, impracticable or inadvisable to market the Securities or to enforce contracts for the sale of the Securities, or (iii) if trading in any securities of the Company has been suspended or materially limited by the Commission or the New York Stock Exchange, or if trading generally on the New York Stock Exchange or in the Nasdaq National Market has been suspended or materially limited, or minimum or maximum prices for trading have been fixed, or maximum ranges for prices have been required, by any of said exchanges or by such system or by order of the Commission, the National Association of Securities Dealers, Inc. or any other governmental authority, or (iv) a material disruption has occurred in commercial banking or securities

settlement or clearance services in the United States or (v) if a banking moratorium has been declared by either Federal or New York authorities.

(b) Liabilities. If this Agreement is terminated pursuant to this Section, such termination shall be without liability of any party to any other party except as provided in Section 4 hereof, and provided further that Sections 1, 6, 7 and 8 shall survive such termination and remain in full force and effect.

SECTION 10. Default by One or More of the Underwriters. If one or more of the Underwriters shall fail at Closing Time or a Date of Delivery to purchase the Securities which it or they are obligated to purchase under this Agreement (the "Defaulted Securities"), the Representatives shall have the right, within 24 hours thereafter, to make arrangements for one or more of the non-defaulting Underwriters, or any other underwriters, to purchase all, but not less than all, of the Defaulted Securities in such amounts as may be agreed upon and upon the terms herein set forth; if, however, the Representatives shall not have completed such arrangements within such 24-hour period, then:

(i) if the number of Defaulted Securities does not exceed 10% of the number of Securities to be purchased on such date, each of the non-defaulting Underwriters shall be obligated, severally and not jointly, to purchase the full amount thereof in the proportions that their respective underwriting obligations hereunder bear to the underwriting obligations of all non-defaulting Underwriters, or

(ii) if the number of Defaulted Securities exceeds 10% of the number of Securities to be purchased on such date, this Agreement or, with respect to any Date of Delivery which occurs after the Closing Time, the obligation of the Underwriters to purchase and of the Company to sell the Option Securities to be purchased and sold on such Date of Delivery shall terminate without liability on the part of any non-defaulting Underwriter.

No action taken pursuant to this Section shall relieve any defaulting Underwriter from liability in respect of its default.

In the event of any such default which does not result in a termination of this Agreement or, in the case of a Date of Delivery which is after the Closing Time, which does not result in a termination of the obligation of the Underwriters to purchase and the Company to sell the relevant Option Securities, as the case may be, either (i) the Representatives or (ii) the Company shall have the right to postpone Closing Time or the relevant Date of Delivery, as the case may be, for a period not exceeding seven days in order to effect any required changes in the Registration Statement or Prospectus or in any other documents or arrangements. As used herein, the term "Underwriter" includes any person substituted for an Underwriter under this Section 10.

SECTION 11. Tax Disclosure. Notwithstanding any other provision of this Agreement, from the commencement of discussions with respect to the transactions contemplated hereby, the Company (and each employee, representative or other agent of the Company) may disclose to any and all persons, without limitation of any kind, the tax treatment and tax structure (as such terms are used in Sections 6011, 6111 and 6112 of the U.S. Code and the Treasury Regulations promulgated thereunder) of the transactions contemplated by this Agreement and all materials of any kind (including opinions or other tax analyses) that are provided relating to such tax treatment and tax structure.

SECTION 12. Notices. All notices and other communications hereunder shall be in writing and shall be deemed to have been duly given if mailed or transmitted by any standard form of telecommunication. Notices to the Underwriters shall be directed to the Representatives at 4 World

Financial Center, New York, New York 10080, attention of Mitch Theiss with a copy to Valerie Ford Jacob at Fried, Frank, Harris, Shriver & Jacobson LLP, One New York Plaza, New York, New York 10004, and notices to the Company shall be directed to it at 2160 Satellite Blvd., Suite 200, Duluth, GA 30097, attention of Martin Headley with a copy to Mary Bernard at King & Spalding LLP, 1185 Avenue of the Americas, New York, NY 10036.

SECTION 13. Parties. This Agreement shall inure to the benefit of and be binding upon the Underwriters and the Company and their respective successors. Nothing expressed or mentioned in this Agreement is intended or shall be construed to give any person, firm or corporation, other than the Underwriters and the Company and their respective successors and the controlling persons and officers and directors referred to in Sections 6 and 7 and their heirs and legal representatives, any legal or equitable right, remedy or claim under or in respect of this Agreement or any provision herein contained. This Agreement and all conditions and provisions hereof are intended to be for the sole and exclusive benefit of the Underwriters and the Company and their respective successors, and said controlling persons and officers and directors and their heirs and legal representatives, and for the benefit of no other person, firm or corporation. No purchaser of Securities from any Underwriter shall be deemed to be a successor by reason merely of such purchase.

SECTION 14. GOVERNING LAW. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK.

SECTION 15. TIME. TIME SHALL BE OF THE ESSENCE OF THIS AGREEMENT. EXCEPT AS OTHERWISE SET FORTH HEREIN, SPECIFIED TIMES OF DAY REFER TO NEW YORK CITY TIME.

SECTION 16. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all such counterparts shall together constitute one and the same Agreement.

SECTION 17. Effect of Headings. The Section headings herein are for convenience only and shall not affect the construction hereof.

If the foregoing is in accordance with your understanding of our agreement, please sign and return to the Company a counterpart hereof, whereupon this instrument, along with all counterparts, will become a binding agreement between the Underwriters and the Company in accordance with its terms.

Very truly yours,

ROPER INDUSTRIES, INC.

By /s/ Martin S. Headley

CONFIRMED AND ACCEPTED, as of the date first above written:

MERRILL LYNCH & CO.
MERRILL LYNCH, PIERCE, FENNER & SMITH
INCORPORATED
J.P. MORGAN SECURITIES INC.
WACHOVIA CAPITAL MARKETS, LLC
ROBERT W. BAIRD & CO. INCORPORATED
JMP SECURITIES LLC
MCDONALD INVESTMENTS INC., A KEY CORP COMPANY
SUNTRUST CAPITAL MARKETS, INC.

By: MERRILL LYNCH, PIERCE, FENNER & SMITH
INCORPORATED

By /s/ Bharani P. Bobba

Authorized Signatory

For themselves and as Representatives of the other Underwriters named in Schedule A hereto.

SCHEDULE A

Name of Underwriter	Number of Initial Securities
Merrill Lynch, Pierce, Fenner & Smith Incorporated	1,785,000
J.P. Morgan Securities Inc.	840,000
Wachovia Capital Markets, LLC	840,000
Robert W. Baird & Co. Incorporated	420,000
JMP Securities LLC	105,000
McDonald Investments Inc., a KeyCorp Company	105,000
SunTrust Capital Markets, Inc.	105,000
Total	4,200,000

SCHEDULE B

ROPER INDUSTRIES, INC.
4,200,000 Shares of Common Stock
(Par Value $0.01 Per Share)

1. The initial public offering price per share for the Securities, determined as provided in said Section 2, shall be $48.00.

2. The purchase price per share for the Securities to be paid by the several Underwriters shall be $45.84, being an amount equal to the initial public offering price set forth above less $2.16 per share; provided that the purchase price per share for any Option Securities purchased upon the exercise of the overallotment option described in Section 2(b) shall be reduced by an amount per share equal to any dividends or distributions declared by the Company and payable on the Initial Securities but not payable on the Option Securities.

SCHEDULE C

[List of persons and entities
subject to lock-up]

Exhibit B-1

Brian D. Jellison
Derrick N. Key

Exhibit B-2

Nigel W. Crocker
Shanler D. Cronk
Martin S. Headley
C. Thomas O'Grady
W. Lawrence Banks
Donald G. Calder
David W. Devonshire
John F. Fort III
Wilbur J. Prezzano
Georg Graf Schall-Riaucour
Eriberto R. Scocimara
Christopher Wright

Exhibit A

Merrill Lynch & Co.
Merrill Lynch, Pierce, Fenner & Smith
Incorporated
J.P. Morgan Securities, Inc.
Wachovia Capital Markets, LLC
Robert W. Baird & Co. Incorporated
JMP Securities LLC
McDonald Investments Inc., a Key Corporation Company
SunTrust Capital Markets, Inc.
As representatives of the several Underwriters named
on Schedule A to the Purchase Agreement
World Financial Center
North Tower, 10th Floor
New York, New York 10281-1310

RE: Roper Industries, Inc. --
4,200,000 Shares of Common Stock

Ladies and Gentlemen:

We have acted as counsel for Roper Industries, Inc., a Delaware corporation (the "Company"), in connection with the offering of securities by the Company described below. We are delivering this opinion to you pursuant to Section 5(b) of the Purchase Agreement dated December 22, 2003 (the "Purchase Agreement"), among the Company and the several underwriters named in Schedule A thereto (the "Underwriters"), which provides for the purchase by the Underwriters of 4,200,000 shares (the "Initial Securities") and, at the option of the Underwriters, up to 630,000 additional shares of common stock, par value $0.01 per share (the "Option Securities" and, together with the Initial Securities, the "Securities"), of the Company. Unless otherwise indicated in this opinion, all capitalized terms used in this opinion and not otherwise defined herein shall have the same meanings as in the Purchase Agreement.

In our capacity as such counsel, we have reviewed (i) signed copies of the registration statement on Form S-3 (Registration No. 333-110491) filed by the Company with the Commission on November 28, 2003, as it became effective under the 1933 Act (the "Registration Statement") and the related registration statement on Form S-3 (Registration No. 333-11472) filed by the Company pursuant to Rule 462(b) promulgated under the 1933 Act (the "Rule 462(b) Registration Statement" and, together with the Registration Statement, the "Registration Statements"), (ii) the prospectus dated December 1, 2003, as supplemented by the prospectus supplement dated December 29, 2003, filed pursuant to Rule 424(b) promulgated under the 1933 Act (the "Prospectus"), (iii) the Purchase Agreement and (iv) the Credit

Agreement, dated as of December 29, 2003, among the Company, certain foreign subsidiaries of the Company, the several banks and other financial institutions or entities named therein, Merrill Lynch Capital Corporation, as documentation agent, Wachovia Bank, National Association, as syndication agent, and JPMorgan Chase Bank, as administrative agent (the "Credit Agreement").

We have reviewed such matters of law and examined original, certified, conformed or photographic copies of such other documents, records, agreements and certificates as we have deemed necessary as a basis for the opinions hereinafter expressed. In such review, we have assumed the genuineness of signatures on all documents submitted to us as originals and the conformity to original documents of all copies submitted to us as certified, conformed or photographic copies. We have relied, as to the matters set forth therein, on certificates of public officials.

As to certain matters of fact material to this opinion, we have relied to the extent we deemed appropriate, without independent verification, upon (i) certificates of officers of the Company and (ii) the representations and warranties of the Company contained in the Purchase Agreement. Whenever our opinion with respect to any matter is stated to be given "to our knowledge" such qualification confirms that, no information has come to the attention of any attorney in this firm who is involved in representing the Company on substantive legal matters that would give such attorney actual current awareness of the existence or absence of such matter.

This opinion is limited in all respects to the federal laws of the United States of America, the laws of the State of New York and the Delaware General Corporation Law, and no opinion is expressed with respect to the laws of any other jurisdiction or any effect that such laws may have on the opinions expressed herein. This opinion is limited to the matters stated herein, and no opinion is implied or may be inferred beyond the matters expressly stated herein.

Based upon the foregoing, and subject to the assumptions, qualifications and limitations set forth herein, we are of the opinion that:

(i) The Company is validly existing as a corporation in good standing under the laws of the State of Delaware.

(ii) The Company has corporate power and authority to own, lease and operate its properties and to conduct its business as described in the Prospectus and to enter into and perform its obligations under the Purchase Agreement.

(iii) The Company is duly qualified as a foreign corporation to transact business and is in good standing in each of the jurisdictions set forth in Annex A to this opinion.

(iv) The authorized, issued and outstanding capital stock of the Company as of September 30, 2003 is was set forth in the Prospectus in the column entitled "Actual" under the caption "Capitalization" (except for subsequent issuances, if any, pursuant to

the Purchase Agreement or pursuant to reservations, agreements or employee benefit plans referred to in the Prospectus or pursuant to the exercise of convertible securities or options referred to in the Prospectus).

(v) The Securities have been duly authorized and, when issued and delivered by the Company pursuant to the Purchase Agreement against payment of the consideration set forth therein, will be validly issued and fully paid and non-assessable and free of any statutory preemptive or, to our knowledge, similar contractual rights that will entitle any person to acquire any Securities upon issuance thereof by the Company.

(vi) Each of the Subsidiaries of the Company listed on Annex B is validly existing as a corporation, limited liability company or limited partnership (as applicable) in good standing under the laws of the State if Delaware, and has corporate, limited liability or partnership power and authority to own, lease and operate its properties and to conduct its business as currently conducted.

(vii) The Purchase Agreement has been duly authorized, executed and delivered by the Company.

(viii) The Registration Statements have been declared or become effective under the 1933 Act; any required filing of the Prospectus pursuant to Rule 424(b) has been made in the manner and within the time period required by Rule 424(b); and, to our knowledge, no stop order suspending the effectiveness of either of the Registration Statements has been issued under the 1933 Act and no proceedings for that purpose have been instituted or are pending or threatened by the Commission.

(ix) At the times the Registration Statements became effective, and for the Prospectus, at the date thereof, the Registration Statements and the Prospectus (other than the financial statements and notes thereto, the financial statement schedules and the other financial data included therein, as to which we express no belief), excluding the documents incorporated by reference therein, complied as to form in all material respects with the requirements of the 1933 Act and the applicable 1933 Act Regulations.

(x) The documents incorporated by reference in the Prospectus (other than the financial statements and notes thereto, the financial statement schedules and the other financial data included or incorporated by reference therein, as to which we express no belief), when they were filed with the Commission, complied as to form in all material respects with the requirements of the 1934 Act and the applicable 1934 Act Regulations.

(xi) The form of certificate used to evidence the Common Stock complies in all material respects with all applicable statutory requirements, with any applicable requirements of the charter and bylaws of the Company and the requirements of the New York Stock Exchange.

(xii) To our knowledge, there is no action, suit or proceeding before or by any court or governmental agency or body, domestic or foreign, now pending or threatened

against or affecting the Company or any subsidiary, or any material property of the Company, that is required to be disclosed in the Prospectus (other than as disclosed therein) or that could reasonably be expected to materially and adversely affect the consummation of the transactions contemplated by the Purchase Agreement or the performance by the Company of its obligations thereunder.

(xiii) The information in the Prospectus under "Description of Common Stock" and "Material United States Federal Tax Consequences," to the extent such information constitutes summaries of matters of law or legal conclusions, presents fairly the information required to be disclosed therein and fairly summarizes in all material respects such matters of law or legal conclusions.

(xiv) To our knowledge, there are no contracts or documents of the Company which are required to be filed as exhibits to the Registration Statements which have not been so filed as exhibits as required.

(xv) No filing with, or authorization, approval, consent, license, order, registration, qualification or decree of, any court or governmental authority or agency, domestic or foreign (other than under the 1933 Act and the 1933 Act Regulations, which have been obtained, or as may be required under the securities or blue sky laws of the various states, as to which we express no opinion) is required to be made by the Company in connection with the authorization, execution and delivery of the Purchase Agreement or for the offering, issuance, sale or delivery of the Securities.

(xvi) The execution, delivery and performance of the Purchase Agreement by the Company, the consummation by the Company of the transactions contemplated by the Purchase Agreement (including the use of proceeds from the sale of the Securities as described in the Prospectus under the caption "Use of Proceeds") and the compliance by the Company with its obligations under the Purchase Agreement: (a) do not and will not result in a breach of any of the terms or provisions of, or constitute a breach of, or default under, or result in the creation or imposition of any lien, charge or encumbrance upon any property or assets of the Company pursuant to the terms of, the Credit Agreement or any agreement or instrument of the Company filed or incorporated by reference as an exhibit to the most recent Annual Report on Form 10-K/A filed by the Company or any subsequent Quarterly Report on Form 10-Q or Current Report on Form 8-K filed by the Company, except breaches, defaults, liens, charges or encumbrances that could not reasonably be expected to have a Material Adverse Effect, (b) do not and will not result in a violation of any law, rule, regulation, judgment, order, writ or decree known to us to be applicable to the Company, except for violations that could not reasonably be expected to have a Material Adverse Effect, or (c) do not and will not result in any violation of the provisions of the charter or bylaws of the Company.

(xvii) The Company is not required, and upon the issuance and sale of the Securities as contemplated in the Purchase Agreement and the application of the net

proceeds therefrom as described in the Prospectus will not be required, to register as an "investment company" under the 1940 Act.

(xviii) The Rights under the Company's Shareholder Rights Plan to which holders of the Securities will be entitled have been duly authorized and validly issued.

In our capacity as counsel for the Company, we have participated in conferences with officers and other representatives of the Company, the independent public accountants for the Company, the representatives of the Underwriters, and counsel to the Underwriters during which the contents of the Registration Statements and the Prospectus and related matters were discussed and, although we are not passing upon and do not assume any responsibility for the accuracy, completeness or fairness of the statements contained in the Registration Statements or the Prospectus (except as set forth in paragraph (xiii) above), on the basis of the information that was developed in the course of the performance of the services referred to above, nothing came to our attention that caused us to believe that either of the Registration Statements (other than the financial statements and notes thereto, the financial statement schedules and other financial and statistical data included or incorporated by reference therein or omitted therefrom, as to which we express no belief), as of the time it became effective under the Act, contained an untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein not misleading, or that the Prospectus (other than the financial statements and notes thereto, the financial statement schedules and other financial data included or incorporated by reference therein or omitted therefrom, as to which we express no belief), as of the date of the Prospectus or as of the date hereof, contained an untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

This opinion is furnished by us solely for the benefit of the Underwriters in connection with the transaction described herein, and this opinion may not be furnished to or relied upon by any other person or entity for any purpose without our prior written consent.

This opinion is given as of the date hereof, and we assume no obligation to advise you after the date hereof of facts or circumstances that come to our attention or changes in law that occur which could affect the opinions contained herein.

Very truly yours,

ANNEX A

FOREIGN QUALIFICATION OF THE COMPANY

Georgia

ANNEX B

SUBSIDIARIES

Abel Pumps, L.P.
Acton Research Corporation
Amot Controls Corporation
Amot/Metrix Investment Company
Antek Instruments L.P.
Compressor Controls Corporation
Cornell Pump Company
Cornell Pump Manufacturing Corporation
Cybor Corporation
Fluid Metering, Inc.
FTI Flow Technology, Inc.
Integrated Designs, L.P.
Media Cybernetics, Inc.
Metrix Instrument Co., L.P.
Molecular Imaging Corporation
Petroleum Analyzer Company L.P.
Redlake MASD, Inc.
Roper Holdings, Inc.
Roper Mex L.P.
Roper Pump Company
Roper Scientific, Inc.
Roper Southeast Asia LLC
Ropintassco Holdings, L.P.
Ropintassco 1, LLC
Ropintassco 2, LLC
Ropintassco 3, LLC
Ropintassco 4, LLC
Ropintassco 5, LLC
Ropintassco 6, LLC
Ropintassco 7, LLC
Struers Inc.
Uson L.P.
Neptune Technology Group Holdings, Inc.
Neptune Technology Group Inc.
DAP Technologies Corp.

Exhibit B-1

December 22, 2003

MERRILL LYNCH & CO.
MERRILL LYNCH, PIERCE, FENNER & SMITH
INCORPORATED
J.P. MORGAN SECURITIES INC.
WACHOVIA CAPITAL MARKETS, LLC
ROBERT W. BAIRD & CO. INCORPORATED
JMP SECURITIES LLC
MCDONALD INVESTMENTS INC., A KEYCORP COMPANY
SUNTRUST CAPITAL MARKETS, INC.

as Representatives of the several
Underwriters to be named in the
within-mentioned Purchase Agreement

c/o Merrill Lynch & Co.
Merrill Lynch, Pierce, Fenner & Smith
Incorporated
4 World Financial Center
New York, New York 10080

Re: Proposed Public Offering by Roper Industries, Inc.

Dear Sirs:

The undersigned, a stockholder and an officer and/or director of Roper Industries, Inc., a Delaware corporation (the "Company"), understands that Merrill Lynch & Co., Merrill Lynch, Pierce, Fenner & Smith Incorporated ("Merrill Lynch"), J.P Morgan Securities Inc., Wachovia Capital Markets, LLC, Robert W. Baird & Co. Incorporated, JMP Securities LLC, McDonald Investments Inc., a KeyCorp Company and SunTrust Capital Markets, Inc. propose to enter into a Purchase Agreement (the "Purchase Agreement") with the Company providing for the public offering of shares (the "Securities") of the Company's common stock, par value $0.01 per share (the "Common Stock"). In recognition of the benefit that such an offering will confer upon the undersigned as a stockholder and an officer and/or director of the Company, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the undersigned agrees with each underwriter to be named in the Purchase Agreement that, during a period of 90 days from the date of the Purchase Agreement, the undersigned will not, without the prior written consent of Merrill Lynch, directly or indirectly, (i) offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant for the sale of, or otherwise dispose of or transfer any shares of the Company's Common Stock or any securities convertible into or exchangeable or exercisable for Common Stock, whether now owned or hereafter acquired by the undersigned or with respect to which the undersigned has or hereafter acquires the power of disposition, or file, or cause to be filed, any registration statement under the Securities Act of 1933, as amended, with respect to any of the foregoing (collectively, the "Lock-Up Securities") or (ii) enter into any swap or any other agreement or any transaction that transfers, in whole or in part, directly or indirectly, the economic consequence of ownership of the Lock-Up Securities, whether any such swap or transaction is to be settled by delivery of Common Stock or other securities, in cash or otherwise. This agreement shall not prohibit (1) exercise of

options to acquire shares of Common Stock, (2) the disposition or sale of shares of Common Stock as necessary to pay the exercise price for "cashless" option exercises and (3) the disposition or sale of shares of Common Stock as necessary to fund taxes payable upon any such exercise or cashless exercise.

Very truly yours,

Signature: ----------

Print Name: ----------

December 22, 2003

MERRILL LYNCH & CO.
MERRILL LYNCH, PIERCE, FENNER & SMITH
INCORPORATED
J.P. MORGAN SECURITIES INC.
WACHOVIA CAPITAL MARKETS, LLC
ROBERT W. BAIRD & CO. INCORPORATED
JMP SECURITIES LLC
MCDONALD INVESTMENTS INC., A KEYCORP COMPANY
SUNTRUST CAPITAL MARKETS, INC.

as Representatives of the several
Underwriters to be named in the
within-mentioned Purchase Agreement

c/o Merrill Lynch & Co.
Merrill Lynch, Pierce, Fenner & Smith
Incorporated
4 World Financial Center
New York, New York 10080

Re: Proposed Public Offering by Roper Industries, Inc.

Dear Sirs:

The undersigned, a stockholder and an officer and/or director of Roper Industries, Inc., a Delaware corporation (the "Company"), understands that Merrill Lynch & Co., Merrill Lynch, Pierce, Fenner & Smith Incorporated ("Merrill Lynch"), J.P Morgan Securities Inc., Wachovia Capital Markets, LLC, Robert W. Baird & Co. Incorporated, JMP Securities LLC, McDonald Investments Inc., a KeyCorp Company and SunTrust Capital Markets, Inc. propose to enter into a Purchase Agreement (the "Purchase Agreement") with the Company providing for the public offering of shares (the "Securities") of the Company's common stock, par value $0.01 per share (the "Common Stock"). In recognition of the benefit that such an offering will confer upon the undersigned as a stockholder and an officer and/or director of the Company, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the undersigned agrees with each underwriter to be named in the Purchase Agreement that, during a period of 90 days from the date of the Purchase Agreement, the undersigned will not, without the prior written consent of Merrill Lynch, directly or indirectly, (i) offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant for the sale of, or otherwise dispose of or transfer any shares of the Company's Common Stock or any securities convertible into or exchangeable or exercisable for Common Stock, whether now owned or hereafter acquired by the undersigned or with respect to which the undersigned has or hereafter acquires the power of disposition, or file, or cause to be filed, any registration statement under the Securities Act of 1933, as amended, with respect to any of the foregoing (collectively, the "Lock-Up Securities") or (ii) enter into any swap or any other agreement or any transaction that transfers, in whole or in part, directly or indirectly, the economic consequence of ownership of the Lock-Up Securities, whether any such swap or transaction is to be settled by delivery of Common Stock or other securities, in cash or otherwise. This agreement shall not prohibit (1) the exercise of options to acquire shares of Common Stock, (2) the disposition or sale of shares of Common

Stock as necessary to pay the exercise price for "cashless" option exercises, (3) the disposition or sale of shares of Common Stock as necessary to fund taxes payable upon any such exercise or cashless exercise, and (4) sales or dispositions of Common Stock to the Company.

Very truly yours,

Signature:

Print Name:

EXHIBIT 1.2

PURCHASE AGREEMENT FOR CONVERTIBLE SENIOR SUBORDINATED NOTES DUE 2034

ROPER INDUSTRIES, INC.

(a Delaware corporation)

Convertible Senior Subordinated Notes due 2034

PURCHASE AGREEMENT

Dated: December 22, 2003

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EXECUTION COPY

ROPER INDUSTRIES, INC.

(a Delaware corporation)

$506,304,000 at Maturity

Convertible Senior Subordinated Notes due 2034

PURCHASE AGREEMENT

December 22, 2003

MERRILL LYNCH & CO.
Merrill Lynch, Pierce, Fenner & Smith
Incorporated
Banc One Capital Markets, Inc.
Robert W. Baird & Co. Incorporated
McDonald Investments Inc., a KeyCorp Company
SunTrust Capital Markets, Inc.
as Representatives of the several Underwriters

c/o Merrill Lynch & Co.
Merrill Lynch, Pierce, Fenner & Smith
Incorporated
4 World Financial Center
New York, New York 10080

Ladies and Gentlemen:

Roper Industries, Inc., a Delaware corporation (the "Company"), confirms its agreement with Merrill Lynch & Co., Merrill Lynch, Pierce, Fenner & Smith Incorporated ("Merrill Lynch") Banc One Capital Markets, Inc., Robert W. Baird & Co. Incorporated, McDonald Investments Inc., a KeyCorp Company and SunTrust Capital Markets, Inc., and each of the other Underwriters named in Schedule A hereto (collectively, the "Underwriters", which term shall also include any underwriter substituted as hereinafter provided in Section 10 hereof), for whom Merrill Lynch, Banc One Capital Markets, Inc., Robert W. Baird & Co. Incorporated, McDonald Investments Inc., a KeyCorp Company and SunTrust Capital Markets, Inc. are acting as representatives (in such capacity, the "Representatives"), with respect to (i) the issue and sale by the Company and the purchase by the Underwriters, acting severally and not jointly, of the respective principal amounts at maturity set forth in said Schedule A of $506,304,000 aggregate principal amount at maturity of the Company's Convertible Senior Subordinated Notes due 2034 (the "Convertible Notes"), and (ii) with respect to the grant by the Company to the Underwriters, acting severally and not jointly, of the option described in Section 2(b) hereof to purchase all or any part of an additional $75,945,000 principal amount at maturity of Convertible Notes to cover overallotments, if any. The aforesaid $506,304,000 principal amount at maturity of Convertible Notes (the "Initial Securities") to be purchased by the Underwriters and all or any part of the $75,945,000 principal amount at maturity of Convertible Notes subject to the option described in Section 2(b) hereof (the "Option Securities") are hereinafter called, collectively, the "Securities."

The Securities are to be issued pursuant to the first supplemental indenture dated as of December 29, 2003 to the indenture dated as of November 28, 2003 (the indenture as so supplemented, the "Indenture") between the Company and SunTrust Bank, as trustee (the "Trustee"). Notes issued in book-entry form will be issued to Cede & Co. as nominee of The Depository Trust Company ("DTC") pursuant to a letter agreement, to be dated prior to the First Delivery Date (as defined in Section 2(b)) (the "DTC Agreement"), between the Company and DTC.

The Securities are convertible into shares of common stock, par value $0.01 per share, of the Company (the "Underlying Common Stock") in accordance with the terms of the Securities and the Indenture, at the initial conversion price specified in Schedule B hereto.

The Company understands that the Underwriters propose to make a public offering of the Securities as soon as the Representatives deem advisable after this Agreement has been executed and delivered. The Indenture has been qualified under the Trust Indenture Act of 1939, as amended (the "1939 Act").

The Company has filed with the Securities and Exchange Commission (the "Commission") a registration statement on Form S-3 (No. 333-110491), for the registration of debt securities, common stock, stock purchase contracts and equity units (including the Securities and the Underlying Common Stock) under the Securities Act of 1933 (the "1933 Act"). Such registration statement was declared effective by the Commission on December 1, 2003. Such registration statement, as amended, including the financial statements, exhibits and schedules thereto, in the form in which it was declared effective by the Commission under the 1933 Act (the "1933 Act Regulations"), including all documents incorporated or deemed incorporated by reference therein and any information deemed to be a part thereof at the time of effectiveness pursuant to Rule 430A (the "Rule 430A Information") under the 1933 Act or the Securities Exchange Act of 1934 (the "1934 Act") is called the "Registration Statement." Any registration statement filed pursuant to Rule 462(b) of the 1933 Act Regulations is herein referred to as the "Rule 462(b) Registration Statement," and after such filing the term "Registration Statement" shall include the Rule 462(b) Registration Statement. The Company has prepared and filed with the Commission a preliminary prospectus supplement relating to the Securities together with the prospectus included in the Registration Statement at the time it was declared effective (collectively, together with all documents incorporated or deemed incorporated therein by reference, the "preliminary prospectus"). Promptly after execution and delivery of this Agreement, the Company will prepare and file a final prospectus supplement relating to the Securities together with the prospectus included in the Registration Statement at the time it was declared effective, in accordance with the provisions of Rule 424(b) of the 1933 Act. Such final prospectus supplement and prospectus in the form first furnished to the Underwriters to confirm sales of the Securities, together with all documents incorporated by reference therein pursuant to the 1933 Act or the 1934 Act, is herein called the "Prospectus." For purposes of this Agreement, all references to the Registration Statement, any preliminary prospectus, the Prospectus or any amendment or supplement to any of the foregoing shall be deemed to include the copy filed with the Commission pursuant to its Electronic Data Gathering, Analysis and Retrieval system ("EDGAR").

All references in this Agreement to financial statements and schedules and other information which is "contained," "included" or "stated" in the Registration Statement, any preliminary prospectus or the Prospectus (or other references of like import) shall be deemed to mean and include all such financial statements and schedules and other information which is incorporated by reference in the Registration Statement, any preliminary prospectus or the Prospectus, as the case may be; and all references in this Agreement to amendments or

supplements to the Registration Statement, any preliminary prospectus or the Prospectus shall be deemed to mean and include the filing of any document under the Securities Exchange Act of 1934 (the "1934 Act"), which is incorporated by reference in the Registration Statement, such preliminary prospectus or the Prospectus, as the case may be.

The Securities are being issued in connection with the Company's redemption of its outstanding senior notes. The Company has also entered into a purchase agreement dated as of December 22, 2003 (the "Common Stock Purchase Agreement") with a group of underwriters in connection with the sale of 4,200,000 shares of common stock (the "Common Stock"), with an option to purchase all or any part of 630,000 additional shares of Common Stock to cover overallotments, if any. The Company also intends to enter into $625.0 million principal amount of senior secured credit facilities in connection with the Neptune Acquisition (the "New Senior Secured Credit Facilities") by and among the Company, the other credit parties party thereto, JP Morgan Chase Bank as administrative agent, Wachovia Bank National Association as syndication agent, Merrill Lynch Capital Corporation as documentation agent and the lenders party thereto. The Company intends to use all of the proceeds from the sale of the Securities to redeem its outstanding senior notes. The Company intends to use the proceeds from the Common Stock offering together with borrowings under the New Senior Secured Credit Facilities to pay for the Neptune acquisition and the cash portion of the DAP Technologies acquisition, repay the Company's existing revolving credit facility and pay related fees and expenses.

SECTION 1. Representations and Warranties.

(a) Representations and Warranties by the Company. The Company represents and warrants to each Underwriter as of the date hereof, as of the Closing Time referred to in Section 2(c) hereof, and as of each Date of Delivery (if any) referred to in Section 2(b) hereof, and agrees with each Underwriter, as follows:

(i) Compliance with Registration Requirements. The Company meets the requirements for use of Form S-3 under the 1933 Act and has complied with the requirements of Rule 415 with respect to the Registration Statement. Each of the Registration Statement, any Rule 462(b) Registration Statement and any post-effective amendment thereto has become effective under the 1933 Act and no stop order suspending the effectiveness of the Registration Statement, any Rule 462(b) Registration Statement or any post-effective amendment thereto has been issued under the 1933 Act and no proceedings for that purpose have been instituted or are pending or, to the knowledge of the Company, are contemplated by the Commission, and any request on the part of the Commission for additional information has been complied with.

At the respective times the Registration Statement, any Rule 462(b) Registration Statement and any post-effective amendments thereto became effective and at the date hereof (and, if any Option Securities are purchased, at the Date of Delivery), the Registration Statement, the Rule 462(b) Registration Statement and any amendments and supplements thereto complied and will comply in all material respects with the requirements of the 1933 Act and the 1933 Act Regulations, the 1934 Act and the 1934 Act Regulations and the 1939 Act and the rules and regulations of the Commission under the 1939 Act (the "1939 Act Regulations") and did not and will not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading. Neither the Prospectus nor any amendments or supplements thereto, at the time the Prospectus or any such amendment or supplement was issued and at the Closing Time (and, if any Option Securities are

purchased, at the Date of Delivery), included or will include an untrue statement of a material fact or omitted or will omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading. The representations and warranties in this subsection shall not apply to statements in or omissions from the Registration Statement or Prospectus made in reliance upon and in conformity with written information furnished to the Company by any Underwriter expressly for use in the Registration Statement (or any amendment thereto) or the Prospectus (or any amendment or supplement thereto).

Each preliminary prospectus and the prospectus filed as part of the Registration Statement as originally filed or as part of any amendment thereto complied when so filed in all material respects with the 1933 Act Regulations and each preliminary prospectus and the Prospectus delivered to the Underwriters for use in connection with this offering was identical to the electronically transmitted copies thereof filed with the Commission pursuant to EDGAR, except to the extent permitted by Regulation S-T.

(ii) Incorporated Documents. The documents incorporated or deemed to be incorporated by reference in the Registration Statement and the Prospectus, at the time they were or hereafter are filed with the Commission, complied and will comply in all material respects with the requirements of the 1934 Act and the rules and regulations of the Commission thereunder (the "1934 Act Regulations"), at the time they were or are filed, they did not and will not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading.

(iii) Independent Accountants. PricewaterhouseCoopers LLP, who certified the financial statements and supporting schedules included in the Registration Statement, is an independent public accountant with respect to the Company as required by the 1933 Act and the 1933 Act Regulations. PricewaterhouseCoopers LLP has not provided to the Company or its subsidiaries any non-audit services, the provision of which is prohibited by applicable law or accounting standards. To the knowledge of the Company, PricewaterhouseCoopers LLP, who certified Neptune's financial statements included in the Registration Statement, is an independent public accountant with respect to Neptune as required by the 1933 Act and the 1933 Act Regulations.

(iv) Financial Statements. The financial statements included in the Registration Statement and the Prospectus, together with the related schedules and notes, present fairly in all material respects the financial position of the Company and its consolidated subsidiaries at the dates indicated and the statement of operations, stockholders' equity and cash flows of the Company and its consolidated subsidiaries for the periods specified; said financial statements have been prepared in conformity with generally accepted accounting principles ("GAAP") applied on a consistent basis throughout the periods involved. To the knowledge of the Company, the financial statements of Neptune included in the Registration Statement and the Prospectus, together with the related schedules and notes, present fairly in all material respects the financial position of Neptune and its consolidated subsidiaries at the dates indicated and the statement of operations, stockholders' equity and cash flows of Neptune and its consolidated subsidiaries for the periods specified; said financial statements have been prepared in conformity with generally accepted accounting principles ("GAAP") applied on a consistent basis throughout the periods involved. The pro forma financial statements and the related notes thereto included in the Registration Statement and the Prospectus

present fairly in all material respects the information shown therein, have been prepared in accordance with the Commission's rules and guidelines with respect to pro forma financial statements and have been properly compiled on the bases described therein, and in the Company's opinion the assumptions used in the preparation thereof are reasonable and the adjustments used therein are appropriate to give effect to the transactions referred to therein.

(v) No Material Adverse Change in Business. Since the respective dates as of which information is given in the Registration Statement and the Prospectus, except as otherwise stated therein, (A) there has been no material adverse change in the condition, financial or otherwise, or in the earnings, business affairs or business prospects of the Company and its subsidiaries considered as one enterprise, whether or not arising in the ordinary course of business (a "Material Adverse Effect"), (B) there have been no transactions entered into by the Company or any of its subsidiaries, other than those in the ordinary course of business, which are material with respect to the Company and its subsidiaries considered as one enterprise, and (C) except for regular dividends on the Common Stock in amounts per share that are consistent with past practice, there has been no dividend or distribution of any kind declared, paid or made by the Company on any class of its capital stock.

(vi) Good Standing of the Company. The Company has been duly organized and is validly existing as a corporation in good standing under the laws of the State of Delaware and has corporate power and authority to own, lease and operate its properties and to conduct its business as described in the Prospectus and to enter into and perform its obligations under this Agreement; and the Company is duly qualified as a foreign corporation to transact business and is in good standing in each other jurisdiction in which such qualification is required, whether by reason of the ownership or leasing of property or the conduct of business, except where the failure so to qualify or to be in good standing could not reasonably be expected to result in a Material Adverse Effect.

(vii) Good Standing of Subsidiaries. Each subsidiary of the Company over which the Company controls a majority of the vote or has a majority of the economic interest has been duly organized and is validly existing as a corporation, partnership or limited liability company (or the equivalent concept in a foreign jurisdiction) in good standing under the laws of the jurisdiction of its incorporation or organization, has corporate power and authority to own, lease and operate its properties and to conduct its business as described in the Prospectus and is duly qualified as a foreign corporation, partnership or limited liability company to transact business and is in good standing in each jurisdiction in which such qualification is required, whether by reason of the ownership or leasing of property or the conduct of business, except where the failure so to qualify or to be in good standing could not reasonably be expected to result in a Material Adverse Effect; except as otherwise disclosed in the Registration Statement, all of the issued and outstanding capital stock, limited partnership interests or membership interests of each such subsidiary has been duly authorized and validly issued, is fully paid and non-assessable and is owned by the Company, directly or through subsidiaries, free and clear of any security interest, mortgage, pledge, lien, encumbrance, claim or equity; none of the outstanding shares of capital stock, limited partnership interests or membership interests of any subsidiary was issued in violation of the preemptive or similar rights of any securityholder of such subsidiary.

(viii) Capitalization. The authorized, issued and outstanding capital stock of the Company is as set forth in the Prospectus in the column entitled "Actual" under the caption "Capitalization" as of the date shown in the Prospectus (except for subsequent issuances, if any, pursuant to this Agreement, pursuant to reservations, agreements or employee benefit plans referred to in the Prospectus or pursuant to the exercise of convertible securities or options referred to in the Prospectus. The shares of issued and outstanding capital stock of the Company have been duly authorized and validly issued and are fully paid and non-assessable; none of the outstanding shares of capital stock of the Company was issued in violation of the preemptive or other similar rights of any securityholder of the Company.

(ix) Power and Authority. The Company has all requisite corporate or such other similar power and authority to enter into and perform its obligations under this Agreement, the Indenture, the Securities, the Underlying Common Stock, the New Senior Secured Credit Facilities, the DTC Agreement and the Stock Purchase Agreement, in each case to the extent a party thereto, and to consummate all the transactions in connection therewith as contemplated in the Registration Statement and the Prospectus.

(x) Authorization of Agreement. This Agreement has been duly authorized, executed, and delivered by the Company.

(xi) Authorization of the Indenture. The Indenture has been duly authorized by the Company and duly qualified under the 1939 Act and, when duly executed and delivered by the Company and the Trustee, will constitute a valid and binding agreement of the Company, enforceable against the Company in accordance with its terms, except as the enforcement thereof may be limited by bankruptcy, insolvency (including, without limitation, all laws relating to fraudulent transfers), reorganization, moratorium or similar laws affecting enforcement of creditors' rights generally and except as enforcement thereof is subject to general principles of equity (regardless of whether enforcement is considered in a proceeding in equity or at law).

(xii) Authorization of the Securities. The Securities have been duly authorized and, at the Closing Time, will have been duly executed by the Company and, when authenticated, issued and delivered in the manner provided for in the Indenture and delivered against payment of the purchase price therefor as provided in this Agreement, will constitute valid and binding obligations of the Company, enforceable against the Company in accordance with their terms, except as the enforcement thereof may be limited by bankruptcy, insolvency (including, without limitation, all laws relating to fraudulent transfers), reorganization, moratorium or similar laws affecting enforcement of creditors' rights generally and except as enforcement thereof is subject to general principles of equity (regardless of whether enforcement is considered in a proceeding in equity or at law), and will be in the form contemplated by, and entitled to the benefits of, the Indenture.

(xiii) Authorization and Description of the Underlying Common Stock. The Underlying Common Stock conforms to all statements relating thereto contained or incorporated by reference in the Prospectus. Upon issuance and delivery of the Securities in accordance with this Agreement and the Indenture, the Securities will be convertible at the option of the holder thereof for shares of Underlying Common Stock in accordance with the terms of the Securities and the Indenture; the shares of Underlying Common Stock issuable upon conversion of the Securities have been duly authorized and reserved

for issuance upon such conversion by all necessary corporate action and such shares, when issued upon such conversion, will be validly issued and will be fully paid and non-assessable; no holder of such shares will be subject to debts or liabilities of the Company by reason of being such a holder; and the issuance of such shares upon such conversion will not be subject to the preemptive or other similar rights of any securityholder of the Company.

(xiv) Authorization of the Stock Purchase Agreement. The Stock Purchase Agreement has been duly authorized, executed and delivered by the Company and constitutes a valid and binding agreement of the Company enforceable against the Company in accordance with its terms, subject, as to enforcement of remedies, to bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the rights and remedies of creditors generally and the effect of general principles of equity.

(xv) Authorization of the New Senior Secured Credit Facilities. The New Senior Secured Credit Facilities have been authorized by the Company and, when executed and delivered by the Company, will constitute valid and binding agreements of the Company enforceable against the Company in accordance with their terms, subject, as to enforcement of remedies, to bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the rights and remedies of creditors generally and to the effect of general principles of equity.

(xvi) Description of the Securities, the Indenture, the New Senior Secured Credit Facilities and the Stock Purchase Agreement. The Securities, the Indenture, the New Senior Secured Credit Facilities and the Stock Purchase Agreement will conform in all material respects to the respective statements relating thereto contained in the Prospectus and will be in substantially the respective forms filed or incorporated by reference, as the case may be, as exhibits to the Registration Statement.

(xvii) Absence of Defaults and Conflicts. Neither the Company nor any of its subsidiaries is in violation of its charter or by-laws or in default in the performance or observance of any obligation, agreement, covenant or condition contained in any contract, indenture, mortgage, deed of trust, loan or credit agreement, note, lease or other agreement or instrument to which the Company or any of its subsidiaries is a party or by which it or any of them may be bound, or to which any of the property or assets of the Company or any subsidiary is subject (collectively, "Agreements and Instruments") except for such defaults that could not reasonably be expected to result in a Material Adverse Effect; and the execution, delivery and performance of this Agreement, the Indenture, the New Senior Secured Credit Facilities, the DTC Agreement and the Stock Purchase Agreement and the consummation of the transactions contemplated herein and therein and in the Registration Statement after giving pro forma effect to all such transactions collectively (including the issuance and sale of the Securities and the use of the proceeds from the sale of the Securities as described in the Prospectus under the caption "Use of Proceeds" and the issuance of the shares of Underlying Common Stock issuable upon conversion of the Securities) and compliance by the Company with its obligations hereunder and under the Indenture and the Securities have been duly authorized by all necessary corporate action and do not and will not, whether with or without the giving of notice or passage of time or both, conflict with or constitute a breach of, or default or Repayment Event (as defined below) under, or result in the creation or imposition of any lien, charge or encumbrance upon any property or assets of the Company or any subsidiary pursuant to, the Agreements and Instruments (except for

such conflicts, breaches, defaults or Repayment Events or liens, charges or encumbrances that, singly or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect), nor will such action result in any violation (except for such violations that, singly or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect) of the provisions of the charter or by-laws of the Company or any subsidiary or any applicable law, statute, rule, regulation, judgment, order, writ or decree of any government, government instrumentality or court, domestic or foreign, having jurisdiction over the Company or any subsidiary or any of their assets, properties or operations. As used herein, a "Repayment Event" means any event or condition which gives the holder of any note, debenture or other evidence of indebtedness (or any person acting on such holder's behalf) the right to require the repurchase, redemption or repayment of all or a portion of such indebtedness by the Company or any subsidiary.

(xviii) Absence of Labor Dispute. No labor dispute with the employees of the Company or any subsidiary exists or, to the knowledge of the Company, is imminent, and the Company is not aware of any existing or imminent labor disturbance by the employees of any of its or any subsidiary's principal suppliers, manufacturers, customers or contractors, which, in either case, could reasonably be expected to result in a Material Adverse Effect.

(xix) Absence of Proceedings. Except as disclosed in the Prospectus, there is no action, suit, proceeding, inquiry or investigation before or brought by any court or governmental agency or body, domestic or foreign, now pending, or, to the knowledge of the Company, threatened, against or affecting the Company or any subsidiary, which is required to be disclosed in the Registration Statement (other than as disclosed therein), or which, singly or in the aggregate, could reasonably be expected to result in a Material Adverse Effect, or which, singly or in the aggregate, could reasonably be expected to materially and adversely affect the properties or assets thereof or the consummation of the transactions contemplated in this Agreement or the performance by the Company of its obligations hereunder.

(xx) Possession of Intellectual Property. The Company and its subsidiaries own or possess, or can acquire on reasonable terms, adequate patents, patent rights, licenses, inventions, copyrights, know-how (including trade secrets and other unpatented and/or unpatentable proprietary or confidential information, systems or procedures), trademarks, service marks, trade names or other intellectual property (collectively, "Intellectual Property") necessary to carry on the business now operated by them, except where the failure to own or have the right to use could not reasonably be expected to have a Material Adverse Effect, and neither the Company nor any of its subsidiaries has received any notice or is otherwise aware of any infringement of or conflict with asserted rights of others with respect to any Intellectual Property or of any facts or circumstances which would render any Intellectual Property invalid or inadequate to protect the interest of the Company or any of its subsidiaries therein, and which infringement or conflict (if the subject of any unfavorable decision, ruling or finding) or invalidity or inadequacy, singly or in the aggregate, could reasonably be expected to result in a Material Adverse Effect.

(xxi) Stabilization or Manipulation. Neither the Company nor any affiliate of the Company has taken, nor will the Company or any affiliate take, directly or indirectly, any action which is designed to or which has constituted or which would be expected to cause or result in stabilization or manipulation of the price of any security of the

Company to facilitate the sale or resale of the Securities or the Underlying Common Stock. The Company has not distributed and, prior to the later to occur of (i) the Closing Time and (ii) completion of the distribution of the Securities, will not distribute any offering material in connection with the offering and sale of the Securities other than the preliminary or final prospectus, if any, permitted by the 1933 Act and approved by the Representatives.

(xxii) Absence of Further Requirements. No filing with, or authorization, approval, consent, license, order, registration, qualification or decree of, any court or governmental authority or agency is necessary or required for the performance by the Company of its obligations hereunder, in connection with the offering, issuance or sale of the Securities hereunder, the issuance of shares of Underlying Common Stock upon conversion of the Securities, the consummation of the transactions contemplated by this Agreement or for the due execution, delivery or performance of this Agreement, the Indenture, the DTC Agreement, the New Senior Secured Credit Facilities or the Stock Purchase Agreement by the Company, except such as have been already obtained or as may be required under the 1933 Act or the 1933 Act Regulations or state securities laws and except for the qualification of the Indenture under the 1939 Act.

(xxiii) Possession of Licenses and Permits. The Company and its subsidiaries possess such permits, licenses, approvals, consents and other authorizations (collectively, "Governmental Licenses") issued by the appropriate federal, state, local or foreign regulatory agencies or bodies necessary to conduct the business now operated by them, except where the failure so to possess could not, singly or in the aggregate, reasonably be expected to result in a Material Adverse Effect; the Company and its subsidiaries are in compliance with the terms and conditions of all such Governmental Licenses, except where the failure so to comply could not, singly or in the aggregate, reasonably be expected to result in a Material Adverse Effect; all of the Governmental Licenses are valid and in full force and effect, except when the invalidity of such Governmental Licenses or the failure of such Governmental Licenses to be in full force and effect could not, singly or in the aggregate, reasonably be expected to result in a Material Adverse Effect; and neither the Company nor any of its subsidiaries has received any notice of proceedings relating to the revocation or modification of any such Governmental Licenses which, singly or in the aggregate, if the subject of an unfavorable decision, ruling or finding, could reasonably be expected to result in a Material Adverse Effect.

(xxiv) Title to Property. The Company and its subsidiaries have good and marketable title to all real property owned by the Company and its subsidiaries and good title to all material personal property owned by them, in each case, free and clear of all mortgages, pledges, liens, security interests, claims, restrictions or encumbrances of any kind except such as (a) are described in the Prospectus or (b) do not, singly or in the aggregate, materially affect the value of such property and do not interfere with the use made and proposed to be made of such property by the Company or any of its subsidiaries; and all of the leases and subleases material to the business of the Company and its subsidiaries, considered as one enterprise, and under which the Company or any of its subsidiaries holds properties described in the Prospectus, are in full force and effect, and neither the Company nor any subsidiary has any notice of any material claim of any sort that has been asserted by anyone adverse to the rights of the Company or any subsidiary under such material lease or sublease, or affecting or questioning the rights of the Company or such subsidiary to the continued possession of the leased or subleased premises under any such material lease or sublease.

(xxv) Tax Returns. All United States federal income tax returns of the Company and its subsidiaries required by law to be filed have been filed, except where the failure to file such returns could not, singly or in the aggregate, reasonably be expected to have a Material Adverse Effect, and all taxes shown by such returns or otherwise assessed, which are due and payable, have been paid, except assessments against which appeals have been or will be promptly taken and as to which adequate reserves have been provided. The Company and its subsidiaries have filed all other tax returns that are required to have been filed by them pursuant to applicable foreign, federal, state, local or other law except insofar as the failure to file such returns could not reasonably be expected to result in a Material Adverse Effect, and have paid all taxes due pursuant to such returns or pursuant to any assessment received by the Company and its subsidiaries, except for such taxes, if any, as are being contested in good faith and by appropriate proceedings and as to which adequate reserves have been provided. The charges, accruals and reserves on the books of the Company in respect of all federal, state, local and foreign tax liabilities of the Company and its subsidiaries for any years not finally determined are adequate to meet any assessments or re-assessments for additional income tax for any years not finally determined, except to the extent of any inadequacy that could not reasonably be expected to result in a Material Adverse Effect.

(xxvi) Insurance. The Company and its subsidiaries carry or are entitled to the benefits of insurance, with financially sound and reputable insurers, in such amounts, containing such deductibles and covering such risks as commercially prudent under the circumstances, except where the failure to do so could not, singly or in the aggregate, reasonably be expected to have a Material Adverse Effect, and all such insurance is in full force and effect.

(xxvii) Related Party Transactions. No relationship, direct or indirect, exists between or among any of the Company or any affiliate of the Company on the one hand, and any former or current director, officer, stockholder, customer or supplier of any of them, on the other hand, which is required by the 1933 Act or by the rules and regulations enacted thereunder to be described in the Registration Statement or the Prospectus which is not so described or is not described as required.

(xxviii) Suppliers. No contract manufacturer or supplier of merchandise to the Company or any of its subsidiaries has ceased shipments of merchandise to the Company or any of its subsidiaries since September 30, 2003, other than in the normal and ordinary course of business consistent with past practices, which cessation could not reasonably be expected to result in a Material Adverse Effect.

(xxix) Accounting Controls. The Company and its consolidated subsidiaries maintain a system of internal accounting controls sufficient to provide reasonable assurances that (A) transactions are executed in accordance with management's authorization; (B) transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles and to maintain accountability for assets; (C) access to assets is permitted only in accordance with management's authorization; (D) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences; (E) material information relating to the Company and its consolidated subsidiaries is promptly made known to the officers responsible for establishing and maintaining the system of internal accounting controls; and (F) any significant deficiencies or weaknesses in the design or operation of internal accounting

controls which could adversely affect the Company's ability to record, process, summarize and report financial data, and any fraud whether or not material that involves management or other employees who have a significant role in internal controls, are adequately and promptly disclosed to the Company's independent auditors and the audit committee of the Company's board of directors.

(xxx) Disclosure Controls. The Company and its consolidated subsidiaries employ disclosure controls and procedures that are designed to ensure that information required to be disclosed by the Company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the Commission's rules and forms, and is accumulated and communicated to the Company's management, including its principal executive officer or officers and principal financial officer or officers, as appropriate to allow timely decisions regarding disclosure.

(xxxi) Investment Company Act. The Company is not required, and upon the issuance and sale of the Securities as herein contemplated and the application of the net proceeds therefrom as described in the Prospectus will not be required, to register as an "investment company" under the Investment Company Act of 1940, as amended (the "1940 Act").

(xxxii) Environmental Laws. Except as described in the Registration Statement and except as could not, singly or in the aggregate, reasonably be expected to result in a Material Adverse Effect, (A) neither the Company nor any of its subsidiaries is in violation of any federal, state, local or foreign statute, law, rule, regulation, ordinance, code, policy or rule of common law or any judicial or administrative interpretation thereof, including any judicial or administrative order, consent, decree or judgment, relating to pollution or protection of human health, the environment (including, without limitation, ambient air, surface water, groundwater, land surface or subsurface strata) or wildlife, including, without limitation, laws and regulations relating to the release or threatened release of chemicals, pollutants, contaminants, wastes, toxic substances, hazardous substances, petroleum or petroleum products or asbestos-containing materials (collectively, "Hazardous Materials") or to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of Hazardous Materials (collectively, "Environmental Laws"), (B) the Company and its subsidiaries have all permits, authorizations and approvals required under any applicable Environmental Laws and are each in compliance with their requirements, (C) there are no pending or, to the knowledge of the Company, threatened administrative, regulatory or judicial actions, suits, demands, demand letters, claims, liens, notices of noncompliance or violation, investigation or proceedings relating to any Environmental Law against the Company or any of its subsidiaries and (D) there are no events or circumstances that would reasonably be expected to form the basis of an order for clean-up or remediation, or an action, suit or proceeding by any private party or governmental body or agency, against or affecting the Company or any of its subsidiaries relating to Hazardous Materials or any Environmental Laws.

(xxxiii) Stock Purchase Agreement. To the knowledge of the Company, the representations and warranties of Neptune contained in the Stock Purchase Agreement are true and correct in all material respects. All consents from third parties and government entities necessary to consummate the Neptune Acquisition have been obtained.

(xxxiv) Tax Treatment of Convertible Notes. The Company believes, based on the advice of its tax counsel, that the Convertible Notes will be treated as indebtedness for U.S. federal income tax purposes and will be subject to U.S. Treasury regulations section 1.1275-4(b).

(xxxv) Registration Rights. There are no persons with registration rights or other similar rights to have any securities registered pursuant to the Registration Statement.

(b) Officer's Certificates. Any certificate signed by any officer of the Company or any of its subsidiaries delivered to the Representatives or to counsel for the Underwriters shall be deemed a representation and warranty by the Company to each Underwriter as to the matters covered thereby.

SECTION 2. Sale and Delivery to Underwriters; Closing.

(a) Initial Securities. On the basis of the representations and warranties herein contained and subject to the terms and conditions herein set forth, the Company agrees to sell to each Underwriter, severally and not jointly, and each Underwriter, severally and not jointly, agrees to purchase from the Company, at the price set forth in Schedule B, the aggregate principal amount at maturity of Initial Securities set forth in Schedule A opposite the name of such Underwriter, plus any additional aggregate principal amount at maturity of Initial Securities which such Underwriter may become obligated to purchase pursuant to the provisions of Section 10 hereof.

(b) Option Securities. In addition, on the basis of the representations and warranties herein contained and subject to the terms and conditions herein set forth, the Company hereby grants an option to the Underwriters, severally and not jointly, to purchase up to an additional $75,945,000 principal amount at maturity of Securities at the same price set forth in Schedule B for the Initial Securities, plus accrued interest, if any, from the Closing Date to the Date of Delivery (as defined below). The option hereby granted will expire 13 days after the date of the issuance of the Initial Securities and may be exercised in whole or in part from time to time only for the purpose of covering overallotments which may be made in connection with the offering and distribution of the Initial Securities upon notice by Merrill Lynch to the Company setting forth the number of Option Securities as to which the several Underwriters are then exercising the option and the time and date of payment and delivery for such Option Securities, which shall be no earlier than two business days following the date on which the Company receives such notice or as otherwise agreed to by the parties hereto. Subject to the foregoing, any such time and date of delivery (a "Date of Delivery") shall be determined by Merrill Lynch, but shall not be later than seven full business days after the exercise of said option, nor in any event prior to the Closing Time, as hereinafter defined. If the option is exercised as to all or any portion of the Option Securities, each of the Underwriters, acting severally and not jointly, will purchase that proportion of the aggregate principal amount at maturity of Option Securities then being purchased which the aggregate principal amount at maturity of Initial Securities set forth in Schedule A opposite the name of such Underwriter bears to the aggregate principal amount of Initial Securities.

(c) Payment. Payment of the purchase price for, and delivery of certificates for, the Initial Securities shall be made at the offices of King & Spalding LLP, 191 Peachtree Street, Atlanta, GA 30303, or at such other place as shall be agreed upon by the Representatives and the Company, at 9:00 A.M. (Eastern time) on December 29, 2003 (unless postponed in accordance

with the provisions of Section 10), or such other time not later than ten business days after such date as shall be agreed upon by the Representatives and the Company (such time and date of payment and delivery being herein called "Closing Time").

In addition, in the event that any or all of the Option Securities are purchased by the Underwriters, payment of the purchase price for, and delivery of certificates for, such Option Securities shall be made at the above-mentioned offices, or at such other place as shall be agreed upon by the Representatives and the Company, on each Date of Delivery as specified in the notice from the Representatives to the Company.

Payment shall be made to the Company by wire transfer of immediately available funds to a bank account designated by the Company, against delivery to the Representatives, through the facilities of the DTC, for the respective accounts of the Underwriters of the Securities to be purchased by them. It is understood that each Underwriter has authorized the Representatives, for its account, to accept delivery of, receipt for, and make payment of the purchase price for, the Initial Securities and the Option Securities, if any, which it has agreed to purchase. Merrill Lynch, individually and not as representative of the Underwriters, may (but shall not be obligated to) make payment of the purchase price for the Initial Securities or the Option Securities, if any, to be purchased by any Underwriter whose funds have not been received by the Closing Time or the relevant Date of Delivery, as the case may be, but such payment shall not relieve such Underwriter from its obligations hereunder.

SECTION 3. Covenants of the Company. The Company covenants with each Underwriter as follows:

(a) Compliance with Securities Regulations and Commission Requests. The Company, subject to Section 3(b), will comply with the requirements of Rule 430A and will notify the Representatives immediately (i) when any post-effective amendment to the Registration Statement shall become effective, or any supplement to the Prospectus or any amended Prospectus, in each case relating to the Securities, shall have been filed, (ii) of the receipt of any comments from the Commission relating to the Prospectus or the Registration Statement, (iii) of any request by the Commission for any amendment to the Registration Statement or any amendment or supplement to the Prospectus or any document incorporated by reference therein and (iv) of the issuance by the Commission of any stop order suspending the effectiveness of the Registration Statement or of any order preventing or suspending the use of any preliminary prospectus, or of the suspension of the qualification of the Securities for offering or sale in any jurisdiction, or of the initiation or threatening of any proceedings for any of such purposes. The Company will effect the filings of the preliminary prospectus and the Prospectus as necessary pursuant to Rule 424(b) in compliance with such rule. The Company will make every reasonable effort to prevent the issuance of any stop order and, if any stop order is issued, to obtain the lifting thereof at the earliest possible moment.

(b) Filing of Amendments. Until the end of the period during which a Prospectus is required to be delivered under the 1933 Act in connection with the offering of Securities, the Company will give the Representatives notice of its intention to file or prepare any amendment to the Registration Statement (including any filing under Rule 462(b)) or any amendment, supplement or revision to either the prospectus included in the Registration Statement at the time it became effective or to the Prospectus, but in either case only to the extent that such amendment, supplement or revision relates to the Securities to be sold hereunder, whether pursuant to the 1933 Act, the 1934 Act or

otherwise, will furnish the Representatives with copies of any such documents a reasonable amount of time prior to such proposed filing or use, as the case may be, and will not file or use any such document to which the Representatives or counsel for the Underwriters shall object. This subsection (b) shall not apply to regular filings of periodic or current reports pursuant to the 1934 Act.

(c) Delivery of Registration Statements. The Company has furnished or will deliver to the Representatives and counsel for the Underwriters, without charge, signed copies of the Registration Statement as originally filed and of each amendment thereto relating to the Securities (including exhibits filed therewith or incorporated by reference therein and documents incorporated or deemed to be incorporated by reference therein) and signed copies of all consents and certificates of experts, and will also deliver to the Representatives, without charge, a conformed copy of the Registration Statement as originally filed and of each amendment thereto relating to the Securities (without exhibits) for each of the Underwriters. The copies of the Registration Statement and each amendment thereto furnished to the Underwriters will be identical to the electronically transmitted copies thereof filed with the Commission pursuant to EDGAR, except to the extent permitted by Regulation S-T.

(d) Delivery of Prospectuses. The Company has delivered to each Underwriter, without charge, as many copies of each preliminary prospectus as such Underwriter reasonably requested, and the Company hereby consents to the use of such copies for purposes permitted by the 1933 Act. The Company will furnish to each Underwriter, without charge, during the period when the Prospectus is required to be delivered under the 1933 Act, such number of copies of the Prospectus (as amended or supplemented) as such Underwriter may reasonably request. The Prospectus and any amendments or supplements thereto furnished to the Underwriters will be identical to the electronically transmitted copies thereof filed with the Commission pursuant to EDGAR, except to the extent permitted by Regulation S-T.

(e) Continued Compliance with Securities Laws. The Company will comply with the 1933 Act and the 1933 Act Regulations, the 1934 Act Regulations and the 1939 Act and the 1939 Act Regulations so as to permit the completion of the distribution of the Securities as contemplated in this Agreement and in the Prospectus. If at any time when a prospectus is required by the 1933 Act to be delivered in connection with sales of the Securities, any event shall occur or condition shall exist as a result of which it is necessary, in the opinion of counsel for the Underwriters or for the Company, to amend the Registration Statement or amend or supplement the Prospectus in order that the Prospectus will not include any untrue statements of a material fact or omit to state a material fact necessary in order to make the statements therein not misleading in the light of the circumstances existing at the time it is delivered to a purchaser, or if it shall be necessary, in the opinion of such counsel, at any such time to amend the Registration Statement or amend or supplement the Prospectus in order to comply with the requirements of the 1933 Act or the 1933 Act Regulations, the Company will promptly prepare and file with the Commission, subject to Section 3(b), such amendment or supplement as may be necessary to correct such statement or omission or to make the Registration Statement or the Prospectus comply with such requirements, and the Company will furnish to the Underwriters such number of copies of such amendment or supplement as the Underwriters may reasonably request.

(f) Blue Sky Qualifications. The Company will use its best efforts, in cooperation with the Underwriters, to qualify the Securities and the shares of Underlying Common Stock issuable upon conversion of Securities for offering and sale under the applicable securities laws of such states and other jurisdictions (domestic or foreign) as the Representatives may designate and to maintain such qualifications in effect for a period of not less than one year from the later of the effective date of the Registration Statement and any Rule 462(b) Registration Statement; provided, however, that the Company shall not be obligated to file any general consent to service of process or to qualify as a foreign corporation or as a dealer in securities in any jurisdiction in which it is not so qualified or to subject itself to taxation in respect of doing business in any jurisdiction in which it is not otherwise so subject. The Company will also supply the Underwriters with such information as is necessary for the determination of the legality of the Securities for investment under the laws of such jurisdictions as the Underwriters may request.

(g) Rule 158. The Company will timely file such reports pursuant to the 1934 Act as are necessary in order to make generally available to its securityholders as soon as practicable an earnings statement for the purposes of, and to provide the benefits contemplated by, the last paragraph of Section 11(a) of the 1933 Act.

(h) Reservation of Securities. The Company will reserve and keep available at all times, free of preemptive or other similar rights, a sufficient number of shares of common stock, for the purpose of enabling the Company to satisfy any obligations to issue such Underlying Common Stock upon conversion of the Securities.

(i) Use of Proceeds. The Company will use the net proceeds received by it from the sale of the Securities in the manner specified in the Prospectus under "Use of Proceeds".

(j) Rating of Securities. The Company shall take all reasonable action necessary to enable Standard & Poor's Rating Services, a division of McGraw Hill, Inc. ("S&P"), and Moody's Investors Service, Inc. ("Moody's"), to provide the credit ratings of the Securities.

(k) Listing. The Company will use its best efforts to effect the listing of the Underlying Common Stock issuable upon conversion of the Securities on the New York Stock Exchange.

(l) Restriction on Sale of Securities. During a period of 180 days from the date of the Prospectus, the Company will not, without the prior written consent of Merrill Lynch, directly or indirectly, issue, sell, offer or contract to sell, grant any option for the sale of, or otherwise transfer or dispose of, any debt securities of the Company.

(m) Restriction on Sale of Underlying Common Stock. During a period of 90 days from the date of the Prospectus, the Company will not, without the prior written consent of Merrill Lynch, (i) directly or indirectly, offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase or otherwise transfer or dispose of any share of Underlying Common Stock or any securities convertible into or exercisable or exchangeable for Underlying Common Stock or file any registration statement under the 1933 Act with respect to any of the foregoing or (ii) enter into any swap or any other

agreement or any transaction that transfers, in whole or in part, directly or indirectly, the economic consequence of ownership of the Underlying Common Stock, whether any such swap or transaction described in clause (i) or (ii) above is to be settled by delivery of Underlying Common Stock or such other securities, in cash or otherwise. The foregoing sentence shall not apply to (A) the Securities to be sold hereunder, (B) any shares of Underlying Common Stock issued by the Company upon the exercise of an option or warrant or the conversion of a security outstanding on the date hereof and referred to in the Prospectus, (C) any shares of Underlying Common Stock issued or options to purchase Underlying Common Stock granted pursuant to existing employee or director benefit plans of the Company referred to in the Prospectus and registrations in connection with the such issuances of grants, (D) any shares of Common Stock sold pursuant to the Common Stock Purchase Agreement, (E) issuances of Underlying Common Stock pursuant to any rights plan or any shares of Underlying Common Stock issued pursuant to any non-employee director stock plan or dividend reinvestment plan or any related registration, (F) issuances of Underlying Common Stock in connection with strategic or other significant investments in which the purchaser agrees to be bound for any remaining portion of such 90 day period on the above terms or (G) any shares of Underlying Common Stock issued in any business combination and registrations related thereto so long as the recipient agrees to be bound for any remaining portion of such 90 day period on the above terms.

(n) DTC Clearance. The Company will use its best efforts in cooperation with the Underwriters to permit the Securities to be eligible for clearance and settlement through DTC.

(o) Reporting Requirements. The Company, during the period when the Prospectus is required to be delivered under the 1933 Act, will file all documents required to be filed with the Commission pursuant to the 1934 Act within the time periods required by the 1934 Act and the 1934 Act Regulations.

SECTION 4. Payment of Expenses. (a) Expenses. The Company will pay all expenses incident to the performance of its obligations under this Agreement, including (i) the preparation, printing and filing of the Registration Statement (including financial statements and exhibits) as originally filed and of each amendment thereto, (ii) the preparation, printing and delivery to the Underwriters of this Agreement, any Agreement among Underwriters, the Indenture and such other documents as may be required in connection with the offering, purchase, sale, issuance or delivery of the Securities or the issuance or delivery of the Underlying Common Stock issuable upon conversion thereof, (iii) the preparation, issuance and delivery of the certificates for the Securities to the Underwriters, if any, and the certificates for the Underlying Common Stock issuable upon conversion thereof, (iv) the fees and disbursements of the Company's counsel, accountants and other advisors, (v) the qualification of the Securities and the Underlying Common Stock under securities laws in accordance with the provisions of Section 3(f) hereof, including filing fees and the reasonable fees and disbursements of counsel for the Underwriters in connection therewith and in connection with the preparation of the Blue Sky Survey and any supplement thereto, (vi) the printing and delivery to the Underwriters of copies of each preliminary prospectus and of the Prospectus and any amendments or supplements thereto, (vii) the preparation, printing and delivery to the Underwriters of copies of the Blue Sky Survey and any supplement thereto, (viii) the fees and expenses of the Trustee, including the fees and disbursements of counsel for the Trustee in connection with the Indenture and the Securities, (ix) the fees and expenses of any transfer agent or registrar for the Underlying Common Stock, (x) the costs and expenses of the Company relating to investor presentations on any "road show"

undertaken in connection with the marketing of the Securities, including without limitation, expenses associated with the production of road show slides and graphics, fees and expenses of any consultants engaged in connection with the road show presentations, travel and lodging expenses of the representatives and officers of the Company and any such consultants, and the cost of aircraft and other transportation chartered in connection with the road show (xi) any fees payable in connection with the rating of the Securities, and (xi) the filing fees incident to, and the reasonable fees and disbursements of counsel to the Underwriters in connection with, the review by the National Association of Securities Dealers, Inc. (the "NASD") of the terms of the sale of the Securities and the fees and expenses incurred in connection with the listing of the Underlying Common Stock issuable upon conversion of the Securities on the New York Stock Exchange and (xiii) the fees and expenses provided for in the Engagement Letter dated as of October 21, 2003 by and among the Company and Merrill Lynch, Pierce Fenner & Smith Incorporated, J. P. Morgan Securities, Inc. and Wachovia Capital Markets, LLC.

(b) Termination of Agreement. If this Agreement is terminated by the Representatives in accordance with the provisions of Section 5 or Section 9(a)(i) hereof, the Company shall reimburse the Underwriters for all of their out-of-pocket expenses, including the reasonable fees and disbursements of counsel for the Underwriters.

SECTION 5. Conditions of Underwriters' Obligations. The obligations of the several Underwriters hereunder are subject to the accuracy of the representations and warranties of the Company contained in Section 1 hereof or in certificates of any officer of the Company or any subsidiary of the Company delivered pursuant to the provisions hereof, to the performance by the Company of its covenants and other obligations hereunder, and to the following further conditions:

(a) Effectiveness of Registration Statement. The Registration Statement, including any Rule 462(b) Registration Statement, shall remain effective and at Closing Time no stop order suspending the effectiveness of the Registration Statement shall have been issued under the 1933 Act or proceedings therefor initiated or threatened by the Commission, and any request on the part of the Commission for additional information shall have been complied with to the reasonable satisfaction of counsel to the Underwriters.

(b) Opinion of Counsel for Company. At Closing Time, the Representatives shall have received the opinion, dated as of Closing Time, of King & Spalding LLP, counsel for the Company, in the form attached hereto as Exhibit A. In giving such opinion such counsel may rely, as to all matters governed by the laws of jurisdictions other than the law of the State of New York and the federal law of the United States and the General Corporation Law of the State of Delaware, upon the opinions of counsel satisfactory to the Representatives. Such counsel may also state that, insofar as such opinion involves factual matters, they have relied, to the extent they deem proper, upon certificates of officers of the Company and its subsidiaries and certificates of public officials.

(c) Opinion of Counsel for Underwriters. At Closing Time, the Representatives shall have received the favorable opinion, dated as of Closing Time, of Fried, Frank, Harris, Shriver & Jacobson LLP, counsel for the Underwriters, together with signed or reproduced copies of such letter for each of the other Underwriters with respect to the matters set forth in clauses (i), (vi), (vii), (viii), (xii), (xiii), (xvi) (solely as to the information in the Prospectus under "Description of Notes") and the paragraph

immediately preceding the penultimate paragraph of Exhibit A hereto. In giving such opinion such counsel may rely, as to all matters governed by the laws of jurisdictions other than the law of the State of New York, the federal law of the United States and the General Corporation Law of the State of Delaware, upon the opinions of counsel satisfactory to the Representatives. Such counsel may also state that, insofar as such opinion involves factual matters, they have relied, to the extent they deem proper, upon certificates of officers of the Company and its subsidiaries and certificates of public officials.

(d) Officers' Certificate. At Closing Time, there shall not have been, since the date hereof or since the respective dates as of which information is given in the Prospectus, any material adverse change in the condition, financial or otherwise, or in the earnings, business affairs or business prospects of the Company and its subsidiaries considered as one enterprise or Neptune together with its subsidiaries taken as a whole, as the case may be, whether or not arising in the ordinary course of business, and the Representatives shall have received a certificate of the Company signed by the President or a Vice President of the Company and by the chief financial or chief accounting officer of the Company, dated as of Closing Time, to the effect that (i) there has been no such material adverse change, (ii) the representations and warranties in Section 1(a) hereof are true and correct with the same force and effect as though expressly made at and as of Closing Time, (iii) the Company has complied with all agreements and satisfied all conditions on its part to be performed or satisfied at or prior to Closing Time, and (iv) no stop order suspending the effectiveness of the Registration Statement has been issued and no proceedings for that purpose have been instituted or are pending or, to their knowledge, contemplated by the Commission.

(e) Accountant's Comfort Letters. At the time of the execution of this Agreement, the Representatives shall have received from PricewaterhouseCoopers LLP letters dated such date, in form and substance satisfactory to the Representatives, together with signed or reproduced copies of such letters for each of the other Underwriters containing statements and information of the type ordinarily included in accountants' "comfort letters" to underwriters with respect to the financial statements and certain financial information contained in the Registration Statement and the Prospectus of the Company and Neptune.

(f) Bring-down Comfort Letters. At Closing Time, the Representatives shall have received from PricewaterhouseCoopers LLP letters, dated as of Closing Time, to the effect that they reaffirm the statements made in the letters furnished pursuant to subsection (e) of this Section with respect to the Company and Neptune, except that the specified date referred to shall be a date not more than three business days prior to Closing Time.

(g) Maintenance of Rating. At Closing Time, the Securities shall be rated at least B1 by Moody's Investor's Service Inc. and BB- by Standard & Poor's Ratings Group, a division of McGraw-Hill, Inc., and the Company shall have delivered to the Representatives a letter dated the Closing Time, from each such rating agency, or other evidence satisfactory to the Representatives, confirming that the Securities have such ratings; and since the date of this Agreement, there shall not have occurred a downgrading in the rating assigned to the Securities or any of the Company's other securities.

(h) Approval of Listing. At Closing Time, the Securities and the Underlying Common Stock issuable on conversion thereof shall have been approved for listing on the New York Stock Exchange, subject only to official notice of issuance.

(i) No Objection. The NASD has confirmed that it has not raised any objection with respect to the fairness and reasonableness of the underwriting terms and arrangements.

(j) Lock-up Agreements. At the date of this Agreement, the Representatives shall have received an agreement substantially in the form of Exhibit B-1 and B-2 hereto signed by the persons listed on Schedule C hereto.

(k) No Material Changes to Stock Purchase Agreement. At Closing Time, there shall not have been any material amendments, waivers, or modifications to the Stock Purchase Agreement.

(l) Chief Financial Officer's Certificate. At the Closing Time, the Underwriters shall have received certificates of the Chief Financial Officer of the Company with respect to the Company's financial statements and certain financial information of the Company and its consolidated subsidiaries, in the form of Exhibit C attached hereto.

(m) Closing of the Neptune Acquisition, the New Senior Secured Credit Facilities and Common Stock Sale. At Closing Time, the Neptune Acquisition and the New Senior Secured Credit Facilities shall have all closed on substantially the terms set forth in the Registration Statement.

(n) Conditions to Purchase of Option Securities. In the event that the Underwriters exercise their option provided in Section 2(b) hereof to purchase all or any portion of the Option Securities, the representations and warranties of the Company contained herein and the statements in any certificates furnished by the Company or any subsidiary of the Company hereunder shall be true and correct as of each Date of Delivery and, at the relevant Date of Delivery, the Representatives shall have received:

(i) Officers' Certificate. A certificate, dated such Date of Delivery, of the Company signed by its President or a Vice President of the Company and of the chief financial or chief accounting officer of the Company confirming that the certificate delivered at the Closing Time pursuant to Section 5(d) hereof remains true and correct as of such Date of Delivery.

(ii) Opinion of Counsel for Company. The opinion of King & Spalding LLP, counsel for the Company dated such Date of Delivery, relating to the Option Securities to be purchased on such Date of Delivery and otherwise to the same effect as the opinion required by Section 5(b) hereof.

(iii) Opinion of Counsel for Underwriters. The favorable opinion of Fried, Frank, Harris, Shriver & Jacobson LLP, counsel for the Underwriters, dated such Date of Delivery, relating to the Option Securities to be purchased on such Date of Delivery and otherwise to the same effect as the opinion required by Section 5(c) hereof.

(iv) Bring-down Comfort Letters. Letters from PricewaterhouseCoopers LLP, in form and substance satisfactory to the Representatives and dated such Date of Delivery, substantially in the same form and substance as the letters furnished to the Representatives pursuant to Section 5(f) hereof, except that the "specified date" in the letters furnished pursuant to this paragraph shall be a date not more than five days prior to such Date of Delivery.

(v) No Downgrading. Subsequent to the date of this Agreement, no downgrading shall have occurred in the rating accorded the Securities or of any of the Company's other securities by any "nationally recognized statistical rating organization", as that term is defined by the Commission for purposes of Rule 436(g)(2) under the 1933 Act, and no such organization shall have publicly announced that it has under surveillance or review its ratings of any of the Company's securities.

(o) Additional Documents. At Closing Time and at each Date of Delivery, counsel for the Underwriters shall have been furnished with such documents and opinions as they may require for the purpose of enabling them to pass upon the issuance and sale of the Securities as herein contemplated, or in order to evidence the accuracy of any of the representations or warranties, or the fulfillment of any of the conditions, herein contained; and all proceedings taken by the Company in connection with the issuance and sale of the Securities as herein contemplated shall be satisfactory in form and substance to the Representatives and counsel for the Underwriters.

(p) Termination of Agreement. If any condition specified in this Section shall not have been fulfilled when and as required to be fulfilled, this Agreement, or, in the case of any condition to the purchase of Option Securities, on a Date of Delivery which is after the Closing Time, the obligations of the several Underwriters to purchase the relevant Option Securities, may be terminated by the Representatives by notice to the Company at any time at or prior to Closing Time or such Date of Delivery, as the case may be, and such termination shall be without liability of any party to any other party except as provided in Section 4 and except that Sections 1, 6, 7 and 8 shall survive any such termination and remain in full force and effect.

SECTION 6. Indemnification.

(a) Indemnification of Underwriters. The Company agrees to indemnify and hold harmless each Underwriter, its affiliates, as such term is defined in Rule 501(b) under the 1933 Act (each, an "Affiliate"), its selling agents and each person, if any, who controls any Underwriter within the meaning of Section 15 of the 1933 Act or Section 20 of the 1934 Act as follows:

(i) against any and all loss, liability, claim, damage and expense whatsoever, as incurred, arising out of any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement (or any amendment thereto in connection with the offering of the Securities), including the Rule 430A Information or the omission or alleged omission therefrom of a material fact required to be stated therein or necessary to make the statements therein not misleading or arising out of any untrue statement or alleged untrue statement of a material fact included in any preliminary prospectus or the Prospectus (or any amendment or supplement thereto), or the omission or alleged

omission therefrom of a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(ii) against any and all loss, liability, claim, damage and expense whatsoever, as incurred, to the extent of the aggregate amount paid in settlement of any litigation, or any investigation or proceeding by any governmental agency or body, commenced or threatened, or of any claim whatsoever based upon any such untrue statement or omission, or any such alleged untrue statement or omission; provided that (subject to Section 6(d) below) any such settlement is effected with the written consent of the Company;

(iii) against any and all expense whatsoever, as incurred (including the fees and disbursements of counsel chosen by Merrill Lynch), reasonably incurred in investigating, preparing or defending against any litigation, or any investigation or proceeding by any governmental agency or body, commenced or threatened, or any claim whatsoever based upon any such untrue statement or omission, or any such alleged untrue statement or omission, to the extent that any such expense is not paid under (i) or (ii) above;

provided, however, that this indemnity agreement shall not apply to any loss, liability, claim, damage or expense to the extent arising out of any untrue statement or omission or alleged untrue statement or omission made in reliance upon and in conformity with written information furnished to the Company by any Underwriter through Merrill Lynch expressly for use in the Registration Statement (or any amendment thereto), including the Rule 430A Information or any preliminary prospectus or the Prospectus (or any amendment or supplement thereto) and provided, further, that the Company will not be liable to any of the Underwriters with respect to the Prospectus to the extent that the Company shall sustain the burden of proving that any such loss, liability, claim, damage or expense resulted from the fact that such Underwriter, in contravention of a requirement of this Agreement or applicable law, sold Securities to a person to whom such Underwriter failed to send or give, at or prior to the Closing Time, a copy of the final prospectus, as then amended or supplemented if the Company has previously furnished copies thereof (sufficiently in advance of the Closing Time to allow for distribution by the Closing Time) to the Underwriters and the loss, liability, claim, damage or expense of such Underwriter resulted from an untrue statement or omission of a material fact contained in or omitted from the preliminary prospectus which was corrected in the final prospectus as, if applicable, amended or supplemented prior to the Closing Time.

(b) Indemnification of Company, Directors and Officers. Each Underwriter severally agrees to indemnify and hold harmless the Company, its directors, each of its officers who signed the Registration Statement, and each person, if any, who controls the Company within the meaning of Section 15 of the 1933 Act or Section 20 of the 1934 Act against any and all loss, liability, claim, damage and expense described in the indemnity contained in subsection (a) of this Section, as incurred, but only with respect to untrue statements or omissions, or alleged untrue statements or omissions, made in the Registration Statement (or any amendment thereto), including the Rule 430A Information or any preliminary prospectus or the Prospectus (or any amendment or supplement thereto) in reliance upon and in conformity with written information furnished to the Company by such Underwriter through Merrill Lynch expressly for use in the Registration Statement (or any amendment thereto) or such preliminary prospectus or the Prospectus (or any amendment or supplement thereto).

(c) Actions against Parties; Notification. Each indemnified party shall give notice as promptly as reasonably practicable to each indemnifying party of any action commenced against it in respect of which indemnity may be sought hereunder, but failure to so notify an indemnifying party shall not relieve such indemnifying party from any liability hereunder to the extent it is not materially prejudiced as a result thereof and in any event shall not relieve it from any liability which it may have otherwise than on account of this indemnity agreement. In the case of parties indemnified pursuant to Section 6(a) above, counsel to the indemnified parties shall be selected by Merrill Lynch, and, in the case of parties indemnified pursuant to Section 6(b) above, counsel to the indemnified parties shall be selected by the Company. An indemnifying party may participate at its own expense in the defense of any such action and may assume the defense thereof with counsel satisfactory to such indemnified party, and shall pay the fees and expenses of such counsel; provided, however, (i) if the indemnifying party fails to assume such defense in a timely manner or (ii) if there exists or is reasonably likely to exist in the opinion of the indemnified party a conflict of interest or different defenses that would make it inappropriate in the judgment of such indemnified party for the same counsel to represent both the indemnified party and the indemnifying party, then such indemnified party shall be entitled to retain its own counsel at the expense of the indemnifying party. In no event shall the indemnifying parties be liable for fees and expenses of more than one counsel (in addition to any local counsel) separate from their own counsel for all indemnified parties in connection with any one action or separate but similar or related actions in the same jurisdiction arising out of the same general allegations or circumstances. No indemnifying party shall, without the prior written consent of the indemnified parties, settle or compromise or consent to the entry of any judgment with respect to any litigation, or any investigation or proceeding by any governmental agency or body, commenced or threatened, or any claim whatsoever in respect of which indemnification or contribution could be sought under this Section 6 or Section 7 hereof (whether or not the indemnified parties are actual or potential parties thereto), unless such settlement, compromise or consent (i) includes an unconditional release of each indemnified party from all liability arising out of such litigation, investigation, proceeding or claim and (ii) does not include a statement as to or an admission of fault, culpability or a failure to act by or on behalf of any indemnified party.

(d) Settlement without Consent if Failure to Reimburse. If at any time an indemnified party shall have requested an indemnifying party to reimburse the indemnified party for fees and expenses of counsel, such indemnifying party agrees that it shall be liable for any settlement of the nature contemplated by Section 6(a)(ii) effected without its written consent if (i) such settlement is entered into more than 45 days after receipt by such indemnifying party of the aforesaid request, (ii) such indemnifying party shall have received notice of the terms of such settlement at least 30 days prior to such settlement being entered into and (iii) such indemnifying party shall not have reimbursed such indemnified party in accordance with such request prior to the date of such settlement.

SECTION 7. Contribution. If the indemnification provided for in Section 6 hereof is for any reason unavailable to or insufficient to hold harmless an indemnified party in respect of any losses, liabilities, claims, damages or expenses referred to therein, then each indemnifying party shall contribute to the aggregate amount of such losses, liabilities, claims, damages and expenses incurred by such indemnified party, as incurred, (i) in such proportion as is appropriate to reflect the relative benefits received by the Company on the one hand and the Underwriters on the other hand from the offering of the Securities pursuant to this Agreement or (ii) if the allocation provided by clause (i) is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) above but also the relative fault of the Company on the one hand and of the Underwriters on the other hand in

connection with the statements or omissions which resulted in such losses, liabilities, claims, damages or expenses, as well as any other relevant equitable considerations.

The relative benefits received by the Company on the one hand and the Underwriters on the other hand in connection with the offering of the Securities pursuant to this Agreement shall be deemed to be in the same respective proportions as the total net proceeds from the offering of the Securities pursuant to this Agreement (before deducting expenses) received by the Company and the total underwriting discount received by the Underwriters, in each case as set forth on the cover of the Prospectus bear to the aggregate initial public offering price of the Securities as set forth on the cover of the Prospectus.

The relative fault of the Company on the one hand and the Underwriters on the other hand shall be determined by reference to, among other things, whether any such untrue or alleged untrue statement of a material fact or omission or alleged omission to state a material fact relates to information supplied by the Company or by the Underwriters and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission.

The Company and the Underwriters agree that it would not be just and equitable if contribution pursuant to this Section 7 were determined by pro rata allocation (even if the Underwriters were treated as one entity for such purpose) or by any other method of allocation which does not take account of the equitable considerations referred to above in this Section 7. The aggregate amount of losses, liabilities, claims, damages and expenses incurred by an indemnified party and referred to above in this Section 7 shall be deemed to include any legal or other expenses reasonably incurred by such indemnified party in investigating, preparing or defending against any litigation, or any investigation or proceeding by any governmental agency or body, commenced or threatened, or any claim whatsoever based upon any such untrue or alleged untrue statement or omission or alleged omission.

Notwithstanding the provisions of this Section 7, no Underwriter shall be required to contribute any amount in excess of the amount by which the total price at which the Securities underwritten by it and distributed to the public were offered to the public exceeds the amount of any damages which such Underwriter has otherwise been required to pay by reason of any such untrue or alleged untrue statement or omission or alleged omission.

No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the 1933 Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation.

For purposes of this Section 7, each person, if any, who controls an Underwriter within the meaning of Section 15 of the 1933 Act or Section 20 of the 1934 Act and each Underwriter's Affiliates and selling agents shall have the same rights to contribution as such Underwriter, and each director of the Company, each officer of the Company who signed the Registration Statement, and each person, if any, who controls the Company within the meaning of Section 15 of the 1933 Act or Section 20 of the 1934 Act shall have the same rights to contribution as the Company. The Underwriters' respective obligations to contribute pursuant to this Section 7 are several in proportion to the principal amount at maturity of Initial Securities set forth opposite their respective names in Schedule A hereto and not joint.

SECTION 8. Representations, Warranties and Agreements to Survive. All representations, warranties and agreements contained in this Agreement or in certificates of

officers of the Company or any of its subsidiaries submitted pursuant hereto, shall remain operative and in full force and effect regardless of (i) any investigation made by or on behalf of any Underwriter or its Affiliates or selling agents, any person controlling any Underwriter, its officers or directors or any person controlling the Company and (ii) delivery of and payment for the Securities.

SECTION 9. Termination of Agreement.

(a) Termination; General. The Representatives may terminate this Agreement, by notice to the Company, at any time at or prior to Closing Time (i) if there has been, since the time of execution of this Agreement or since the respective dates as of which information is given in the Prospectus, any material adverse change in the condition, financial or otherwise, or in the earnings, business affairs or business prospects of the Company and its subsidiaries considered as one enterprise, whether or not arising in the ordinary course of business, or (ii) if there has occurred any material adverse change in the financial markets in the United States or the international financial markets, any outbreak of hostilities or escalation thereof or other calamity or crisis or any change or development involving a prospective change in national or international political, financial or economic conditions, in each case the effect of which is such as to make it, in the judgment of the Representatives, impracticable or inadvisable to market the Securities or to enforce contracts for the sale of the Securities, or (iii) if trading in any securities of the Company has been suspended or materially limited by the Commission or the New York Stock Exchange, or if trading generally on the New York Stock Exchange or in the Nasdaq National Market has been suspended or materially limited, or minimum or maximum prices for trading have been fixed, or maximum ranges for prices have been required, by any of said exchanges or by such system or by order of the Commission, the National Association of Securities Dealers, Inc. or any other governmental authority, or (iv) a material disruption has occurred in commercial banking or securities settlement or clearance services in the United States, or (v) if a banking moratorium has been declared by either Federal or New York authorities.

(b) Liabilities. If this Agreement is terminated pursuant to this Section, such termination shall be without liability of any party to any other party except as provided in Section 4 hereof, and provided further that Sections 1, 6, 7 and 8 shall survive such termination and remain in full force and effect.

SECTION 10. Default by One or More of the Underwriters. If one or more of the Underwriters shall fail at Closing Time or a Date of Delivery to purchase the Securities which it or they are obligated to purchase under this Agreement (the "Defaulted Securities"), the Representatives shall have the right, within 24 hours thereafter, to make arrangements for one or more of the non-defaulting Underwriters, or any other underwriters, to purchase all, but not less than all, of the Defaulted Securities in such amounts as may be agreed upon and upon the terms herein set forth; if, however, the Representatives shall not have completed such arrangements within such 24-hour period, then:

(i) if the number of Defaulted Securities does not exceed 10% of the aggregate principal amount at maturity of the Securities to be purchased on such date, each of the non-defaulting Underwriters shall be obligated, severally and not jointly, to purchase the full amount thereof in the proportions that their respective underwriting obligations hereunder bear to the underwriting obligations of all non-defaulting Underwriters, or

(ii) if the number of Defaulted Securities exceeds 10% of the aggregate principal amount at maturity of the Securities to be purchased on such date, this Agreement or, with respect to any Date of Delivery which occurs after the Closing Time, the obligation of the Underwriters to purchase and of the Company to sell the Option Securities to be purchased and sold on such Date of Delivery shall terminate without liability on the part of any non-defaulting Underwriter.

No action taken pursuant to this Section shall relieve any defaulting Underwriter from liability in respect of its default.

In the event of any such default which does not result in a termination of this Agreement or, in the case of a Date of Delivery which is after the Closing Time, which does not result in a termination of the obligation of the Underwriters to purchase and the Company to sell the relevant Option Securities, as the case may be, either (i) the Representatives or (ii) the Company shall have the right to postpone Closing Time or the relevant Date of Delivery, as the case may be, for a period not exceeding seven days in order to effect any required changes in the Registration Statement or Prospectus or in any other documents or arrangements. As used herein, the term "Underwriter" includes any person substituted for an Underwriter under this Section 10.

SECTION 11. Tax Disclosure. Notwithstanding any other provision of this Agreement, from the commencement of discussions with respect to the transactions contemplated hereby, the Company (and each employee, representative or other agent of the Company) may disclose to any and all persons, without limitation of any kind, the tax treatment and tax structure (as such terms are used in Sections 6011, 6111 and 6112 of the U.S. Code and the Treasury Regulations promulgated thereunder) of the transactions contemplated by this Agreement and all materials of any kind (including opinions or other tax analyses) that are provided relating to such tax treatment and tax structure.

SECTION 12. Notices. All notices and other communications hereunder shall be in writing and shall be deemed to have been duly given if mailed or transmitted by any standard form of telecommunication. Notices to the Underwriters shall be directed to the Representatives at 4 World Financial Center, New York, New York 10080, attention of Mitch Theiss with a copy to Valerie Ford Jacob at Fried, Frank, Harris, Shriver & Jacobson LLP, One New York Plaza, New York, New York 10004, and notices to the Company shall be directed to it at 2160 Satellite Blvd., Suite 200, Duluth, GA 30097, attention of Martin Headley with a copy to Mary Bernard at King & Spalding LLP, 1185 Avenue of the Americas, New York, NY 10036.

SECTION 13. Parties. This Agreement shall inure to the benefit of and be binding upon the Underwriters and the Company and their respective successors. Nothing expressed or mentioned in this Agreement is intended or shall be construed to give any person, firm or corporation, other than the Underwriters and the Company and their respective successors and the controlling persons and officers and directors referred to in Sections 6 and 7 and their heirs and legal representatives, any legal or equitable right, remedy or claim under or in respect of this Agreement or any provision herein contained. This Agreement and all conditions and provisions hereof are intended to be for the sole and exclusive benefit of the Underwriters and the Company and their respective successors, and said controlling persons and officers and directors and their heirs and legal representatives, and for the benefit of no other person, firm or corporation. No purchaser of Securities from any Underwriter shall be deemed to be a successor by reason merely of such purchase.

SECTION 14. GOVERNING LAW. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK.

SECTION 15. TIME. TIME SHALL BE OF THE ESSENCE OF THIS AGREEMENT. EXCEPT AS OTHERWISE SET FORTH HEREIN, SPECIFIED TIMES OF DAY REFER TO NEW YORK CITY TIME.

SECTION 16. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all such counterparts shall together constitute one and the same Agreement.

SECTION 17. Effect of Headings. The Section headings herein are for convenience only and shall not affect the construction hereof.

If the foregoing is in accordance with your understanding of our agreement, please sign and return to the Company a counterpart hereof, whereupon this instrument, along with all counterparts, will become a binding agreement between the Underwriters and the Company in accordance with its terms.

Very truly yours,

ROPER INDUSTRIES, INC.

By /s/ Martin S. Headley

Title: Vice President and Chief Financial Officer

CONFIRMED AND ACCEPTED,
as of the date first above written:

MERRILL LYNCH & CO.
MERRILL LYNCH, PIERCE, FENNER & SMITH
INCORPORATED
BANC ONE CAPITAL MARKETS, INC.
ROBERT W. BAIRD & CO. INCORPORATED
McDONALD INVESTMENTS INC., a KEYCORP COMPANY
SUNTRUST CAPITAL MARKETS, INC.
By: MERRILL LYNCH, PIERCE, FENNER & SMITH

INCORPORATED

By /s/ Bharani P. Bobba

Authorized Signatory

For themselves and as Representatives of the other Underwriters named in Schedule A hereto.

SCHEDULE A

Name of Underwriter	Principal Amount of Securities at Maturity
Merrill Lynch, Pierce, Fenner & Smith Incorporated	425,295,000
Banc One Capital Markets, Inc.	25,315,000
Robert W. Baird & Co. Incorporated	15,190,000
McDonald Investments Inc., a KeyCorp Company	20,252,000
SunTrust Capital Markets, Inc.	20,252,000
Total	$506,304,000

SCHEDULE B

ROPER INDUSTRIES, INC.

Convertible Senior Subordinated Notes due 2034

1. The initial public offering price of the Securities shall be 39.502% of the principal amount at maturity thereof, plus accrued interest, if any, from the date of issuance.

2. The purchase price to be paid by the Underwriters for the Initial Securities shall be 38.6132% of the principal amount at maturity thereof.

3. The yield to maturity on the Securities shall be 3 3/4% per annum.

4. The Securities shall be convertible into shares of common stock, par value $0.01 per share, of the Company at an initial conversion price of $63.60 per share (equivalent to a conversion rate of 6.2110 shares per $1,000 principal amount at maturity of Securities or per $395.02 initial accreted value of Securities).

SCHEDULE C

[List of persons and entities
subject to lock-up]

Exhibit B-1

Brian D. Jellison
Derrick N. Key

Exhibit B-2

Nigel W. Crocker
Shanler D. Cronk
Martin S. Headley
C. Thomas O'Grady
W. Lawrence Banks
Donald G. Calder
David W. Devonshire
John F. Fort III
Wilbur J. Prezzano
Georg Graf Schall-Riaucour
Eriberto R. Scocimara
Christopher Wright

Exhibit A

Merrill Lynch & Co.
Merrill Lynch, Pierce, Fenner & Smith
Incorporated
Banc One Capital Markets, Inc.
Robert W. Baird & Co. Incorporated
McDonald Investments Inc., a Key Corporation Company
SunTrust Capital Markets, Inc.
As representatives of the several Underwriters named
on Schedule A to the Purchase Agreement
World Financial Center
North Tower, 10th Floor
New York, New York 10281-1310

RE: Roper Industries, Inc., $582,249,000 Aggregate Principal Amount at Maturity of Senior Subordinated Convertible Notes due 2034

Ladies and Gentlemen:

We have acted as counsel for Roper Industries, Inc., a Delaware corporation (the "Company"), in connection with the offering of securities by the Company described below. We are delivering this opinion to you pursuant to Section 5(b) of the Purchase Agreement dated December 22, 2003 (the "Purchase Agreement"), among the Company and the several underwriters named in Schedule A thereto (the "Underwriters"), which provides for the purchase by the Underwriters of $582,249,000 aggregate principal amount at maturity of the Company's Senior Subordinated Convertible Notes due 2034 (the "Securities"), to be issued under the indenture dated as of November 28, 2003 (the "Base Indenture"), as supplemented by the First Supplemental Indenture dated as of December 29, 2003 (the "Supplemental Indenture" and, together with the Base Indenture, the "Indenture"), each between the Company and SunTrust Bank, as trustee (the "Trustee"). Unless otherwise indicated in this opinion, all capitalized terms used in this opinion and not otherwise defined herein shall have the same meanings as in the Purchase Agreement.

In our capacity as such counsel, we have reviewed (i) signed copies of the registration statement on Form S-3 (Registration No. 333-110491) filed by the Company with the Commission on November 28, 2003, as it became effective under the 1933 Act (the "Registration Statement") and the related registration statement on Form S-3 (Registration No. 333-111472) filed by the Company pursuant to Rule 462(b) promulgated under the 1933 Act (together with the Registration Statement, the "Registration Statements"), (ii) the prospectus dated December 1, 2003, as supplemented by the prospectus supplement dated December 29, 2003, filed pursuant to Rule 424(b) promulgated under the 1933 Act (the "Prospectus"), (iii) the

Purchase Agreement, (iv) the Base Indenture, (v) the Supplemental Indenture, (vi) specimen forms of the Securities and (vii) the Credit Agreement dated as of December 29, 2003, among the Company, certain foreign subsidiaries of the Company, the several banks and other financial institutions named therein, Merrill Lynch Capital Corporation, as documentation agent, Wachovia Bank, National Association, as syndication agent, and JPMorgan Chase Bank, as administrative agent (the "Credit Agreement").

We have reviewed such matters of law and examined original, certified, conformed or photographic copies of such other documents, records, agreements and certificates as we have deemed necessary as a basis for the opinions hereinafter expressed. In such review, we have assumed the genuineness of signatures on all documents submitted to us as originals and the conformity to original documents of all copies submitted to us as certified, conformed or photographic copies. We have relied, as to the matters set forth therein, on certificates of public officials.

As to certain matters of fact material to this opinion, we have relied to the extent we deemed appropriate, without independent verification, upon (i) certificates of officers of the Company and (ii) the representations and warranties of the Company contained in the Purchase Agreement. Whenever our opinion with respect to any matter is stated to be given "to our knowledge" such qualification confirms that, no information has come to the attention of any attorney in this firm who is involved in representing the Company on substantive legal matters that would give such attorney actual current awareness of the existence or absence of such matter.

This opinion is limited in all respects to the federal laws of the United States of America, the laws of the State of New York and the Delaware General Corporation Law, and no opinion is expressed with respect to the laws of any other jurisdiction or any effect that such laws may have on the opinions expressed herein. This opinion is limited to the matters stated herein, and no opinion is implied or may be inferred beyond the matters expressly stated herein.

Based upon the foregoing, and subject to the assumptions, qualifications and limitations set forth herein, we are of the opinion that:

(i) The Company is validly existing as a corporation in good standing under the laws of the State of Delaware.

(ii) The Company has corporate power and authority to own, lease and operate its properties and to conduct its business as described in the Prospectus and to enter into and perform its obligations under the Purchase Agreement.

(iii) The Company is duly qualified as a foreign corporation to transact business and is in good standing in each of the jurisdictions set forth in Annex A to this opinion.

(iv) The authorized, issued and outstanding capital stock of the Company as of September 30, 2003 was as set forth in the Prospectus in the column entitled "Actual" under the caption "Capitalization" (except for any subsequent conversion of the Securities in accordance with their terms, any subsequent issuances pursuant to offerings, reservations, agreements or employee benefit plans referred to in the Prospectus or pursuant to the exercise of options referred to in the Prospectus).

(v) Each of the Subsidiaries of the Company listed on Annex B is validly existing as a corporation, limited liability company or limited partnership (as applicable) in good standing under the laws of the State if Delaware, and has corporate, limited liability or partnership power and authority to own, lease and operate its properties and to conduct its business as currently conducted.

(vi) The Purchase Agreement has been duly authorized, executed and delivered by the Company.

(vii) Each of the Base Indenture and the Supplemental Indenture have been duly authorized, executed and delivered by the Company and, assuming that the Trustee has duly authorized, executed and delivered the Base Indenture and the Supplemental Indenture and has otherwise satisfied all legal requirements applicable to it to the extent necessary to make the Base Indenture and the Supplemental Indenture enforceable against it, each of the Base Indenture and the Supplemental Indenture constitute valid and binding agreements of the Company, enforceable against the Company in accordance with their terms, subject, as to the enforcement of remedies, to bankruptcy, insolvency, reorganization, moratorium and similar laws affecting the rights and remedies of creditors generally, and the effects of general principles of equity. The Indenture has been duly qualified under the 1939 Act.

(viii) The issuance, execution and delivery of the Securities have been duly authorized by the Company. The Securities when duly executed and delivered by the Company and duly authenticated in accordance with the terms of the Indenture and delivered to and paid for by the Underwriters in accordance with the terms of the Purchase Agreement, will be valid and binding obligations of the Company, enforceable against the Company in accordance with their terms, subject, as to the enforcement of remedies, to bankruptcy, insolvency, reorganization, moratorium and similar laws affecting the rights and remedies of creditors generally, and the effects of general principles of equity.

(ix) Upon issuance and delivery of the Securities in accordance with the Purchase Agreement and the Indenture, the Securities shall be convertible at the option of the holder thereof for shares of Common Stock in accordance with the terms of the Securities and the Indenture.

(x) The shares of Common Stock initially issuable upon conversion of the Securities have been duly authorized and reserved for issuance and are free of any

statutory preemptive, or, to our knowledge, similar contractual rights that will entitle any person to acquire any Securities upon issuance thereof by the Company, and, if and when issued upon due conversion of the Securities in accordance with the terms of the Indenture and the Securities, will be validly issued and fully paid and non-assessable.

(xi) The Securities and the Indenture conform in all material respects to the descriptions thereof contained in the Prospectus.

(xii) The Registration Statements have been declared or become effective under the 1933 Act; any required filing of the Prospectus pursuant to Rule 424(b) has been made in the manner and within the time period required by Rule 424(b); and, to our knowledge, no stop order suspending the effectiveness of the Registration Statements has been issued under the 1933 Act and no proceedings for that purpose have been instituted or are pending or threatened by the Commission.

(xiii) At the time the Registration Statements became effective, and for the Prospectus, at the date thereof, the Registration Statements and the Prospectus (other than the financial statements and notes thereto, the financial statement schedules and the other financial data included therein, as to which we express no belief), excluding the documents incorporated by reference therein, complied as to form in all material respects with the requirements of the 1933 Act and the applicable 1933 Act Regulations.

(xiv) The documents incorporated by reference in the Prospectus (other than the financial statements and notes thereto, the financial statement schedules and the other financial data included or incorporated by reference therein, as to which we express no belief), when they were filed with the Commission, complied as to form in all material respects with the requirements of the 1934 Act and the applicable 1934 Act Regulations.

(xv) To our knowledge, there is no action, suit or proceeding before or by any court or governmental agency or body, domestic or foreign, now pending or threatened against or affecting the Company or any subsidiary, or any material property of the Company, that is required to be disclosed in the Prospectus (other than as disclosed therein) or that could reasonably be expected to materially and adversely affect the consummation of the transactions contemplated by the Purchase Agreement or the performance by the Company of its obligations thereunder.

(xvi) The information in the Prospectus under "Description of Common Stock," "Description of Notes," and "Certain United States Federal Income Tax Considerations" to the extent such information constitutes summaries of matters of law or legal conclusions, presents fairly the information required to be disclosed therein and fairly summarizes in all material respects such matters of law or legal conclusions.

(xvii) To our knowledge, there are no contracts or documents of the Company which are required to be filed as exhibits to the Registration Statements which have not been so filed as exhibits as required.

(xviii) No filing with, or authorization, approval, consent, license, order, registration, qualification or decree of, any court or governmental authority or agency, domestic or foreign (other than under the 1933 Act and the 1933 Act Regulations, which have been obtained, or as may be required under the securities or blue sky laws of the various states and except for the qualification of the Indenture under the 1939 Act, as to which we express no opinion) is required to be made by the Company in connection with the authorization, execution and delivery of the Purchase Agreement or for the offering, issuance, sale or delivery of the Securities.

(xix) The execution, delivery and performance of the Purchase Agreement, the issuance, sale and delivery of the Securities by the Company, and the consummation of the transactions contemplated by the Purchase Agreement (including the use of proceeds from the sale of the Securities as described in the Prospectus under the caption "Use of Proceeds" and the issuance of shares of Common Stock issuable upon conversion of the Securities) and the compliance by the Company with its obligations under the Purchase Agreement and the Indenture: (a) do not and will not result in a breach of any of the terms or provisions of, or constitute a breach of, or default under, or result in the creation or imposition of any lien, charge or encumbrance upon any property or assets of the Company pursuant to the terms of, the Credit Agreement or any agreement or instrument of the Company filed or incorporated by reference as an exhibit to the most recent Annual Report on Form 10-K filed by the Company or any subsequent Quarterly Report on Form 10-Q or Current Report on Form 8-K filed by the Company, except breaches, defaults, liens, charges or encumbrances that could not reasonably be expected to have a Material Adverse Effect, (b) do not and will not result in a violation of any law, rule, regulation, judgment, order, writ or decree known to us to be applicable to the Company, except for violations that could not reasonably be expected to have a Material Adverse Effect, or (c) do not and will not result in any violation of the provisions of the charter or bylaws of the Company.

(xx) The Company is not required, and upon the issuance and sale of the Securities as contemplated in the Purchase Agreement and the application of the net proceeds therefrom as described in the Prospectus will not be required, to register as an "investment company" under the 1940 Act.

In our capacity as counsel for the Company, we have participated in conferences with officers and other representatives of the Company, the independent public accountants for the Company, the representatives of the Underwriters, and counsel to the Underwriters during which the contents of the Registration Statements and the Prospectus and related matters were discussed and, although we are not passing upon and do not assume any responsibility for the accuracy, completeness or fairness of the statements contained in the Registration Statements or the Prospectus (except as set forth in paragraph (xvi) above), on the basis of the information that was developed in the course of the performance of the services referred to above, nothing came to our attention that caused us to believe that the Registration Statements (other than the financial statements and notes thereto, the financial statement schedules and other financial and statistical data included or incorporated by reference therein or omitted therefrom, as to which we express

no belief), as of the time it became effective under the Act, contained an untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein not misleading, or that the Prospectus (other than the financial statements and notes thereto, the financial statement schedules and other financial data included or incorporated by reference therein or omitted therefrom, as to which we express no belief), as of the date of the Prospectus or as of the date hereof, contained an untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

This opinion is furnished by us solely for the benefit of the Underwriters in connection with the transaction described herein, and this opinion may not be furnished to or relied upon by any other person or entity for any purpose without our prior written consent.

This opinion is given as of the date hereof, and we assume no obligation to advise you after the date hereof of facts or circumstances that come to our attention or changes in law that occur which could affect the opinions contained herein.

Very truly yours,

ANNEX A

FOREIGN QUALIFICATION OF THE COMPANY

Georgia

ANNEX B

SUBSIDIARIES

Abel Pumps, L.P.
Acton Research Corporation
Amot Controls Corporation
Amot/Metrix Investment Company
Antek Instruments L.P.
Compressor Controls Corporation
Cornell Pump Company
Cornell Pump Manufacturing Corporation
Cybor Corporation
Fluid Metering, Inc.
FTI Flow Technology, Inc.
Integrated Designs, L.P.
Media Cybernetics, Inc.
Metrix Instrument Co., L.P.
Molecular Imaging Corporation
Petroleum Analyzer Company L.P.
Redlake MASD, Inc.
Roper Holdings, Inc.
Roper Mex L.P.
Roper Pump Company
Roper Scientific, Inc.
Roper Southeast Asia LLC
Ropintassco Holdings, L.P.
Ropintassco 1, LLC
Ropintassco 2, LLC
Ropintassco 3, LLC
Ropintassco 4, LLC
Ropintassco 5, LLC
Ropintassco 6, LLC
Ropintassco 7, LLC
Struers Inc.
Uson L.P.
Neptune Technology Group Holdings, Inc.
Neptune Technology Group Inc.
DAP Technologies Corp.

Exhibit B-1

December 22, 2003

MERRILL LYNCH & CO.
MERRILL LYNCH, PIERCE, FENNER & SMITH
INCORPORATED
BANC ONE CAPITAL MARKETS, INC.
ROBERT W. BAIRD & CO. INCORPORATED
MCDONALD INVESTMENTS INC., A KEYCORP COMPANY
SUNTRUST CAPITAL MARKETS, INC.
as Representatives of the several
Underwriters to be named in the
within-mentioned Purchase Agreement

c/o Merrill Lynch & Co.
Merrill Lynch, Pierce, Fenner & Smith
Incorporated
4 World Financial Center
New York, New York 10080

Re: Proposed Public Offering by Roper Industries, Inc.

Dear Sirs:

The undersigned, a stockholder and an officer and/or director of Roper Industries, Inc., a Delaware corporation (the "Company"), understands that Merrill Lynch & Co., Merrill Lynch, Pierce, Fenner & Smith Incorporated ("Merrill Lynch"), Banc One Capital Markets, Inc., Robert W. Baird & Co. Incorporated, McDonald Investments Inc., a KeyCorp Company and SunTrust Capital Markets, Inc. propose to enter into a Purchase Agreement (the "Purchase Agreement") with the Company providing for the public offering of $506.3 million aggregate principal amount at maturity of the Company's Convertible Senior Subordinated Secured Notes (the "Securities"). In recognition of the benefit that such an offering will confer upon the undersigned as a stockholder and an officer and/or director of the Company, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the undersigned agrees with each underwriter to be named in the Purchase Agreement that, during a period of 90 days from the date of the Purchase Agreement, the undersigned will not, without the prior written consent of Merrill Lynch, directly or indirectly, (i) offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant for the sale of, or otherwise dispose of or transfer any shares of the Company's Common Stock, par value $0.01 per share (the "Common Stock"), or any securities convertible into or exchangeable or exercisable for Common Stock, whether now owned or hereafter acquired by the undersigned or with respect to which the undersigned has or hereafter acquires the power of disposition, or file, or cause to be filed, any registration statement under the Securities Act of 1933, as amended, with respect to any of the foregoing (collectively, the "Lock-Up Securities") or (ii) enter into any swap or any other agreement or any transaction that transfers, in whole or in part, directly or indirectly, the economic consequence of ownership of the Lock-Up Securities or any securities convertible into or exchangeable for Common Stock, whether any such swap or transaction is to be settled by delivery of Common Stock or other securities, in cash or otherwise. This agreement shall not prohibit (1) exercise of options to acquire shares of Common Stock, (2)

the disposition or sale of shares of Common Stock as necessary to pay the exercise price for "cashless" option exercises and (3) the disposition or sale of shares of Common Stock as necessary to fund taxes payable upon any such exercise or cashless exercise.

Very truly yours,

Signature:

Print Name:

December 22, 2003

MERRILL LYNCH & CO.
MERRILL LYNCH, PIERCE, FENNER & SMITH
INCORPORATED
BANC ONE CAPITAL MARKETS, INC.
ROBERT W. BAIRD & CO. INCORPORATED
MCDONALD INVESTMENTS INC., A KEYCORP COMPANY
SUNTRUST CAPITAL MARKETS, INC.
as Representatives of the several
Underwriters to be named in the
within-mentioned Purchase Agreement

c/o Merrill Lynch & Co.
Merrill Lynch, Pierce, Fenner & Smith
Incorporated
4 World Financial Center
New York, New York 10080

Re: Proposed Public Offering by Roper Industries, Inc.

Dear Sirs:

The undersigned, a stockholder and an officer and/or director of Roper Industries, Inc., a Delaware corporation (the "Company"), understands that Merrill Lynch & Co., Merrill Lynch, Pierce, Fenner & Smith Incorporated ("Merrill Lynch"), Banc One Capital Markets, Inc., Robert W. Baird & Co. Incorporated, McDonald Investments Inc., a KeyCorp Company and SunTrust Capital Markets, Inc. propose to enter into a Purchase Agreement (the "Purchase Agreement") with the Company providing for the public offering of $506.3 million aggregate principal amount at maturity of the Company's Convertible Senior Subordinated Secured Notes (the "Securities"). In recognition of the benefit that such an offering will confer upon the undersigned as a stockholder and an officer and/or director of the Company, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the undersigned agrees with each underwriter to be named in the Purchase Agreement that, during a period of 90 days from the date of the Purchase Agreement, the undersigned will not, without the prior written consent of Merrill Lynch, directly or indirectly, (i) offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant for the sale of, or otherwise dispose of or transfer any shares of the Company's Common Stock, par value $0.01 per share (the "Common Stock"), or any securities convertible into or exchangeable or exercisable for Common Stock, whether now owned or hereafter acquired by the undersigned or with respect to which the undersigned has or hereafter acquires the power of disposition, or file, or cause to be filed, any registration statement under the Securities Act of 1933, as amended, with respect to any of the foregoing (collectively, the "Lock-Up Securities") or (ii) enter into any swap or any other agreement or any transaction that transfers, in whole or in part, directly or indirectly, the economic consequence of ownership of the Lock-Up Securities or any securities convertible into or exchangeable for Common Stock, whether any such swap or transaction is to be settled by delivery of Common Stock or other securities, in cash or otherwise. This agreement shall not prohibit (1) exercise of options to acquire shares of Common Stock, (2)

the disposition or sale of shares of Common Stock as necessary to pay the exercise price for "cashless" option exercises, (3) the disposition or sale of shares of Common Stock as necessary to fund taxes payable upon any such exercise or cashless exercise and (4) sales or dispositions of Common Stock to the Company.

Very truly yours,

Signature:

Print Name:

EXHIBIT 4.1

EXECUTION COPY

ROPER INDUSTRIES, INC.

as Issuer

and

SUNTRUST BANK,

as Trustee

First Supplemental Indenture

Dated as of December 29, 2003

TABLE OF CONTENTS

FIRST SUPPLEMENTAL INDENTURE

FIRST SUPPLEMENTAL INDENTURE (this "First Supplemental Indenture"), dated as of December 29, 2003 among ROPER INDUSTRIES, INC., a Delaware corporation (the "Company"), and SUNTRUST BANK, a Georgia banking corporation, as Trustee (the "Trustee").

RECITALS OF THE COMPANY

WHEREAS, the Company and the Trustee executed and delivered an Indenture, dated as of November 28, 2003 (the "Base Indenture", as supplemented by this First Supplemental Indenture, the "Indenture"), to provide for the issuance by the Company from time to time of Securities to be issued in one or more series as provided in the Indenture;

WHEREAS, the issuance and sale of up to $582,249,000 aggregate principal amount at maturity of the Company's Senior Subordinated Convertible Notes due 2034 (the "Notes") has been authorized by resolutions adopted by the Board of Directors and the Pricing Committee of the Board of Directors of the Company;

WHEREAS, the Company desires to issue and sell the Notes on the date hereof;

WHEREAS, Sections 9.01(b), 9.01(c), 9.01(e) and 9.01(g) of the Base Indenture provide that without the consent of Holders of the Securities of any series issued under the Indenture, the Company, when authorized by a Board Resolution, and the Trustee may enter into one or more indentures supplemental to the Base Indenture to, among other things, establish the form and terms of any series of Securities;

WHEREAS, the Company desires to (a) establish the form and terms of the Notes and (b) provide whether certain Articles of the Indenture will apply to the Notes; and

WHEREAS, all things necessary to make this First Supplemental Indenture a valid supplement to the Indenture according to its terms and the terms of the Indenture have been done;

NOW, THEREFORE, for and in consideration of the premises stated herein and the purchase of the Notes by the Holders thereof, the parties hereto hereby enter into this First Supplemental Indenture, which shall apply to the Notes along with the Base Indenture as supplemented by this First Supplemental Indenture, for the equal and proportionate benefit of all Holders of the Notes, as follows:

ARTICLE I

DEFINITIONS

SECTION 1.01 Terms Defined in the Indenture.

All capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the Indenture, as supplemented or modified hereby for the Notes.

SECTION 1.02 Definitions.

(a) For the benefit of the Holders of the Notes, Section 1.01 of the Base Indenture shall be supplemented for the Notes by replacing the definitions of such terms contained in the Base Indenture or adding definitions as follows:

"Applicable Stock Price" means, in respect of a Conversion Date, the average of the Closing Sale Prices per share of Common Stock over the five Trading Day period starting the third Trading Day following such Conversion Date.

"Average Sale Price" means the average of the Sale Prices of the Common Stock for the shortest of:

(i) 30 consecutive Trading Days ending on the last full Trading Day prior to the Time of Determination with respect to the rights, warrants or options or dividends or distribution in respect of which the Average Sale Price is being calculated, or

(ii) the period (x) commencing on the date next succeeding the first public announcement of (1) the issuance of rights, warrants or options or (2) the distribution, in each case, in respect of which the Average Sale Price is being calculated and (y) proceeding through the last full Trading Day prior to the Time of Determination with respect to the rights, warrants or options or distribution in respect of which the Average Sale Price is being calculated (excluding days within such period, if any, which are not Trading Days), or

(iii) the period, if any, (x) commencing on the date next succeeding the Ex-Dividend Time with respect to the next preceding (1) issuance of rights, warrants or options or (2) distribution, in each case, for which an adjustment is required by the provisions of Section 16.07, 16.08, 16.09 or 16.10 hereof and (y) proceeding through the last full Trading Day prior to the Time of Determination with respect to the rights, warrants or options or distribution in respect of which the Average Sale Price is being calculated (excluding days within such period, if any, which are not Trading Days).

In the event that the Ex-Dividend Time (or in the case of a subdivision, combination or reclassification, the effective date with respect thereto) with respect to a dividend, distribution, subdivision, combination or reclassification to which Section 16.06(a), (b), (c) or (d) hereof applies occurs during the period applicable for calculating "Average Sale Price" pursuant to the definition in the preceding sentence, "Average Sale Price" shall be calculated for such period in a manner determined by the Board of Directors to reflect the impact

of such dividend, distribution, subdivision, combination or reclassification on the Sale Price of the Common Stock during such period.

"Bankruptcy Law" means Title 11, United States Code, or any similar federal or state law for the relief of debtors.

"Business Day" means any weekday that is not a day on which banking institutions in The City of New York are authorized or obligated to close.

"Capital Stock" for any corporation or limited liability company means any and all shares, interests, rights to purchase, warrants, options, participations or other equivalents of or interests in (however designated) stock or other equity issued by that corporation or limited liability company.

"Closing Sale Price" of the Common Stock on any Trading Date means the closing sale price per share (or, if no closing sale price is reported, the average of the closing bid and ask prices or, if more than one in either case, the average of the average closing bid and the average closing ask prices) on such Trading Date as reported on the principal United States securities exchange on which the Common Stock is traded or, if the Common Stock is not listed on a United States national or regional securities exchange, as reported by the NYSE or by the National Quotation Bureau Incorporated. In the absence of such quotations, the Company shall be entitled to determine the Closing Sale Price on the basis it considers appropriate. The Closing Sale Price shall be determined without reference to extended or after hours trading.

"Common Stock" means the shares of common stock, $.01 par value per share, of the Company as it exists on the date of this First Supplemental Indenture or any other shares of Capital Stock of the Company into which the Common Stock shall be reclassified or changed.

"Contingent Cash Interest" means such cash interest payable, as described in Section 2.02(e).

"Current Market Price" on any date of determination means the average of the daily Closing Sale Prices per share of Common Stock for each of the 10 consecutive Trading Days ending on the earlier of such date of determination and the day before the "ex-date" with respect to the issuance, dividend or distribution requiring such computation immediately prior to the date in question. For purpose of this definition, the term "ex-date," means the first date on which the Common Stock trades, regular way, on the relevant exchange or in the relevant market from which the Closing Sale Price was obtained without the right to receive such dividend or distribution.

"Custodian" means any receiver, trustee, assignee, liquidator, custodian or similar official under any Bankruptcy Law.

"Default" means any event which is, or after notice or passage of time or both would be, an Event of Default.

"Designated Senior Indebtedness" means (i) all Senior Indebtedness under the New Senior Secured Credit Facility and (ii) any other Senior Indebtedness which, at the time of

determination, has an aggregate principal amount outstanding of at least $20 million and which is specifically designated in the instrument creating or evidencing such Senior Indebtedness as "Designated Senior Indebtedness" by the Company.

"Exchange Act" means the Securities Exchange Act of 1934, as amended.

"Ex-Dividend Time" means with respect to stockholders of the Company entitled to receive rights, warrants or options or a dividend or distribution, the time immediately prior to the commencement of "ex-dividend" trading for such rights, warrants or options or a dividend or distribution on the New York Stock Exchange or such other national or regional exchange or market on which the Common Stock is then listed or quoted.

"Fair Market Value" means the amount which a willing buyer would pay a willing seller in an arm's-length transaction between an informed and willing seller under no compulsion to sell and an informed and willing buyer under no compulsion to buy.

"Issue Date" of any Note means the date on which the Note was deemed issued as set forth on the face of the Note.

"Issue Price" of any Note means, in connection with the original issuance of such Note, the initial issue price at which the Note is sold as set forth on the face of the Note.

"New Senior Secured Credit Facility" means the Company's credit agreement among the Company, the subsidiaries of the Company referred to therein, the lenders from time to time party thereto, Merrill Lynch Capital Corporation, as documentation agent, Wachovia Bank, National Association, as syndication agent and JPMorgan Chase Bank, as administrative agent, dated as of December 29, 2003 as the same may be amended, restated, modified or refinanced from time to time (including, without limitation, any such amendment, restatement, modification or refinancing that increases the principal amount outstanding or committed thereunder).

"NYSE" means the New York Stock Exchange.

"Original Issue Discount" of any Note means the difference between the Issue Price and the Principal Amount at Maturity of the Note, which shall accrue as set forth in the form of the Note.

"Outstanding," when used with respect to Notes, means Notes outstanding at any time are all the Notes authenticated by the Trustee, except for those cancelled by it, those paid pursuant to Section 3.06 or 3.09 hereof and delivered to it for cancellation and those described in this definition as not outstanding. A Note does not cease to be outstanding because the Company or an Affiliate thereof holds the Note; provided, however, that in determining whether the Holders of the requisite Principal Amount at Maturity of Notes have given or concurred in any request, demand, authorization, direction, notice, consent or waiver hereunder, Notes owned by the Company or any other obligor upon the Notes or any Affiliate of the Company or such other obligor shall be disregarded and deemed not to be outstanding, except that, in determining whether the Trustee shall be protected in relying upon any such request, demand, authorization, direction, notice, consent or waiver, only Notes which a Responsible Officer of the Trustee

actually knows to be so owned shall be so disregarded. Subject to the foregoing, only Notes outstanding at the time of such determination shall be considered in any such determination (including, without limitation, determinations pursuant to Articles V and IX).

If a Note is replaced pursuant to Section 3.06, the replaced Note ceases to be outstanding unless the Trustee and the Company receive proof satisfactory to each of them that the replaced Note is held by a protected purchaser within the meaning of Article 8 of the Uniform Commercial Code unaware that such Note has been replaced, in which case the replacement security shall be deemed not to be outstanding.

If the Paying Agent holds, in accordance with this Indenture, on a Redemption Date, or on the Business Day following the Purchase Date or a Change in Control Purchase Date, or on Stated Maturity, money or securities, if permitted hereunder, sufficient to pay Notes payable on that date, then immediately after such Redemption Date, Purchase Date, Change in Control Purchase Date or Stated Maturity, as the case may be, such Notes shall cease to be outstanding and Original Issue Discount and interest (including Contingent Cash Interest), if any, or cash interest on such Notes shall cease to accrue; provided that if such Notes are to be redeemed, notice of such redemption has been duly given pursuant to the Indenture.

If a Note is converted in accordance with Article XVI, then from and after the time of conversion on the Conversion Date, such Note shall cease to be outstanding and Original Issue Discount and interest (including Contingent Cash Interest), if any, or cash interest shall cease to accrue on such Note.

"Pari Passu Indebtedness" means any indebtedness of the Company that is pari passu in right of payment to the Notes.

"Permitted Junior Payment" means any payment or other distribution to the holders of the Notes of securities of the Company or any other entity that are equity securities (other than Preferred Stock or Redeemable Capital Stock) or are subordinated in right of payment to all Senior Indebtedness to substantially the same extent as, or to a greater extent than, the Notes are so subordinated to Senior Indebtedness.

"Preferred Stock" means, with respect to any Person, any Capital Stock of any class or classes (however designated) which is preferred as to the payment of dividends or distributions, or as to the distribution of assets upon any voluntary or involuntary liquidation or dissolution of such Person, over the Capital Stock of any other class in such Person.

"Principal Amount at Maturity" of a Note means the principal amount at maturity as set forth on the face of the Note.

"Record Date" means either a Regular Record Date or a Contingent Cash Interest Record Date.

"Redeemable Capital Stock" means any Capital Stock that, either by its terms or by the terms of any security into which it is convertible or exchangeable or otherwise,

(i) is or upon the happening of an event or passage of time would be, required to be redeemed prior to the final stated maturity of the principal of the Notes,

(ii) is redeemable at the option of the holder thereof at any time prior to such final stated maturity (other than upon a change in control of the Company in circumstances where the Holders of the Notes would have similar rights), or

(iii) is convertible into or exchangeable for debt securities at any time prior to any such stated maturity at the option of the holder thereof.

"Redemption Date" or "redemption date" means the date specified for redemption of the Notes in accordance with the terms of the Notes and this Indenture.

"Redemption Price" or "redemption price" shall have the meaning set forth in paragraph 6 of the Notes.

"Sale Price" of Common Stock on any date means (a) the closing per share sale price (or, if no closing sale price is reported, the average of the bid and ask prices or, if more than one in either case, the average of the average bid and the average ask prices) on such date as reported in the composite transactions for the principal United States securities exchange on which the Common Stock is traded or, if the Common Stock is not listed on a United States national or regional securities exchange, as reported by the National Association of Securities Dealers Automated Quotation System or by the National Quotation Bureau Incorporated or (b) in the absence of such quotation, such price as the Company shall reasonably determine on the basis of such quotations as most accurately reflecting the price that a fully-informed buyer, acting on his own accord, would pay to a fully-informed seller, acting on his own accord in an arm's-length transaction, for a share of such Common Stock.

"SEC" means the United States Securities and Exchange Commission.

"Senior Indebtedness" means the principal of, premium, if any, and interest (including interest, whether or not allowable, accruing after the filing of a petition initiating any proceeding under any state, federal or foreign bankruptcy law) on, and all other obligations owing by the Company in respect of, whether outstanding on the Issue Date or thereafter created, incurred or assumed, and whether at any time owing, actually or contingent, unless, in the case of any particular Indebtedness, the instrument creating or evidencing the same or pursuant to which the same is outstanding expressly provides that such Indebtedness shall not be senior in right of payment to the Notes, the following:

(i) Indebtedness of the Company (including the Company's obligations arising from the Company's guarantee of Indebtedness) to banks, insurance companies, financial institutions and other entities evidenced by credit or loan agreements, notes or other written obligations;

(ii) all other Indebtedness of the Company (including the Company's obligations arising from the Company's guarantee of the Indebtedness of others) other than the Notes, whether outstanding on the Issue Date or thereafter created, incurred or assumed, which is

(a) for money borrowed; or

(b) evidenced by a note, security, debenture, bond or similar instrument or guarantee thereof;

(iii) the Company's obligations as lessee under leases required to be capitalized on the balance sheet of the lessee under generally accepted accounting principles or in respect of any lease or related document (including a purchase agreement) which provides that the Company is contractually obligated to purchase or cause a third party to purchase the leased property or effectively guarantees a minimum residual value of the leased property to the landlord and the Company's obligations under such lease or related document to purchase or cause a third party to purchase such leased property;

(iv) the Company's obligations under interest rate and currency swaps, caps, floors, collars or similar agreements or arrangements;

(v) all of the Company's obligations in respect of the deferred purchase price of property (but excluding any portion thereof constituting amounts owing for goods, materials or services purchased in the ordinary course of business or consisting of trade accounts payable, and amounts owed by the Company for compensation to employees); and

(vi) all of the Company's obligations for reimbursement on account of any letters of credit, bankers acceptances, bank guarantees and other similar instruments.

Notwithstanding the foregoing, "Senior Indebtedness" shall not include

(i) Indebtedness that is contractually subordinate or junior in right of payment to any of the Company's Indebtedness;

(ii) Indebtedness which when incurred and without respect to any election under Section 1111(b) of Title 11 United States Code, is without recourse to the Company;

(iii) Indebtedness which is represented by Redeemable Capital Stock;

(iv) any liability for foreign, federal, state, local or other taxes owed or owing by the Company to the extent such liability constitutes Indebtedness;

(v) Indebtedness of the Company to a subsidiary of the Company or any other Affiliate of the Company or any of such Affiliate's subsidiaries;

(vi) to the extent it might constitute Indebtedness, amounts owing for goods, materials or services purchased in the ordinary course of business or consisting of trade accounts payable owed or owing by the Company, and amounts owed by the Company for compensation to employees or services rendered to the Company;

(vii) that portion of any Indebtedness which at the time of issuance is issued in violation of the Indenture; and

(viii) Indebtedness evidenced by any guarantee of any Subordinated Indebtedness or Pari Passu Indebtedness.

"Senior Representative" means the agent, indenture trustee or other trustee or representative for any holders of Senior Indebtedness.

"Subordinated Indebtedness" means indebtedness of the Company that is contractually subordinated in right of payment to the Notes.

"Time of Determination" means the time and date of the earlier of (a) the determination of stockholders entitled to receive rights, warrants or options or a distribution, in each case, to which Section 16.07 or 16.08 hereof applies and (b) the Ex-Dividend Time.

"Trading Day" means a day during which trading in securities generally occurs on the NYSE or, if the Common Stock is not listed on the NYSE, on the principal other national or regional securities exchange on which the Common Stock is then listed or, if the Common Stock is not listed on a national or regional securities exchange, on the National Association of Securities Dealers Automated Quotation System or, if the Common Stock is not quoted on the National Association of Securities Dealers Automated Quotation System, on any Business Day.

"Trading Price" means per $1,000 Principal Amount at Maturity of Notes, on any date, the average of the secondary market bid quotations for $1,000 Principal Amount at Maturity of the Notes obtained by the Bid Solicitation Agent for $2,500,000 Principal Amount at Maturity of Notes at approximately 4:00 p.m., New York City time, on such date from three independent nationally recognized securities dealers selected by the Company; provided that if at least three such bids cannot reasonably be obtained by the Bid Solicitation Agent, but two bids are obtained, then the average of the two bids shall be used, and if only one such bid can reasonably be obtained by the Bid Solicitation Agent, one bid shall be used; and provided further that if the Bid Solicitation Agent cannot reasonably obtain at least one bid for $2,500,000 Principal Amount at Maturity of Notes from a nationally recognized securities dealer or in the Company's reasonable judgment, the bid quotations are not indicative of the secondary market value of the Notes, then the Trading Price per $1,000 Principal Amount at Maturity of Notes shall be deemed to be less than 98% of the product of (a) the Conversion Rate on such date and (b) the Closing Sale Price on such date.

(b) Definitions of the following terms in this First Supplemental Indenture may be found in the Sections indicated as follows:

Term	Defined in Section
"Accreted Conversion Price Per Share"	Exhibit A
"Associate"	Section 11.09(a)
"Average Security Market Price"	Section 2.02(e)(i)
"Base Indenture"	Recitals

"Bid Solicitation Agent"	Section 3.05
"Change in Control"	Section 11.09(a)
"Change in Control Purchase Date"	Section 11.09(a)
"Change in Control Purchase Notice"	Section 11.09(c)
"Change in Control Purchase Price"	Section 11.09(a)
"Company"	Preamble
"Company Notice"	Section 11.08(b)
"Contingent Cash Interest Payment Date"	Section 2.02(e)(ii)
"Contingent Cash Interest Record Date"	Section 2.02(e)(ii)
"Conversion Agent"	Section 3.05
"Conversion Date"	Section 16.02
"Conversion Rate"	Section 16.01
"Depository"	Section 2.01(a)
"Defaulted Interest"	Section 3.07
"Dividend Threshold Amount"	Section 16.09
"Ex-Dividend Date"	Section 16.08(b)
"Expiration Time"	Section 16.10
"First Supplemental Indenture"	Preamble
"Future Supplemental Indenture"	Recitals
"Global Notes"	Section 2.01(a)
"Initial Period"	Section 18.03(c)
"Indenture"	Recitals
"Non-payment Default"	Section 18.03(b)
"Notes"	Recitals
"Payment Blockage Period"	Section 18.03(b)

"Payment Default"	Section 18.03(a)
"Post-Distribution Price"	Section 16.08(b)
"Purchase Date"	Section 11.08(a)
"Purchase Notice"	Section 11.08(a)
"Purchase Price"	Section 11.08(a)
"Purchased Shares"	Section 16.10(i)
"Regular Cash Dividends"	Exhibit A
"Relevant Value"	Section 2.02(e)(i)
"Rights"	Section 16.21
"Rights Agreement"	Section 16.21
"Semiannual Period"	Section 2.02(e)(i)
"Senior Subordinated Convertible Notes due 2034"	Section 2.02(a)
"Special Record Date"	Section 3.07(a)
"Tax Original Issue Discount"	Section 17.02(a)
"Trustee"	Preamble

ARTICLE II

FORM AND TERMS OF THE NOTES

SECTION 2.01 Form Generally.

The Notes and the Trustee's certificate of authentication shall be substantially in the forms of Exhibits A-1 and A-2 attached hereto, which are a part of this Indenture. The Notes may have notations, legends or endorsements required by law, stock exchange rule or usage. The Company shall provide any such notations, legends or endorsements to the Trustee in writing. Each Note shall be dated the date of its authentication. The Notes shall be issued only in registered form without coupons and only in denominations of $1,000 Principal Amount at Maturity and any integral multiple thereof.

The terms and notations contained in the Notes shall constitute, and are hereby expressly made, a part of this Indenture and the Company and the Trustee, by their execution and delivery of this Indenture, expressly agree to such terms and provisions and to be bound thereby.

(a) Global Notes. The Notes shall be issued initially in the form of one or more fully registered global notes (the "Global Notes") substantially in the form of Exhibit A-1 attached hereto, which shall be deposited on behalf of the purchasers of the Notes represented thereby with The Depository Trust Company, New York, New York (the "Depository") and registered in the name of Cede & Co., the Depository's nominee, duly executed by the Company, authenticated by the Trustee. The aggregate Principal Amount at Maturity of Outstanding Notes may from time to time be increased or decreased by adjustments made on the records of the Trustee and the Depository or its nominee as hereinafter provided.

The Global Notes may not be transferred except by the Depository, in whole or in part, to another nominee of the Depository or to a successor of the Depository or its nominee. If at any time (i) the Depository notifies the Company that the Depository is unwilling or unable to continue as Depository for the Global Notes or if at any time the Depository ceases to be a clearing agency registered under the Exchange Act and a successor Depository for the Global Notes is not appointed by the Company within 90 days after delivery of such notice, (ii) the Company in its sole discretion decides to discontinue use of the system of book-entry transfer through the Depository (or any successor of the Depository) or (iii) there shall have occurred and be continuing an Event of Default with respect to the Notes under the Indenture, then the Company shall execute, and the Trustee shall, upon receipt of a Company Order for authentication, authenticate and deliver, definitive Notes in an aggregate principal amount equal to the Principal Amount at Maturity of such Global Notes.

(b) Book-Entry Provisions. This Section 2.01(b) shall apply only to the Global Notes deposited with or on behalf of the Depository.

The Company shall execute and the Trustee shall, in accordance with this Section 2.01(b), authenticate and deliver the Global Notes that shall be registered in the name of the Depository or the nominee of the Depository and shall be delivered by the Trustee to the Depository or pursuant to the Depository's written instructions.

Depository participants shall have no rights either under this Indenture or with respect to any Global Notes held on their behalf by the Depository or under such Global Notes. The Depository shall be treated by the Company, the Trustee and any agent of the Company or the Trustee as the record owner of such Global Note for all purposes under this Indenture. Notwithstanding the foregoing, nothing herein shall prevent the Company or the Trustee from giving effect to any written certification, proxy or other authorization furnished by the Depository or impair, as between the Depository and the Depository participants, the operation of customary practices of such Depository governing the exercise of the rights of an owner of a beneficial interest in the Global Notes.

(c) Definitive Notes. Notes issued in certificated form shall be substantially in the form of Exhibit A-2 attached hereto, but without including the text referred to therein as applying only to Global Notes. Except as provided above in subsection (a), owners of beneficial interests in the Global Notes will not be entitled to receive physical delivery of definitive Notes.

(d) Transfer and Exchange of the Notes. The transfer and exchange of beneficial interests in the Global Notes shall be effected through the Depository, in accordance with this

Indenture and the procedures of the Depository. Beneficial interests in the Global Notes may be transferred to Persons who take delivery thereof in the form of a beneficial interest in the Global Notes.

SECTION 2.02 Terms of the Notes.

THE FOLLOWING TERMS RELATING TO THE NOTES ARE HEREBY ESTABLISHED:

(a) Title. The Notes shall constitute a series of Securities having the title "Senior Subordinated Convertible Notes due 2034."

(b) Principal Amount. The aggregate Principal Amount at Maturity of the Notes that may be authenticated and delivered under the Indenture (except for Notes authenticated and delivered upon registration of, transfer of, or in exchange for, or in lieu of, other Notes pursuant to Section 3.04, 3.05 or 3.06 of the Indenture) shall be $582,249,000.

(c) Stated Maturity. The entire outstanding Principal Amount of Maturity at the Notes shall be due and payable, unless accelerated, redeemed or required to be repurchased or converted pursuant to the Indenture, on January 15, 2034.

(d) Interest

(i) The rate at which the Notes shall bear cash interest shall be 1.4813% per annum on the Principal Amount at Maturity of the Notes; the date from which interest shall accrue on the Notes shall be December 29, 2003, or the most recent Interest Payment Date to which cash interest has been paid or provided for until January 15, 2009; the Interest Payment Dates for cash interest for the Notes shall be January 15 and July 15 of each year, beginning July 15, 2004; the interest so payable, and punctually paid or duly provided for, on any Interest Payment Date, will be paid, in immediately available funds, to the Persons in whose names the Notes (or one or more Predecessor Securities) are registered at the close of business on the Regular Record Date for such interest, which shall be the December 31 or June 30, as the case may be, next preceding such Interest Payment Date. Interest shall be calculated on the basis of a 360-day year of twelve 30-day months.

(ii) Original Issue Discount, in the period during which a Note remains Outstanding, shall accrue at 3.75% per annum of the Issue Price plus any previously accrued Original Issue Discount, beginning on January 15, 2009, on a semiannual bond equivalent basis using a 360-day year of twelve 30-day months.

(e) Contingent Interest

(i) Contingent Cash Interest. The Company shall make Contingent Cash Interest payments to the Holders during any six-month period from January 16 and July 15 and from July 16 to January 15, beginning with the six-month period commencing on January 16, 2009 (each, a "Semiannual Period") if, but only if, the Average Security Market Price for the five Trading Days ending on

the third Trading Day immediately preceding the first day of the applicable Semiannual Period equals 120% or more of the Relevant Value per Note. During any Semiannual Period when Contingent Cash Interest is payable pursuant to this Section 2.02(e), each Contingent Cash Interest payment due and payable on each $1,000 Principal Amount at Maturity of Notes for the applicable Semiannual Period, shall equal the annual rate of 0.25% of the Average Security Market Price for the five Trading Day measuring period referred to in the preceding sentence. Contingent Cash Interest shall be calculated on the basis of a 360-day year of twelve 30-day months.

As used in this Section 2.02(e), "Relevant Value" means the sum of the Issue Price, accrued Original Issue Discount and accrued cash interest, if any, on such Note to the day immediately preceding the first day of the applicable Semiannual Period. "Average Security Market Price" means, on any date, the average of the secondary market bid quotations per $1,000 Principal Amount at Maturity of Notes obtained by the Bid Solicitation Agent for $2,500,000 Principal Amount at Maturity of Notes at approximately 4:00 p.m., New York City time, on such date from at least one independent nationally recognized securities dealer (none of which shall be an Affiliate of the Company) selected by the Company; provided, however, that if (a) the Bid Solicitation Agent cannot reasonably obtain at least one bid for $2,500,000 Principal Amount at Maturity of Notes from a nationally recognized securities dealer or (b) in the Company's reasonable judgment, the bid quotations are not indicative of the secondary market value of the Notes as of such date, then the Average Security Market Price for such date shall equal the product of (i) the Conversion Rate in effect as of such determination date multiplied by (ii) the average Sale Price of the Common Stock for the five Trading Days ending on such date, appropriately adjusted, without duplication, to take into account the occurrence, during the period commencing on the first of such Trading Days during such five Trading Day period and ending on such determination date, of any event described in Section 16.06. 16.07, 16.08, 16.09 or 16.10 hereof (subject to the conditions set forth in Section 16.12 hereof).

The Original Issue Discount of the Notes will continue to accrue whether or not Contingent Cash Interest payments are made.

(ii) Payment of Contingent Cash Interest; Contingent Cash Interest Rights Preserved. If payable, Contingent Cash Interest on a Note shall be paid to the Person who is the Holder of that Note on the 15th day preceding the last day of the applicable Semiannual Period (the "Contingent Cash Interest Record Date"). Such payments shall be paid on the last day of the Semiannual Period (in each case, a "Contingent Cash Interest Payment Date"). Each payment of Contingent Cash Interest on any Note shall be paid (A) if such Note is held in the form of a Global Note, in the same-day funds by transfer to an account maintained by the payee located inside the United States, or (B) if such Note is held in the form of a certificated Note, by check, mailed to the address of such Holder as set forth in the Security Register. In the case of a Global Note, interest payable on any Contingent Cash Interest Payment Date will be paid to the

Depositary for the purpose of permitting the Depository to credit the interest received by it in respect of such Global Note to the accounts of the beneficial owners thereof.

Upon determination that Holders of Notes will be entitled to receive Contingent Cash Interest during a Semiannual Period, the Company will issue a press release and use its reasonable best efforts to post such information on its website or through such other public medium as the Company may use at the time.

The Company may unilaterally increase the amount of interest or Contingent Cash Interest it is required to pay but shall have no obligation to do so.

SECTION 2.03 Calculations.

For the sole benefit of the Holders of the Notes, the following Section 1.13 shall apply to the Notes:

Section 1.13 Calculations.

The calculation of the Purchase Price, Change in Control Purchase Price, Conversion Rate, Sale Price of the Common Stock and each other calculation to be made hereunder shall be the obligation of the Company. All calculations made by the Company as contemplated pursuant to this Section 1.13 or otherwise pursuant to the Notes shall be final and binding on the Company and the Holders absent manifest error. The Trustee, Paying Agent and Conversion Agent shall not be obligated to recalculate, recompute or confirm any such calculations.

SECTION 2.04 Application of Section 3.03 of the Indenture.

For the sole benefit of the Holders of the Notes, the words "under its corporate seal reproduced thereon attested by its Secretary or one of its Assistant Secretaries" in the first paragraph of Section 3.03 of the Base Indenture shall not apply.

SECTION 2.05 Registration, Registration of Transfer and Exchange.

For the sole benefit of the Holders of the Notes, the first paragraph of Section 3.05 of the Base Indenture shall not apply, but the following paragraph shall apply in its place:

The Company shall cause to be kept at the office of the Security Registrar designated pursuant to this Section 3.05 or Section 10.02 a register (being the combined register of the Security Registrar and Co-Security Registrars and herein sometimes collectively referred to as the "Security Register") in which, subject to such reasonable regulations as it may prescribe, the Company shall provide for the registration of Notes and for transfers of Notes. The Company shall maintain a Paying Agent where Notes may be presented for purchase or payment. The Company shall maintain an office or agency where Notes may be presented for conversion ("Conversion Agent"). The Company shall also appoint a bid solicitation agent (the "Bid Solicitation Agent") to act pursuant to Section 2.02(e) of this First Supplemental Indenture when necessary. The Company may have one or more co-registrars, one or more additional

paying agents and one or more additional conversion agents. The term Paying Agent includes any additional paying agent. The term Conversion Agent includes any additional conversion agent.

The Company shall enter into an appropriate agency agreement with any Security Registrar or Co-Security Registrar, Paying Agent, Conversion Agent or Bid Solicitation Agent (other than the Trustee). The agreement shall implement the provisions of this Indenture that relate to such agent. The Company shall notify the Trustee in writing of the name and address of any such agent. If the Company fails to maintain a Security Registrar, Paying Agent, Conversion Agent or when necessary a Bid Solicitation Agent, the Trustee shall act as such and shall be entitled to appropriate compensation therefor pursuant to Section 6.07 hereof. The Company or any Subsidiary or an Affiliate of either of them may act as Paying Agent, Security Registrar, Conversion Agent or Co-Security Registrar. None of the Company or any Subsidiary or any Affiliate of the Company or any Subsidiary may act as Bid Solicitation Agent.

The Company initially appoints the Trustee as Security Registrar, Conversion Agent and Paying Agent in connection with the Notes.

SECTION 2.06 Payment of Interest; Interest Rights Reserved.

For the sole benefit of the Holders of the Notes, Section 3.07 of the Base Indenture shall not apply and the following Section 3.07 shall apply in its place:

SECTION 3.07 Payment of Interest; Interest Rights Reserved.

Cash or Contingent Cash Interest on any Note that is payable in cash, and is punctually paid or duly provided for, on any applicable payment date shall be paid to the Person in whose name that Note is registered at the close of business on the Record Date for such interest at the office or agency of the Company maintained for such purpose. Each installment of cash interest or Contingent Cash Interest on any Note shall be paid in same-day funds by transfer to an account maintained by the payee located inside the United States, if the Trustee shall have received proper wire transfer instructions from such payee not later than the related Record Date or, if no such instructions have been received, by check mailed to the payee at its address set forth on the Security Registrar's books. In the case of a permanent Global Note, cash interest or Contingent Cash Interest payable on any applicable payment date will be paid to the Depositary, with respect to that portion of such permanent Global Note held for its account by Cede & Co. for the purpose of permitting such party to credit the interest received by it in respect of such permanent Global Note to the accounts of the beneficial owners thereof.

Except as otherwise specified with respect to the Notes, any cash interest or Contingent Cash Interest on any Note that is payable, but is not punctually paid or duly provided for, within 30 days following any applicable payment date (herein called "Defaulted Interest," which term shall include any accrued and unpaid interest that has accrued on such defaulted amount in accordance with paragraph 1 of the Notes), shall be paid by the Company, at its election in each case (x) to the Holder as of a Special Record Date, as determined in accordance with clause (a) below, or (y) in the manner set forth in clause (b) below:

(a) The Company may elect to make payment of any Defaulted Interest to the Persons in whose names the Notes are registered at the close of business on a Special Record Date (as defined herein) for the payment of such Defaulted Interest, which shall be fixed in the following manner. The Company shall notify the Trustee in writing of the amount of Defaulted Interest proposed to be paid on each Note and the date of the proposed payment (which shall not be less than 20 days after such notice is received by the Trustee), and at the same time the Company shall deposit with the Trustee an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Trustee for such deposit on or prior to the date of the proposed payment, such money when deposited to be held in trust for the benefit of the Persons entitled to such Defaulted Interest as in this clause (a) provided. Thereupon the Trustee shall fix a special record date (the "Special Record Date") for the payment of such Defaulted Interest which shall be not more than 15 days and not less than 10 days prior to the date of the proposed payment and not less than 10 days after the receipt by the Trustee of the notice of the proposed payment. The Trustee shall promptly notify the Company of such Special Record Date and, in the name and at the expense of the Company, shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, first-class postage prepaid, to each Holder of Notes at his address as it appears on the list of Holders maintained pursuant to Section 3.05 hereof not less than 10 days prior to such Special Record Date. Notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor having been mailed as aforesaid, such Defaulted Interest shall be paid to the Persons in whose names the Notes are registered at the close of business on such Special Record Date and shall no longer be payable pursuant to the following clause (b) of this Section 3.07.

(b) The Company may make payment of any Defaulted Interest on the Notes in any other lawful manner not inconsistent with the requirements of any securities exchange on which such Notes may be listed, and upon such notice as may be required by such exchange, if, after written notice given by the Company to the Trustee of the proposed payment pursuant to this clause, such manner of payment shall be deemed practicable by the Trustee.

Subject to the foregoing provisions of this Section 3.07 and Section 3.05 hereof, each Note delivered under this Indenture upon registration of transfer of or in exchange for or in lieu of any other Note shall carry the rights to cash and Contingent Cash Interest accrued and unpaid, and to accrue, which were carried by such other Note.

SECTION 2.07 Satisfaction and Discharge.

For the sole benefit of the Holders of the Notes, Article IV of the Base Indenture shall not apply and the following Article IV shall apply in its place:

ARTICLE IV
DISCHARGE OF INDENTURE

SECTION 4.01 Discharge of Liability on Notes.

When (a) the Company delivers to the Trustee all outstanding Notes (other than Notes replaced pursuant to Section 3.06 hereof) for cancellation or (b) all outstanding Notes have

become due and payable and the Company irrevocably deposits with the Trustee, the Paying Agent (if the Paying Agent is not the Company or any of its Affiliates) or the Conversion Agent cash or, if expressly permitted by the terms of the Notes or the Indenture, Common Stock sufficient to pay all amounts due and owing on all Outstanding Notes (other than Notes replaced pursuant to Section 3.06 hereof), and if in either case the Company pays all other sums payable hereunder by the Company, then this Indenture shall, upon a Company Order, subject to Sections 6.03 and 6.07 hereof, which sections shall survive such discharge, cease to be of further effect. The Trustee shall join in the execution of a document prepared by the Company acknowledging satisfaction and discharge of this Indenture on written demand of the Company accompanied by an Officers' Certificate and Opinion of Counsel complying with Section 1.02 of the Base Indenture and at the cost and expense of the Company.

SECTION 4.02 Repayment to the Company.

The Trustee and the Paying Agent shall return to the Company upon written request any money or securities held by them for the payment of any amount with respect to the Notes that remains unclaimed for two years, subject to applicable unclaimed property law. After return to the Company, Holders entitled to the money or securities must look to the Company for payment as general creditors unless an applicable abandoned property law designates another person and the Trustee and the Paying Agent shall have no further liability to the Holders with respect to such money or securities for that period commencing after the return thereof.

SECTION 2.08 Events of Default.

For the sole benefit of the Holders of the Notes, Subsection 5.01 of the Base Indenture Subsections (a) through (g) thereof in their entirety shall not apply and the following Subsections (a) through (f) shall apply in its place:

(a) default in the payment of the Principal Amount at Maturity, Redemption Price, Purchase Price or Change in Control Purchase Price on any Note when the same becomes due and payable at its Stated Maturity, upon redemption, upon declaration, when due for purchase by the Company or otherwise; or

(b) default in the payment of any cash interest, including Contingent Cash Interest, under the Notes when it becomes due and payable, and, other than in respect of any interest, including Contingent Cash Interest due and payable at Maturity, continuance of such default for a period of thirty (30) days; or

(c) failure by the Company to comply with any of the other agreements in the Notes or the Indenture (other than those referred to in clauses (a) and (b) above) upon the Company's receipt of written notice of such default from the Trustee or from Holders of not less than 25% in aggregate Principal Amount at Maturity of the Outstanding Notes, and the Company's failure to cure (or obtain a waiver of) such default within 60 days after the Company receives such written notice; or

(d) (i) the Company or any Subsidiary defaults in the payment of principal of any Indebtedness when due (after giving effect to any applicable grace period) and the aggregate principal amount of such Indebtedness at such time exceeds $10,000,000, or (ii) the Company or

any Subsidiary defaults under any Indebtedness which default results in such Indebtedness being accelerated or declared due and payable, and the aggregate principal amount of such Indebtedness so accelerated or declared due and payable exceeds $10,000,000 upon the receipt of written notice of such default from the Trustee or from Holders of not less than 25% in aggregate Principal Amount at Maturity of the Outstanding Notes and such acceleration or declaration has not been rescinded or annulled or such Indebtedness repaid within a period of 10 days after receipt by the Company of a written notice from the Trustee; provided, however, that if any such default specified in (i) or (ii) shall be cured, waived, rescinded or annulled or such Indebtedness repaid then the Event of Default by reason thereof shall be deemed not to have occurred; or

(e) the Company pursuant to or under or within the meaning of any Bankruptcy Law:

(i) commences a voluntary case or proceeding;

(ii) consents to the entry of an order for relief against it in an involuntary case or proceeding or the commencement of any case against it;

(iii) consents to the appointment of a Custodian for all or substantially all of its property;

(iv) makes a general assignment for the benefit of its creditors;

(v) files a petition in bankruptcy or answer or consent seeking reorganization or relief; or

(vi) consents to the filing of such petition or the appointment of or taking possession by a Custodian; or

(f) a court of competent jurisdiction enters an order or decree under any Bankruptcy Law that:

(i) is for relief against the Company in an involuntary case or proceeding, or adjudicates the Company insolvent or bankrupt;

(ii) appoints a Custodian of the Company or for all or substantially all of its property; or

(iii) orders the winding up or liquidation of the Company;

and such order or decree remains unstayed and in effect for 60 days.

SECTION 2.09 Acceleration of Maturity; Rescission and Annulment.

For the sole benefit of the Holders of the Notes, Section 5.02 of the Base Indenture shall not apply and the following Section 5.02 shall apply in its place:

SECTION 5.02. Acceleration of Maturity; Rescission and Annulment.

If an Event of Default (other than an Event of Default specified in Section 5.01(e) or (f) in respect of the Company) occurs and is continuing, the Trustee by written notice to the Company, or the Holders of at least 25% in aggregate Principal Amount at Maturity of the Notes at the time outstanding by written notice to the Company and the Trustee, may declare the Issue Price plus accrued Original Issue Discount and any accrued and unpaid cash interest including Contingent Cash Interest, through the date of declaration on, all the Notes to be immediately due and payable. Upon such a declaration, such Issue Price plus accrued Original Issue Discount, and such accrued and unpaid cash interest, if any, including Contingent Cash Interest, if any, shall be due and payable immediately. If an Event of Default specified in Section 5.01(e) or (f) occurs in respect of the Company and is continuing, the Issue Price plus accrued Original Issue Discount and any accrued and unpaid cash interest, including Contingent Cash Interest, on all the Notes shall become and be immediately due and payable without any declaration or other act on the part of the Trustee or any Holders. The Holders of a majority in aggregate Principal Amount at Maturity of the Outstanding Notes, by written notice to the Trustee (and without notice to any other Holder) may rescind an acceleration and its consequences if the rescission would not conflict with any judgment or decree and if all existing Events of Default have been cured or waived except nonpayment of the Issue Price plus accrued Original Issue Discount and any accrued and unpaid cash interest, including Contingent Cash Interest, that have become due solely as a result of acceleration and if all amounts due to the Trustee under Section 6.07 hereof have been paid. No such rescission shall affect any subsequent Default or impair any right consequent thereto.

SECTION 2.10 Unconditional Right of Holders to Receive Principal, Premium and Interest.

For the sole benefit of the Holders of the Notes, Section 5.08 of the Base Indenture shall not apply and the following Section 5.08 shall apply in its place:

SECTION 5.08 Unconditional Right of Holders to Receive Principal, Premium and Interest.

Notwithstanding any other provision of this Indenture, the right of any Holder to receive payment of the Principal Amount at Maturity, Issue Price plus accrued Original Issue Discount, Redemption Price, Purchase Price, Change in Control Purchase Price, or cash interest, including Contingent Cash Interest, if any, in respect of the Notes held by such Holder, on or after the respective due dates expressed in the Notes or any Redemption Date, and to convert the Notes in accordance with Article XVI hereof, or to bring suit for the enforcement of any such payment on or after such respective dates or the right to convert, shall not be impaired or affected adversely without the consent of such Holder.

SECTION 2.11 Waiver of Past Defaults.

For the sole benefit of the Holders of the Notes, Section 5.13 of the Base Indenture shall not apply and the following Section 5.13 shall apply in its place:

SECTION 5.13 Waiver of Past Defaults.

Subject to Section 5.02, the Holders of a majority in aggregate Principal Amount at Maturity of the Outstanding Notes, by written notice to the Trustee (and without notice to any other Holder), may on behalf of the Holders of all of the Notes waive an existing Default and its consequences except (a) an Event of Default described in Section 5.01(a) or (b), (b) a Default in respect of a provision that under Section 9.02 cannot be amended without the consent of each Holder affected or (c) a Default which constitutes a failure to convert any Note in accordance with the terms of Article XVI. When a Default is waived, such Default shall cease to exist and any Event of Default arising therefrom shall be deemed cured for every purpose of the Indenture, but no such waiver shall extend to any subsequent or other Default or impair any consequent right. This Section 5.13 shall be in lieu of Section 316(a)1(B) of the TIA and such Section 316(a)1(B) is hereby expressly excluded from this Indenture, as permitted by the TIA.

SECTION 2.12 Notice of Defaults.

For the sole benefit of the Holders of the Notes, Section 6.02 of the Base Indenture shall not apply and the following Section 6.02 shall apply in its place:

Section 6.02. Notice of Defaults.

Within ninety (90) days after the occurrence of any default hereunder with respect to the Notes, the Trustee shall transmit by mail to all Holders of Notes, as their names and addresses appear in the Security Register, notice of such default hereunder actually known to the Trustee, unless such default shall have been cured or waived; provided, however, that, except in the case of a default in the payment of the principal of (or premium, if any) or interest on any Note of such series or in the payment of any sinking fund installment with respect to Notes of such series, the Trustee shall be protected in withholding such notice if and so long as the board of directors, the executive committee or a trust committee of directors or Responsible Officers of the Trustee in good faith determine that the withholding of such notice is in the interest of the Holders of Notes of such series.

SECTION 2.13 Consolidation, Merger, Conveyance, Transfer or Lease.

For the sole benefit of the Holders of the Notes, Article VIII of the Base Indenture shall not apply and the following Article VIII shall apply in its place:

ARTICLE VIII
CONSOLIDATION, MERGER, CONVEYANCE, TRANSFER OR LEASE

SECTION 8.01 When Company May Merge or Transfer Assets.

The Company shall not consolidate with or merge with or into any other person or convey, transfer or lease all or substantially all of its properties and assets to any person, nor will the Company permit any Subsidiary to enter into any such transaction or series of transactions (other than to the Company or another Subsidiary) if such transaction or series of transactions, in the aggregate, would result in a sale, assignment, transfer, lease or other disposition of all or

substantially all of the properties and assets of the Company and its Subsidiaries on a consolidated basis to any other person or persons, unless:

(a) either (i) the Company or such Subsidiary shall be the surviving corporation or (ii) the person (if other than the Company) formed by such consolidation or into which the Company or such Subsidiary is merged or the person which acquires by conveyance, transfer or lease the properties and assets of the Company or such Subsidiary substantially as an entirety (A) shall be organized and validly existing under the laws of the United States or any state thereof or the District of Columbia and (B) shall expressly assume, by an indenture supplemental hereto, executed and delivered to the Trustee, in form satisfactory to the Trustee, all of the obligations of the Company or such Subsidiary under the Notes and this Indenture;

(b) immediately after giving effect to such transaction, no Default shall have occurred and be continuing; and

(c) the Company shall have delivered to the Trustee an Officers' Certificate and an Opinion of Counsel, each stating that such consolidation, merger, conveyance, transfer or lease and, if a supplemental indenture is required in connection with such transaction, such supplemental indenture, comply with this Article VIII and that all conditions precedent herein provided for relating to such transaction have been satisfied.

For purposes of the foregoing, the transfer (by lease, assignment, sale or otherwise) of the properties and assets of one or more Subsidiaries (other than to the Company or another Subsidiary), which, if such assets were owned by the Company, would constitute all or substantially all of the properties and assets of the Company, shall be deemed to be the transfer of all or substantially all of the properties and assets of the Company.

The successor person formed by such consolidation or into which the Company or the applicable Subsidiary is merged or the successor person to which such conveyance, transfer or lease is made shall succeed to, and be substituted for, and may exercise every right and power of, the Company or the applicable Subsidiary under this Indenture with the same effect as if such successor had been named as the Company or the applicable Subsidiary herein; and thereafter, except in the case of a lease and any obligations the Company or the applicable Subsidiary may have under a supplemental indenture pursuant to Section 16.16 hereof, the Company or the applicable Subsidiary shall be discharged from all obligations and covenants under this Indenture and the Notes. Subject to Section 9.03 hereof, the Company, the applicable Subsidiary, the Trustee and the successor person shall enter into a supplemental indenture to evidence the succession and substitution of such successor person and such discharge and release of the Company and the applicable Subsidiary.

SECTION 2.14 Supplemental Indentures Without the Consent of Holders.

For the sole benefit of the Holders of the Notes, Section 9.01 shall not apply and the following Subsections 9.01(a)-(i) shall apply in its place:

(a) to cure any ambiguity, omission, defect or internal inconsistency in the Indenture (as supplemented); or

(b) to comply with Article VIII or Section 16.16 hereof; or

(c) to secure the Company's obligations under the Notes and this Indenture; or

(d) to add to the Company's covenants for the benefit of the Holders or to surrender any right or power conferred upon the Company; or

(e) to add a guarantor in respect of the Company's obligations hereunder; or

(f) to evidence and provide the acceptance of the appointment of a successor Trustee under the Indenture; or

(g) to comply with the requirements of the SEC in order to effect or maintain qualification of the Indenture under the Trust Indenture Act, as contemplated by the Indenture or otherwise; or

(h) to make any change that does not adversely affect the rights of any Holders in any material respect (it being understood that any amendment described in clause (a) of this Section 9.01 made solely to conform this Indenture to the final prospectus supplement provided to investors in connection with the initial offering of the Notes will be deemed not to adversely affect the rights or interests of Holders); or

(i) to increase the amount of Contingent Cash Interest the Company is required to pay, or pay interest or other amounts the Company is not obligated to pay; or

(j) to take such other actions that the Indenture specifically permits the Company to take unilaterally without requiring any consent of the Holders.

SECTION 2.15 Supplemental Indentures With the Consent of Holders.

For the sole benefit of the Holders of the Notes, Subsections 9.02(a), (b) and (c) shall not apply and the following Subsections 9.02(a) through (m) shall apply in its place:

(a) reduce the percentage in Principal Amount at Maturity of Notes whose Holders must consent to an amendment; or

(b) make any change in the manner or rate of accrual of Original Issue Discount or cash interest, including Contingent Cash Interest, reduce the rate of cash interest, including Contingent Cash Interest, referred to in paragraph 1 of the Notes or extend the time for payment of Original Issue Discount or cash interest, including Contingent Cash Interest, if any, on any Note; or

(c) reduce the Principal Amount at Maturity, restated principal amount, Issue Price, accrued Original Issue Discount or cash interest, with respect to any Note, or extend the Stated Maturity of any Note; or

(d) reduce the Redemption Price, Purchase Price or Change in Control Purchase Price of any Note; or

(e) make any Note payable in money or securities other than that stated in the Note; or

(f) make any change in this Section 9.02, except to increase any percentage set forth therein; or

(g) make any change that adversely affects the right to convert any Note as provided in paragraph 9 of the Notes or pursuant to Article XVI in any material respect; or

(h) make any change that adversely affects the right to require the Company to purchase the Notes in accordance with the terms thereof and this Indenture in any material respect; or

(i) change the provisions of this Indenture that relate to modifying or amending this Indenture; or

(j) make any change to the provisions of the Indenture relating to the subordination of the Notes in any manner adverse to the Holders of the Notes in any material respect; or

(k) except as otherwise permitted under Article VIII, consent to the assignment or transfer by the Company of any of its rights and obligations hereunder; or

(l) make any change to the obligation of the Company to repurchase all or any part of the Notes in the event of a Change in Control in accordance with Section 11.09, including amending, changing or modifying any definitions with respect thereto; or

(m) impair the right to institute suit for the enforcement of any payment with respect to, or conversion of, the Notes.

SECTION 2.16 Payment of Notes.

For the sole benefit of the Holders of the Notes, Section 10.01 of the Base Indenture shall not apply and Section 10.03 shall not apply and the following Section 10.01 shall apply in its place:

SECTION 10.01 Payment of Notes.

The Company shall promptly make all payments in respect of the Notes on the dates and in the manner provided in the Notes or pursuant to the Indenture. Any amounts to be given to the Trustee or Paying Agent, shall be deposited with the Trustee or Paying Agent by 10:00 a.m., New York City time, by the Company. Principal Amount at Maturity, Issue Price plus accrued Original Issue Discount, Redemption Price, Purchase Price, Change in Control Purchase Price, cash interest and Contingent Cash Interest, if any, shall be considered paid on the applicable date due if on such date (or, in the case of a Purchase Price or Change in Control Purchase Price, on the Business Day following the applicable Purchase Date or Change in Control Purchase Date, as the case may be) the Trustee or the Paying Agent holds, in accordance

with this Indenture, money or securities, if permitted hereunder, sufficient to pay all such amounts then due.

SECTION 2.17 Statement as to Compliance.

For the sole benefit of the Holders of the Notes, Section 10.05 of the Base Indenture shall not apply and the following Section 10.05 shall apply in its place:

Section 10.05 Statement as to Compliance.

The Company will deliver to the Trustee, within 60 days after the end of each fiscal quarter and within 120 days after the end of each fiscal year, a written statement, which need not comply with Section 1.02, signed by the Chairman of the Board, the President, a Vice Chairman or a Vice President and by the Treasurer, an Assistant Treasurer, the Comptroller or an Assistant Comptroller of the Company, stating, as to each signer thereof, that

(a) a review of the activities of the Company during such quarter or year, as applicable, and of performance under this Indenture has been made under his supervision, and

(b) to the best of his knowledge, based on such review, (i) the Company has fulfilled all of its obligations under this Indenture through such quarter or year, as applicable, or, if there has been a default in the fulfillment of any such obligation, specifying each such default known to him and the nature and status thereof, and (ii) no event has occurred and is continuing which is, or after notice or lapse of time or both would become, an Event of Default, or, if such an event has occurred and is continuing, specifying each such event known to him and the nature and status thereof.

SECTION 2.18 Waiver of Compliance.

For the sole benefit of the Holders of the Notes, Section 10.06 of the Base Indenture shall not apply and the following Section 10.06 shall apply in its place:

SECTION 10.06 Waiver of Compliance.

The Company may omit in any particular instance to comply with any covenant or condition set forth in Sections 10.02, 10.05, 10.07, 10.08 or 10.09 if before the time for such compliance the Holders of a majority in aggregate Principal Amount at Maturity of the Notes at the time outstanding shall notify the Company and the Trustee in writing that they elect to either waive such compliance in such instance or generally waive compliance with such covenant or condition, but no such waiver shall extend to or affect such covenant or condition except to the extent so expressly waived, and, until such waiver shall become effective, the obligations of the Company and the duties of the Trustee in respect of any such covenant or condition shall remain in full force and effect.

SECTION 2.19 Limitation on Senior Subordinated Indebtedness.

For the sole benefit of the Holders of the Notes, Section 10.07 shall be added to the Base Indenture as follows:

Section 10.07. Limitation on Senior Subordinated Indebtedness.

The Company will not, directly or indirectly, create, incur, issue, assume, guarantee or otherwise in any manner become directly or indirectly liable for or with respect to or otherwise permit to exist any Indebtedness that is subordinate in right of payment to any Indebtedness of the Company, unless such Indebtedness is (x) also pari passu in right of payment with the Notes or (y) subordinated in right of payment to the Notes at least to the same extent as the Notes are subordinated in right of payment to Senior Indebtedness, as set forth in this Indenture.

SECTION 2.20 SEC and Other Reports.

For the sole benefit of the Holders of the Notes, Section 10.08 shall be added to the Base Indenture as follows:

SECTION 10.08 SEC and Other Reports.

The Company shall deliver to the Trustee, within 15 days after it files such annual and quarterly reports, information, documents and other reports with the SEC, copies of its annual report and of the information, documents and other reports (or copies of such portions of any of the foregoing as the SEC may by rules and regulations prescribe) which the Company is required to file with the SEC pursuant to Section 13 or 15(d) of the Exchange Act. The Company also shall comply with the provisions of Trust Indenture Act Section 314(a). Delivery of such reports, information and documents to the Trustee is for informational purposes only and the Trustee's receipt of the same shall not constitute constructive notice of any information contained therein or determinable from information contained therein, including the Company's compliance with any of its covenants hereunder (as to which the Trustee is entitled to rely exclusively on Officers' Certificates).

SECTION 2.21 Covenant to Comply With Securities Laws Upon Purchase of Notes.

For the sole benefit of the Holders of the Notes, Section 10.09 shall be added to the Base Indenture as follows:

SECTION 10.09. Covenant to Comply With Securities Laws Upon Purchase of Notes.

In connection with any offer to purchase or purchase of Notes under Section 11.08 or 11.09 hereof (provided that such offer or purchase constitutes an "issuer tender offer" for purposes of Rule 13e-4 (which term, as used herein, includes any successor provision thereto) under the Exchange Act at the time of such offer or purchase), the Company shall to the extent applicable (a) comply with Rule 13e-4 and Rule 14e-1 under the Exchange Act, (b) file the related Schedule TO (or any successor schedule, form or report) under the Exchange Act, and (c) otherwise comply with all Federal and state securities laws so as to permit the rights and obligations under Sections 11.08 and 11.09 hereof to be exercised in the time and in the manner specified in Sections 11.08 and 11.09 hereof.

SECTION 2.22 Further Instruments and Acts.

For the sole benefit of the Holders of the Notes, Section 10.10 shall be added to the Base Indenture as follows:

Section 10.10. Further Instruments and Acts.

Upon request of the Trustee, the Company will execute and deliver such further instruments and do such further acts as may be reasonably necessary or proper to carry out more effectively the purposes of this Indenture.

SECTION 2.23 Redemption and Purchases.

For the sole benefit of the Holders of the Notes, Article XIV of the Base Indenture shall not apply and Article XI of the Base Indenture shall not apply and the following Article XI shall apply in its place:

ARTICLE XI

REDEMPTION AND PURCHASES

Section 11.01 Right to Redeem; Notices to Trustee.

The Company, at its option, may redeem the Notes in accordance with the provisions of paragraphs 6 and 8 of the Notes. Prior to January 15, 2009, the Company may not redeem the Notes. Beginning on January 15, 2009, the Company may redeem the Notes for cash in whole at any time, or in part from time to time. If the Company elects to redeem Notes pursuant to paragraph 6 of the Notes, it shall notify the Trustee in writing of the Redemption Date, the Principal Amount at Maturity of Notes to be redeemed, the Redemption Price and the amount of accrued and unpaid cash interest, if any, including Contingent Cash Interest, if any, payable on the Redemption Date.

The Company shall give the notice to the Trustee provided for in this Section 11.01 by a Company Order, at least 45 days before the Redemption Date (unless a shorter notice shall be reasonably satisfactory to the Trustee). If less than all the Outstanding Notes are to be redeemed, the record date relating to such redemption shall be selected by the Company and given to the Trustee, which record date shall not be less than ten days after the date of notice to the Trustee (or such other period reasonably satisfactory to the Trustee).

SECTION 11.02 Selection of Notes to Be Redeemed.

If less than all the Outstanding Notes are to be redeemed, the Trustee shall select the Notes to be redeemed pro rata or by lot or by any other method the Trustee considers fair and appropriate (so long as such method is not prohibited by the rules of any securities exchange on which the Notes are then listed). The Trustee shall make the selection at least 30 days but not more than 60 days before the Redemption Date from Outstanding Notes not previously called for redemption. The Trustee may select for redemption portions of the Principal Amount at Maturity of Notes that have denominations larger than $1,000.

Notes and portions of them the Trustee selects shall be in Principal Amounts at Maturity of $1,000 or an integral multiple of $1,000. Provisions of this Indenture that apply to Notes called for redemption also apply to portions of Notes called for redemption. The Trustee shall promptly notify the Company in writing of the Notes or portions of Notes to be redeemed.

If any Note selected for partial redemption is converted in part before termination of the conversion right with respect to the portion of the Note so selected, the converted portion of such Note shall be deemed (so far as may be) to be the portion selected for redemption. Notes which have been converted during a selection of Notes to be redeemed may be treated by the Trustee as Outstanding for the purpose of such selection.

SECTION 11.03 Notice of Redemption.

At least 30 days but not more than 60 days before a Redemption Date, the Company shall mail a notice of redemption by first-class mail, postage prepaid, to each Holder of Notes to be redeemed.

The notice shall identify the Notes to be redeemed and shall state:

(a) the Redemption Date;

(b) the Redemption Price, or if then not ascertainable, the manner of calculation thereof, and the amount of accrued and unpaid cash interest, if any, including Contingent Cash Interest, if any, to but not including the Redemption Date;

(c) the Conversion Rate;

(d) the name and address of the Paying Agent and Conversion Agent;

(e) that Notes called for redemption may be converted at any time before the close of business on the second Business Day immediately preceding the Redemption Date, even if not otherwise convertible at such time;

(f) that Holders who want to convert Notes must satisfy the requirements set forth in paragraph 9 of the Notes;

(g) if applicable, the election of the Company (which, subject to the provisions of Article XVI of the Indenture, shall be irrevocable) to deliver shares of Common Stock or to pay cash in lieu of delivery of such shares with respect to any Notes that may be converted after mailing of such notice prior to the Redemption Date;

(h) that Notes called for redemption must be surrendered to the Paying Agent to collect the Redemption Price and accrued and unpaid cash interest, if any, including Contingent Cash Interest, if any;

(i) if fewer than all the Outstanding Notes are to be redeemed, the certificate number and Principal Amounts at Maturity of the particular Notes to be redeemed to the extent certificated;

(j) the amount of interest, if any, that will be paid in connection with such redemption and that, unless the Company defaults in making payment of such Redemption Price and any cash interest which is due and payable, Original Issue Discount or cash interest, including Contingent Cash Interest, will cease to accrue on and after the Redemption Date;

(k) the CUSIP number of the Notes; and

(l) any other information the Company desires, in its own discretion, to present.

At the Company's written request, the Trustee shall give the notice of redemption to Holders in the Company's name and at the Company's expense; provided, that the Company makes such request at least seven Business Days (unless a shorter period shall be satisfactory to the Trustee) prior to the date such notice of redemption must be mailed.

SECTION 11.04 Effect of Notice of Redemption.

Once notice of redemption is given, Notes called for redemption become due and payable on the Redemption Date and at the Redemption Price (together with accrued and unpaid cash interest, if any, including Contingent Cash Interest, if any, to but not including the Redemption Date) stated in the notice except for Notes which are converted in accordance with the terms of this Indenture. Upon surrender to the Paying Agent, such Notes shall be paid at the Redemption Price (together with accrued and unpaid cash interest, if any, including Contingent Cash Interest, if any, to but not including the Redemption Date) stated in the notice.

SECTION 11.05 Deposit of Redemption Price.

Prior to 10:00 a.m. New York City time, on any Redemption Date, the Company shall deposit with the Paying Agent (or if the Company or a Subsidiary or an Affiliate of any of them is the Paying Agent, shall segregate and hold in trust) money sufficient to pay the Redemption Price of, and any accrued and unpaid interest (either cash interest or Contingent Cash Interest, if any) to but not including the Redemption Date with respect to, all Notes to be redeemed on that date other than Notes or portions of Notes called for redemption which on or prior thereto have been delivered by the Company to the Trustee for cancellation or have been converted. The Paying Agent shall as promptly as practicable return to the Company any money not required for that purpose because of conversion of Notes pursuant to Article XVI hereof. If such money is then held by the Company in trust and is not required for such purpose it shall be discharged from such trust.

SECTION 11.06 Notes Redeemed in Part.

Upon surrender of a Note that is redeemed in part, the Company shall execute and the Trustee shall authenticate and deliver to the Holder a new Note in an authorized denomination equal in Principal Amount at Maturity to the unredeemed portion of the Note surrendered.

SECTION 11.07 Conversion Arrangement on Call for Redemption.

In connection with any redemption of Notes, the Company may arrange for the purchase and conversion of any Notes called for redemption by an agreement with one or more investment banks or other purchasers to purchase such Notes by paying to the Trustee in trust for the Holders of Notes, on or prior to 10:00 a.m. New York City time on the Redemption Date, an amount that, together with any amounts deposited with the Trustee by the Company for the redemption of such Notes, is not less than the Redemption Price of, and any accrued and unpaid interest (either cash interest or Contingent Cash Interest) with respect to, such Notes. Notwithstanding anything to the contrary contained in this Article XI, the obligation of the Company to pay the Redemption Prices of such Notes shall be deemed to be satisfied and discharged to the extent such amount is so paid by such purchasers. If such an agreement is entered into, any Notes not duly surrendered for conversion by the Holders thereof may, at the option of the Company, be deemed, to the fullest extent permitted by law, acquired by such purchasers from such Holders and (notwithstanding anything to the contrary contained in Article XVI) surrendered by such purchasers for conversion, all as of immediately prior to the close of business on the second Business Day prior to the Redemption Date, subject to payment of the above amount as aforesaid. The Trustee shall hold and pay to the Holders whose Notes are selected for redemption any such amount paid to it for purchase and conversion in the same manner as it would moneys deposited with it by the Company for the redemption of Notes. Without the Trustee's prior written consent, no arrangement between the Company and such purchasers for the purchase and conversion of any Notes shall increase or otherwise affect any of the powers, duties, responsibilities or obligations of the Trustee as set forth in this Indenture, and the Company agrees to indemnify the Trustee from, and hold it harmless against, any loss, liability or expense arising out of or in connection with any such arrangement for the purchase and conversion of any Notes between the Company and such purchasers, including the costs and expenses incurred by the Trustee in the defense of any claim or liability arising out of or in connection with the exercise or performance of any of its powers, duties, responsibilities or obligations under this Indenture.

SECTION 11.08 Purchase of Notes at Option of the Holder for Cash.

(a) General. Notes shall be purchased by the Company pursuant to paragraph 7 of the Notes as of January 15, 2009, 2014, 2019, 2024 and 2029 (each, a "Purchase Date"), at the purchase price of $395.02 per $1,000 of Principal Amount at Maturity as of January 15, 2009, of $475.66 per $1,000 of Principal Amount at Maturity as of January 15, 2014, of $572.76 per $1,000 of Principal Amount at Maturity as of January 15, 2019, of $689.68 per $1,000 Principal Amount at Maturity as of January 15, 2024, and of $830.47 per $1,000 Principal Amount at Maturity as of January 15, 2029, in each case plus accrued and unpaid cash interest, if any, including Contingent Cash Interest, if any, to the Purchase Date (each, a "Purchase Price", as applicable), at the option of the Holder thereof, upon:

(i) delivery to the Paying Agent, by the Holder, of a written notice of purchase (a "Purchase Notice") at any time from the opening of business on the date that is 20 Business Days prior to a Purchase Date until the close of business on the Business Day immediately preceding such Purchase Date stating:

(A) the certificate number of the Note which the Holder will deliver to the purchased (to the extent certificated),

(B) the portion of the Principal Amount at Maturity of the Note which the Holder will deliver to be purchased, which portion must be a Principal Amount at Maturity of $1,000 or an integral multiple thereof, and

(C) that such Note shall be purchased as of the Purchase Date pursuant to the terms and conditions specified in paragraph 7 of the Notes and in this Indenture; and

(ii) that the Holders will deliver such Note to the Paying Agent prior to, on or after the Purchase Date (together with all necessary endorsements) at the offices of the Paying Agent, such delivery being a condition to receipt by the Holder of the Purchase Price therefor; provided, however, that such Purchase Price shall be so paid pursuant to this Section 11.08 only if the Note so delivered to the Paying Agent shall conform in all respects to the description thereof in the related Purchase Notice, as determined by the Company.

The Company shall purchase from the Holder thereof, pursuant to this Section 11.08, a portion of a Note if the Principal Amount at Maturity of such portion is $1,000 or an integral multiple of $1,000. Provisions of this Indenture that apply to the purchase of all of a Note also apply to the purchase of such portion of such Note.

Any purchase by the Company contemplated pursuant to the provisions of this Section 11.08 shall be consummated by the delivery of the consideration to be received by the Holder (together with accrued and unpaid cash interest, if any, including Contingent Cash Interest, if any,) promptly following the later of the Purchase Date and the time of delivery of the Note.

Notwithstanding anything herein to the contrary, any Holder delivering to the Paying Agent the Purchase Notice contemplated by this Section 11.08(a) shall have the right to withdraw such Purchase Notice at any time prior to the close of business on the Business Day prior to the Purchase Date by delivery of a written notice of withdrawal to the Paying Agent in accordance with Section 11.10 hereof.

The Paying Agent shall promptly notify the Company of the receipt by it of any Purchase Notice or written notice of withdrawal thereof.

(b) The Purchase Price of Notes in respect of which a Purchase Notice pursuant to Section 11.08(a) hereof has been given, or a specified percentage thereof, may only be paid by the Company with cash equal to the aggregate Purchase Price of such Notes. The Company shall send a notice (the "Company Notice") to the Trustee and the Holders (and to beneficial owners as required by applicable law) not more than 60 Business Days and not less than 20 Business Days prior to such Purchase Date.

(c) Each Company Notice shall include a form of Purchase Notice to be completed by a Holder of Notes and shall state:

(i) the Purchase Price, the Conversion Rate and accrued and unpaid cash interest, if any, including Contingent Cash Interest, if any, that will be accrued and payable with respect to the Notes as of the Purchase Date;

(ii) the name and address of the Paying Agent;

(iii) that Notes as to which a Purchase Notice has been given may be converted pursuant to Article XVI hereof only if the applicable Purchase Notice has been withdrawn in accordance with the terms of this Indenture;

(iv) that Notes must be surrendered to the Paying Agent to collect payment of the Purchase Price and accrued and unpaid cash interest (or accrued and unpaid Contingent Cash Interest), if any;

(v) that the Purchase Price for any Note as to which a Purchase Notice has been given and not withdrawn, together with any cash interest payable or any Contingent Cash Interest payable with respect thereto, will be paid promptly following the later of the Purchase Date and the time of surrender of such Note as described in clause (iv);

(vi) the procedures the Holder must follow to exercise rights under this Section 11.08 and a brief description of those rights;

(vii) briefly, the conversion rights of the Notes and that Holders who want to convert Notes must satisfy the requirements set forth in paragraph 9 of the Notes;

(viii) the procedures for withdrawing a Purchase Notice (including, without limitation, for a conditional withdrawal pursuant to the terms of Section 11.10 hereof);

(ix) that, unless the Company defaults in making payment of such Purchase Price and cash interest, if any, Original Issue Discount and cash interest, including Contingent Cash Interest, if any, on Notes surrendered for purchase will cease to accrue on and after the Purchase Date; and

(x) the CUSIP number of the Notes.

At the Company's written request, the Trustee shall give such Company Notice in the Company's name and at the Company's expense; provided, however, that, in all cases, the text of such Company Notice shall be prepared by the Company and the Trustee shall have no liability whatsoever with respect to the contents of such notice.

(d) Procedure upon Purchase. The Company shall deposit cash at the time and in the manner as provided in Section 11.11 hereof, sufficient to pay the aggregate Purchase Price of, and any accrued and unpaid interest including any Contingent Cash Interest, with respect to all Notes to be purchased pursuant to this Section 11.08.

SECTION 11.09 Purchase of Notes at Option of the Holder upon Change in Control.

(a) If there shall have occurred a Change in Control, Notes shall be purchased by the Company, at the option of the Holder thereof, at a purchase price specified in paragraph 7 of the Notes (the "Change in Control Purchase Price"), as of the date that is no later than 30 Business Days after the occurrence of the Change in Control but in no event prior to the date on which such Change in Control occurs (the "Change in Control Purchase Date"), subject to satisfaction by or on behalf of the Holder of the requirements set forth in Section 11.09(c) hereof.

A "Change in Control" shall be deemed to have occurred at such time as either of the following events shall occur:

(i) any "person" including its Affiliates or Associates (for the purpose of this Section 11.09 only, as the term "person" is used in Section 13(d)(3) or Section 14(d)(2) of the Exchange Act) other than the Company, its Subsidiaries or their employee benefit plans, becomes the beneficial owner (as the term "beneficial owner" is defined under Rule 13d-3 or any successor rule or regulation promulgated under the Exchange Act) of more than 50% of the aggregate voting power of the Company's Capital Stock entitled under ordinary circumstances to elect at least a majority of its directors; or

(ii) the Company is consolidated with, or merged into, another Person or such other Person is merged into the Company (other than a transaction pursuant to which the holders of 50% or more of the total voting power of all shares of the Company's Capital Stock entitled to vote generally in the election of directors immediately prior to such transaction have, directly or indirectly, at least 50% or more of the total voting power of all capital stock of the continuing or surviving corporation entitled to vote generally in the election of directors of such continuing or surviving corporation immediately after such transaction).

Notwithstanding the foregoing provisions of this Section 11.09, no Change of Control will be deemed to have occurred in connection with any merger or similar transaction the purpose of which is to change the state of incorporation of the relevant Person.

"Associate" shall have the meaning ascribed to such term in Rule 12b-2 of the General Rules and Regulations under the Exchange Act, as in effect on the date hereof.

(b) Within 15 days after the occurrence of a Change in Control or at the Company's option prior to such Change in Control but after it is publicly announced, the Company shall mail a written notice of Change in Control by first-class mail to the Trustee and to each Holder (and to beneficial owners as required by applicable law). The notice shall include a form of Change in Control Purchase Notice to be completed by the Holder and shall state:

(i) briefly, the events causing a Change in Control and the date of such Change in Control and that the purchase of the Notes by the Company may be conditioned on the occurrence of a Change in Control;

(ii) the date by which the Change in Control Purchase Notice pursuant to this Section 11.09 must be given;

(iii) the Change in Control Purchase Date;

(iv) the Change in Control Purchase Price and any accrued and unpaid cash interest payable with respect to the Notes as of the Change in Control Purchase Date;

(v) the name and address of the Paying Agent and the Conversion Agent;

(vi) the Conversion Rate and any adjustments thereto resulting from the Change in Control;

(vii) that Notes as to which a Change in Control Purchase Notice has been given may be converted pursuant to Article XVI hereof only if the Change in Control Purchase Notice has been withdrawn in accordance with the terms of this Indenture;

(viii) that Notes must be surrendered to the Paying Agent to collect payment of the Change in Control Purchase Price and accrued and unpaid cash interest, if any;

(ix) that the Change in Control Purchase Price for any Note as to which a Change in Control Purchase Notice has been duly given and not withdrawn, together with any accrued and unpaid cash interest payable, including any Contingent Cash Interest, with respect thereto, will be paid promptly following the later of the Change in Control Purchase Date and the time of surrender of such Note as described in Section 11.09(b)(viii) hereof;

(x) briefly, the procedures the Holder must follow to exercise rights under this Section 11.09;

(xi) briefly, the conversion rights of the Notes;

(xii) the procedures for withdrawing a Change in Control Purchase Notice;

(xiii) that, unless the Company defaults in making payment of such Change in Control Purchase Price and cash interest, if any on Notes surrendered for purchase, Original Issue Discount and any cash interest on Notes surrendered for purchase will cease to accrue on and after the Change in Control Purchase Date; and

(xiv) the CUSIP number of the Notes.

(c) A Holder may exercise its rights specified in Section 11.09(a) hereof upon delivery of a written notice of purchase (a "Change in Control Purchase Notice") to the Paying Agent at any time prior to the close of business on the Business Day prior to the Change in Control Purchase Date, stating:

(i) the certificate number or numbers of the Note or Notes which the Holder will deliver to be purchased (to the extent certificated);

(ii) the portion of the Principal Amount at Maturity of the Note which the Holder will deliver to be purchased, which portion must be $1,000 or an integral multiple thereof; and

(iii) that such Note shall be purchased pursuant to the terms and conditions specified in paragraph 7 of the Notes.

The delivery of such Note to the Paying Agent at any time after the delivery of the Change in Control Purchase Notice (together with all necessary endorsements) at the offices of the Paying Agent shall be a condition to the receipt by the Holder of the Change in Control Purchase Price therefor; provided, however, that such Change in Control Purchase Price shall be so paid pursuant to this Section 11.09 only if the Note so delivered to the Paying Agent shall conform in all respects to the description thereof set forth in the related Change in Control Purchase Notice.

The Company shall purchase from the Holder thereof, pursuant to this Section 11.09, a portion of a Note if the Principal Amount at Maturity of such portion is $1,000 or an integral multiple of $1,000. Provisions of this Indenture that apply to the purchase of all of a Note also apply to the purchase of such portion of such Note.

Any purchase by the Company contemplated pursuant to the provisions of this Section 11.09 shall be consummated by the delivery of the consideration to be received by the Holder (together with accrued and unpaid cash interest, if any), including Contingent Cash Interest, if any, promptly following the later of the Change in Control Purchase Date and the time of delivery of the Note to the Paying Agent in accordance with this Section 11.09.

Notwithstanding anything herein to the contrary, any Holder delivering to the Paying Agent the Change in Control Purchase Notice contemplated by this Section 11.09(c) shall have the right to withdraw such Change in Control Purchase Notice at any time prior to the close of business on the Business Day prior to the Change in Control Purchase Date by delivery of a written notice of withdrawal to the Paying Agent in accordance with Section 11.10 hereof.

The Paying Agent shall promptly notify the Company of the receipt by it of any Change in Control Purchase Notice or written withdrawal thereof.

The Company shall not be required to comply with this Section 11.09 if a third party mails a written notice of Change in Control in the manner, at the times and otherwise in compliance with this Section 11.09 and repurchases all Notes for which a Change in Control Purchase Notice shall be delivered and not withdrawn in accordance with this Section 11.09.

SECTION 11.10 Effect of Purchase Notice or Change in Control Purchase Notice.

Upon receipt by the Paying Agent of the Purchase Notice or Change in Control Purchase Notice specified in Section 11.08(a) or Section 11.09(c) hereof, as applicable, the Holder of the Note in respect of which such Purchase Notice or Change in Control Purchase Notice, as the case may be, was given shall (unless such Purchase Notice or Change in Control Purchase Notice is withdrawn as specified in the following two paragraphs) thereafter be entitled

to receive solely the Purchase Price or Change in Control Purchase Price, as the case may be, and any accrued and unpaid cash interest, including any Contingent Cash Interest, with respect to such Note. Such Purchase Price or Change in Control Purchase Price (which price reflects the Issue Price plus accrued Original Issue Discount) and accrued and unpaid cash interest, including Contingent Cash Interest, if any, shall be paid to such Holder, subject to receipt of funds and/or Notes by the Paying Agent, promptly following the later of (x) the Purchase Date or the Change in Control Purchase Date, as the case may be, with respect to such Note (provided that the conditions in Section 11.08(a) or Section 11.09(c) hereof, as applicable, have been satisfied) and (y) the time of delivery of such Note to the Paying Agent by the Holder thereof in the manner required by Section 11.08(a) or Section 11.09(c) hereof, as applicable. Notes in respect of which a Purchase Notice or Change in Control Purchase Notice, as the case may be, has been given by the Holder thereof may not be converted pursuant to Article XVI hereof on or after the date of the delivery of such Purchase Notice or Change in Control Purchase Notice, as the case may be, unless such Purchase Notice or Change in Control Purchase Notice, as the case may be, has first been validly withdrawn as specified in the following two paragraphs.

A Purchase Notice or Change in Control Purchase Notice, as the case may be, may be withdrawn by means of a written notice of withdrawal delivered to the office of the Paying Agent in accordance with the Purchase Notice or Change in Control Purchase Notice, as the case may be, at any time prior to the close of business on the Business Day prior to the Purchase Date or the Change in Control Purchase Date, as the case may be, specifying:

(a) the certificate number or numbers of the Note or Notes in respect of which such notice of withdrawal is being submitted,

(b) the Principal Amount at Maturity of the Note or Notes with respect to which such notice of withdrawal is being submitted, and

(c) the Principal Amount at Maturity, if any, of such Note which remains subject to the original Purchase Notice or Change in Control Purchase Notice, as the case may be, and which has been or will be delivered for purchase by the Company.

A written notice of withdrawal of a Purchase Notice may be in the form set forth in the preceding paragraph.

There shall be no purchase of any Notes pursuant to Section 11.08 or 11.09 hereof if there has occurred (prior to, on or after, as the case may be, the giving, by the Holders of such Notes, of the required Purchase Notice or Change in Control Purchase Notice, as the case may be) and is continuing an Event of Default (other than a default in the payment of the Purchase Price or Change in Control Purchase Price, as the case may be, and any accrued and unpaid cash interest or Contingent Cash Interest with respect to such Notes). The Paying Agent will promptly return to the respective Holders thereof any Notes (x) with respect to which a Purchase Notice or Change in Control Purchase Notice, as the case may be, has been withdrawn in compliance with this Indenture, or (y) held by it during the continuance of an Event of Default (other than a default in the payment of the Purchase Price or Change in Control Purchase Price, as the case may be, and any accrued and unpaid cash interest or Contingent Cash Interest with

respect to such Notes) in which case, upon such return, the Purchase Notice or Change in Control Purchase Notice with respect thereto shall be deemed to have been withdrawn.

SECTION 11.11 Deposit of Purchase Price or Change in Control Purchase Price.

Prior to 10:00 a.m., New York City time, on the Business Day following the Purchase Date or the Change in Control Purchase Date, as the case may be, the Company shall deposit with the Trustee or with the Paying Agent (or, if the Company or a Subsidiary or an Affiliate of either of them is acting as the Paying Agent, shall segregate and hold in trust) an amount of money (in immediately available funds if deposited on such Business Day) sufficient to pay the aggregate Purchase Price or Change in Control Purchase Price, as the case may be, of, and any accrued and unpaid cash interest including Contingent Cash Interest, if any, with respect to all the Notes or portions thereof which are to be purchased as of the Purchase Date or Change in Control Purchase Date, as the case may be.

SECTION 11.12 Notes Purchased in Part.

Any Note which is to be purchased only in part shall be surrendered at the office of the Paying Agent (with, if the Company or the Trustee so requires, due endorsement by, or a written instrument of transfer in form satisfactory to the Company and the Trustee duly executed by, the Holder thereof or such Holder's attorney duly authorized in writing) and the Company shall execute and the Trustee shall authenticate and deliver to the Holder of such Note, without service charge, a new Note or Notes, of any authorized denomination as requested in writing by such Holder in aggregate Principal Amount at Maturity equal to, and in exchange for, the portion of the Principal Amount at Maturity of the Note so surrendered which is not purchased.

SECTION 11.13 Repayment to the Company.

The Trustee and the Paying Agent shall promptly return to the Company any cash that remain unclaimed as provided in paragraph 13 of the Notes, together with interest thereon (subject to the provisions of Section 6.06 hereof), held by them for the payment of the Purchase Price or Change in Control Purchase Price, as the case may be, or cash interest, if any, including Contingent Cash Interest, if any; provided, however, that to the extent that the aggregate amount of cash deposited by the Company pursuant to Section 11.11 hereof exceeds the aggregate Purchase Price or Change in Control Purchase Price, as the case may be, of, and the accrued and unpaid cash interest, if any, including Contingent Cash Interest, if any, with respect to, the Notes or portions thereof which the Company is obligated to purchase as of the Purchase Date or Change in Control Purchase Date, as the case may be, whether as a result of withdrawal or otherwise, then promptly after the second Business Day following the Purchase Date or Change in Control Purchase Date, as the case may be, the Trustee shall return any such excess to the Company together with interest thereon (subject to the provisions of Section 6.06 hereof).

SECTION 2.24 Application of the Article of the Indenture Regarding Defeasance and Covenant Defeasance.

The provisions of Article XIII of the Base Indenture, including the provisions relating to defeasance and covenant defeasance of the Notes under Sections 13.02 and 13.03 thereof, respectively, shall not apply to the Notes.

SECTION 2.25 Conversions.

For the sole benefit of the Holders of the Notes, a new Article XVI shall be added to the Base Indenture as follows:

ARTICLE XVI

CONVERSIONS

SECTION 16.01 Conversion Privilege.

A Holder of a Note may convert such Note into shares of Common Stock prior to the close of business on January 15, 2034, at the times permitted by, and subject to the provisions of this Article XVI and paragraph 9 of the Notes. Upon determination that Holders are or will be entitled to convert their Notes into Common Stock in accordance with paragraph 9 of the Notes, the Company will issue a press release and use its reasonable best efforts to post such determination on the Company's website or through such other public medium as the Company may use at that time. The number of shares of Common Stock issuable upon conversion of each $1,000 of Principal Amount at Maturity of Notes (the "Conversion Rate") shall be determined in accordance with the provisions of paragraph 9 of the Notes.

A Holder may convert a portion of the Principal Amount at Maturity of a Note if the portion is $1,000 or an integral multiple of $1,000. Provisions of this Indenture that apply to conversion of all of a Note also apply to conversion of a portion of a Note.

The Holders' rights to convert Notes into shares of Common Stock is subject to the Company's right to elect instead to pay each such Holder the amount of cash set forth in the next succeeding sentence, in lieu of delivering such shares of Common Stock, subject to the last sentence of this paragraph. The amount of cash to be paid pursuant to Section 16.02 hereof for each $1,000 Principal Amount at Maturity of a Note upon conversion shall be equal to the Average Sale Price of the Common Stock for the five consecutive Trading Days immediately following (i) the date of the Company's notice of its election to deliver cash upon conversion, if the Company shall not have given a notice of redemption pursuant to Section 11.03 hereof, or (ii) the Conversion Date, in the case of a conversion following such a notice of redemption specifying an intent to deliver cash upon conversion, in either case, multiplied by the Conversion Rate in effect on such Conversion Date. The Company shall not pay cash in lieu of delivering shares of Common Stock upon the conversion of any Note pursuant to the terms of this Article XVI (other than cash in lieu of fractional shares pursuant to Section 16.03 hereof) if there has occurred (prior to, on or after, as the case may be, the Conversion Date or the date on which the Company delivers its notice of whether such Note shall be converted into Common Stock or cash pursuant to Section 16.02 hereof) and is continuing an Event of Default (other than a default in a cash payment upon conversion of such Note).

SECTION 16.02 Conversion Procedure.

To convert a Note, a Holder must satisfy the requirements in paragraph 9 in the Notes. The date on which the Holder satisfies all those requirements is the conversion date (the "Conversion Date"). The Conversion Agent shall notify the Company of the Conversion Date within one Business Day following the Conversion Date. Within two Business Days following the Conversion Date, the Company shall deliver to the Holder, through the Trustee, written notice of whether such Note shall be converted into shares of Common Stock or paid in cash, unless the Company shall have previously delivered a notice of redemption pursuant to Section 11.03 hereof. If the Company shall have notified the Holder that all of such Notes shall be converted into shares of Common Stock, the Company shall deliver to the Holder through the Conversion Agent, as promptly as practicable but in any event no later than the tenth Business Day following the Conversion Date a certificate for the number of full shares of Common Stock deliverable upon the conversion and cash in lieu of any fractional share determined pursuant to Section 16.03 hereof. Except as provided in the last sentence in the third paragraph of Section 16.01 hereof, if the Company shall have notified the Holder that all or a portion of such Note shall be paid in cash, the Company shall deliver to the Holder surrendering such Note the amount of cash payable with respect to such Note no later than the tenth Business Day following such Conversion Date, together with a certificate for the number of full shares of Common Stock deliverable upon the conversion (to the extent certificated) and cash in lieu of any fractional share determined pursuant to Section 16.03 hereof. Except as provided in the last sentence in the third paragraph of Section 16.01 hereof, at any time prior to Maturity, the Company may at its option elect by written notice to the Trustee and Holders of the Notes that upon conversion of a Note at any time following the date of such notice, the Company shall be required to deliver cash in an amount at least equal to the accreted principal amount of the Notes converted. If the Company makes this election, it will also be required to deliver cash only in connection with any Principal Value Conversion (as defined in the Note) pursuant to the second paragraph of paragraph 9 of the Note. If shares of Common Stock are delivered as consideration, then the Person in whose name the certificate representing such shares is registered shall be treated as a stockholder of record of the Company on and after the Conversion Date; provided, however, that no surrender of a Note on any date when the stock transfer books of the Company shall be closed shall be effective to constitute the Person or Persons entitled to receive the shares of Common Stock upon such conversion as the record holder or holders of such shares of Common Stock on such date, but such surrender shall be effective to constitute the Person or Persons entitled to receive such shares of Common Stock as the record holder or holders thereof for all purposes at the close of business on the next succeeding day on which such stock transfer books are open; such conversion shall be at the Conversion Rate in effect on the date that such Note shall have been surrendered for conversion, as if the stock transfer books of the Company had not been closed. Upon conversion of a Note, such Person shall no longer be a Holder of such Note.

No payment or adjustment will be made for dividends on, or other distributions with respect to, any Common Stock except as provided in this Article XVI. On conversion of a Note, that portion of accrued Original Issue Discount or cash interest, if any, including Contingent Cash Interest, if any, attributable to the period from the Issue Date of the Note through but not including the Conversion Date, with respect to the converted Note shall not be cancelled, extinguished or forfeited, but rather shall be deemed to be paid in full to the Holder thereof through delivery of the Common Stock (or any cash payment in lieu thereof) (together with the cash payment, if any, in lieu of fractional shares) in exchange for the Note being converted pursuant to the provisions hereof (except to the extent that Contingent Cash Interest

are required to be paid in cash as provided in paragraph 9 of the Notes); and the Fair Market Value of such shares of Common Stock (or any cash payment in lieu thereof) (together with any such cash payment in lieu of fractional shares) shall be treated as delivered, to the extent thereof, first in exchange for accrued Original Issue Discount and cash interest, if any, including Contingent Cash Interest, if any, accrued through the Conversion Date, and the balance, if any, of such Fair Market Value of such Common Stock (or any cash payment in lieu thereof) (and any such cash payment in lieu of fractional shares) shall be treated as issued in exchange for the Issue Price of the Note being converted pursuant to the provisions hereof. Notwithstanding the foregoing, accrued cash interest, if any, including Contingent Cash Interest, if any, will be payable upon conversion of Notes made concurrently with or after acceleration of Notes following an Event of Default.

If the Holder converts more than one Note at the same time, the number of shares of Common Stock issuable upon the conversion shall be based on the total Principal Amount at Maturity of all of the Notes converted.

If the last day on which a Note may be converted is not a Business Day, the Note may be surrendered on the next succeeding day that is a Business Day.

A Note surrendered for conversion based on (a) the Common Stock price may be surrendered for conversion on a Conversion Date at any time after March 31, 2004 as more fully described in paragraph 9 of the Notes, (b) the Note being called for redemption may be surrendered for conversion at any time prior to the close of business on the second Business Day immediately preceding the Redemption Date, even if it is not otherwise convertible at such time, (c) the Trading Price may be surrendered for conversion any time prior to Maturity during the five Business Day period after any five consecutive Trading Day Period in which the Trading Price is at certain levels more fully described in paragraph 9 of the Notes, and (d) upon the occurrence of certain corporate transactions more fully described in paragraph 9 of the Notes may be surrendered for conversion at any time from and after the date which is 15 days prior to the anticipated effective date of such transaction until 15 days after the actual date of such transaction, and if such day is not a Business Day, the next occurring Business Day following such day; but in each of clauses (a), (b), (c) and (d) above, in no event later than the close of business on January 15, 2034.

Upon surrender of a Note that is converted in part, the Company shall execute, and the Trustee shall authenticate and deliver to the Holder, a new Note in an authorized denomination equal in Principal Amount at Maturity to the unconverted portion of the Note surrendered.

SECTION 16.03 Fractional Shares.

The Company will not issue a fractional share of Common Stock upon conversion of a Note. Instead, the Company will deliver cash for the current market value of the fractional share. The current market value of a fractional share shall be determined, to the nearest 1/1,000th of a share, by multiplying the per share Sale Price of the Common Stock, on the last Trading Day prior to the Conversion Date, by the fractional amount and rounding the product to the nearest whole cent.

SECTION 16.04 Taxes on Conversion.

If a Holder converts a Note, the Company shall pay any documentary, stamp or similar issue or transfer tax due on the issue of shares of Common Stock upon the conversion. However, the Holder shall pay any such tax which is due because the Holder requests the shares to be issued in a name other than the Holder's name and any income tax which is imposed on the Holder as a result of the conversion. The Conversion Agent may refuse to deliver the certificates representing the Common Stock being issued in a name other than the Holder's name until the Conversion Agent receives a sum sufficient to pay any tax which will be due because the shares are to be issued in a name other than the Holder's name. Nothing herein shall preclude the Company from any tax withholding or directing the withholding of any tax required by law or regulations.

SECTION 16.05 Company to Provide Stock.

The Company shall, prior to issuance of any Notes under this Article XVI, and from time to time as may be necessary, reserve out of its authorized but unissued Common Stock a sufficient number of shares of Common Stock to permit the conversion of the Notes.

All shares of Common Stock delivered upon conversion of the Notes shall be newly issued shares or treasury shares, shall be duly and validly issued and fully paid and nonassessable and shall be free from preemptive rights and free of any lien or adverse claim created by the Company.

The Company will comply with all federal and state securities laws regulating the offer and delivery of shares of Common Stock upon conversion of Notes, if any, and will list or cause to have quoted such shares of Common Stock on each national securities exchange or in the over-the-counter market or such other market on which the Common Stock is then listed or quoted.

SECTION 16.06 Adjustment for Change in Capital Stock.

Except as set forth in Section 16.16 hereof, if, after the Issue Date of the Notes, the Company:

(a) pays a dividend or makes a distribution on its Common Stock in shares of its Common Stock or other Capital Stock;

(b) subdivides its outstanding shares of Common Stock into a greater number of shares;

(c) combines its outstanding shares of Common Stock into a smaller number of shares; or

(d) issues by reclassification of its Common Stock any shares of its Capital Stock (other than rights, warrants or options for its Capital Stock);

then the conversion privilege and the Conversion Rate in effect immediately prior to such action shall be adjusted so that the Holder of a Note thereafter converted may receive the number of shares or other units of Capital Stock of the Company which such Holder would have owned immediately following such action if such Holder had converted the Note immediately prior to such action.

The adjustment shall become effective immediately after the record date in the case of a dividend or distribution and immediately after the effective date in the case of a subdivision, combination or reclassification.

If after an adjustment a Holder of a Note upon conversion of such Note may receive shares of two or more classes of Capital Stock of the Company, the Conversion Rate shall thereafter be subject to adjustment upon the occurrence of an action taken with respect to any such class of Capital Stock as is contemplated by this Article XVI with respect to the Common Stock, on terms comparable to those applicable to Common Stock in this Article XVI.

SECTION 16.07 Adjustment for Rights Issue.

Except as set forth in Sections 16.16 and 16.21 hereof, if after the Issue Date, the Company distributes any rights, warrants or options to all holders of its Common Stock entitling them, for a period expiring within 60 days of the issue date for each distribution, to purchase shares of Common Stock at a price per share less than the Sale Price of the Common Stock as of the Time of Determination, the Conversion Rate shall be adjusted in accordance with the formula:

$$R' = R \frac{(O + N)}{(O + (N \times P)/M)}$$

where:

R' = the adjusted Conversion Rate.

R = the current Conversion Rate.

O = the number of shares of Common Stock outstanding on the record date for the distribution to which this Section 16.07 is being applied.

N = the number of additional shares of Common Stock offered pursuant to the distribution.

P = the offering price per share of the additional shares.

M = the Average Sale Price.

The Board of Directors shall determine Fair Market Values for the purposes of this Section 16.07.

The adjustment shall become effective immediately after the record date for the determination of shareholders entitled to receive the rights, warrants or options to which this Section 16.07 applies. If all of the shares of Common Stock subject to such rights, warrants or options have not been issued when such rights, warrants or options expire, then the Conversion Rate shall promptly be readjusted to the Conversion Rate which would then be in effect had the adjustment upon the issuance of such rights, warrants or options been made on the basis of the actual number of shares of Common Stock issued upon the exercise of such rights, warrants or options.

No adjustment shall be made under this Section 16.07 if the application of the formula stated above in this Section 16.07 would result in a value of R' that is equal to or less than the value of R.

SECTION 16.08 Adjustment for Other Non-Cash Distributions.

(a) If, after the Issue Date of the Notes, the Company distributes to all holders of its Common Stock any of its non-cash assets, excluding distributions of Capital Stock or equity interests referred to in Section 16.08(b), or debt securities or any rights, warrants or options to purchase securities of the Company (including securities but excluding distributions of Capital Stock referred to in Section 16.06 and distributions of rights, warrants or options referred to in Section 16.07) the Conversion Rate shall be adjusted in accordance with the formula:

$$R' = R \times \frac{M}{M - F}$$

where:

R' = the adjusted Conversion Rate.

R = the current Conversion Rate.

M = the Average Sale Price.

F = the Fair Market Value (on the record date for the distribution to which this Section 16.08(a) applies) of the assets, securities, rights, warrants or options to be distributed in respect of each share of Common Stock in the distribution to which this Section 16.08(a) is being applied.

The Board of Directors shall determine Fair Market Values for the purposes of this Section 16.08(a).

The adjustment shall become effective immediately after the record date for the determination of stockholders entitled to receive the distribution to which this Section 16.08(a) applies.

(b) If, after the Issue Date of the Notes, the Company pays a dividend or makes a distribution to all holders of its Common Stock consisting of Capital Stock of any class or

series, or similar equity interests, of or relating to a Subsidiary or other business unit of the Company, the Conversion Rate shall be adjusted in accordance with the formula:

$$R' = R \times (1 + F/M)$$

where:

R' = the adjusted Conversion Rate.

R = the current Conversion Rate.

M = the average of the Post-Distribution Prices of the Common Stock for the 10 Trading Days commencing on and including the fifth Trading Day after the date on which "ex-dividend trading" commences for such dividend or distribution on the principal United States exchange or market which such securities are then listed or quoted (the "Ex-Dividend Date").

F = the Fair Market Value of the securities distributed in respect of each share of Common Stock in the distribution to which this Section 16.08(b) applies, which shall be determined by multiplying the number of securities distributed in respect of each share of Common Stock in the distribution by the average of the Post-Distribution Prices of those securities for the 10 Trading Days commencing on and including the fifth Trading Day after the Ex-Dividend Date.

"Post-Distribution Price" of Capital Stock or any similar equity interest on any date means the closing per unit sale price (or, if no closing sale price is reported, the average of the bid and ask prices or, if more than one in either case, the average of the average bid and the average ask prices) on such date for trading of such units on a "when issued" basis without due bills (or similar concept) as reported in the composite transactions for the principal United States securities exchange on which such Capital Stock or equity interest is traded or, if the Capital Stock or equity interest, as the case may be, is not listed on a United States national or regional securities exchange, as reported by the National Association of Securities Dealers Automated Quotation System or by the National Quotation Bureau Incorporated; provided that if on any date such units have not traded on a "when issued" basis, the Post-Distribution Price shall be the closing per unit sale price (or, if no closing sale price is reported, the average of the bid and ask prices or, if more than one in either case, the average of the average bid and the average ask prices) on such date for trading of such units on a "regular way" basis without due bills (or similar concept) as reported in the composite transactions for the principal United States securities exchange on which such Capital Stock or equity interest is traded or, if the Capital Stock or equity interest, as the case may be, is not listed on a United States national or regional securities exchange, as reported by the National Association of Securities Dealers Automated Quotation System or by the National Quotation Bureau Incorporated. In the absence of such quotation, the Company shall be entitled to determine the Post-Distribution Price on the basis of such quotations which reflect the post-distribution value of the Capital Stock or equity interests as it considers appropriate.

(c) In the event that, with respect to any distribution to which this Section 16.08 would otherwise apply, the difference "M-F" as defined in the formula set forth in this Section 16.08 is less than $1.00 or "F" is equal to or greater than "M", then the adjustment provided by

Section 16.08 shall not be made and in lieu thereof the provisions of Section 16.16 shall apply to such distribution.

SECTION 16.09 Adjustment for Cash Distributions.

In case the Company shall, by dividend or otherwise, distribute to all holders of its Common Stock cash, excluding (i) any dividend or distribution in connection with the liquidation, dissolution or winding up of the Company, whether voluntary or involuntary or (ii) any quarterly cash dividend on the Common Stock to the extent that the aggregate cash dividend per share of Common Stock in respect of any quarter does not exceed $0.09625 (as such $0.09625 shall be adjusted for specific changes in the capitalization of the Company upon recapitalizations, reclassifications, stock splits, stock dividends, reverse stock splits, stock consolidations and similar transactions) (the "Dividend Threshold Amount"), then, in such case, the Conversion Rate shall be increased so that the Conversion Rate shall equal the rate determined by multiplying the Conversion Rate in effect immediately prior to the close of business on such record date by a fraction,

(i) the numerator of which shall be the Current Market Price on such record date; and

(ii) the denominator of which shall be the Current Market Price on such record date less the amount of cash so distributed applicable to one share of Common Stock (determined as set forth below),

such adjustment to be effective immediately prior to the opening of business on the day following the record date for such dividend or distribution; provided that if the portion of the cash so distributed applicable to one share of Common Stock is equal to or greater than the Current Market Price on the record date, in lieu of the foregoing adjustment, adequate provision shall be made so that each Holder of Notes shall have the right to receive upon conversion the amount of cash such Holder would have received had such Holder converted each Note on the Record Date. If any such dividend or distribution is not so paid or made, the Conversion Rate shall again be adjusted to be the Conversion Rate that would then be in effect if such dividend or distribution had not been declared. If any adjustment is required to be made as set forth in this Section 16.09 as a result of a distribution that is a quarterly cash dividend, such adjustment shall be only based upon the amount by which such distribution exceeds the Dividend Threshold Amount. If an adjustment is required to be made as set forth in this Section 16.09 above as a result of a distribution that is not a quarterly cash dividend, such adjustment shall be based upon the full amount of the distribution. If an adjustment or readjustment is made to the Conversion Rate pursuant to this Article XVI (other than any adjustment pursuant to this Section 16.09), an appropriate inversely proportional adjustment shall be made to the Dividend Threshold Amount.

SECTION 16.10 Adjustment for Tender Offers or Exchange Offers.

In case a tender or exchange offer made by the Company or any Subsidiary for all or any portion of the Common Stock shall expire and such tender or exchange offer (as amended upon the expiration thereof) shall require the payment to stockholders of consideration per share of Common Stock having a Fair Market Value (as determined by the Board of Directors, whose

determination shall be conclusive and described in a resolution of the Board of Directors) that as of the last time (the "Expiration Time") tenders or exchanges may be made pursuant to such tender or exchange offer (as it may be amended) exceeds the average of the Closing Sale Price of a share of Common Stock for each of the 10 consecutive Trading Days next succeeding the Expiration Time, the Conversion Rate shall be increased so that the same shall equal the rate determined by multiplying the Conversion Rate in effect immediately prior to the Expiration Time by a fraction,

(i) the numerator of which shall be the sum of (x) the Fair Market Value (determined as aforesaid) of the aggregate consideration payable to stockholders based on the acceptance (up to any maximum specified in the terms of the tender or exchange offer) of all shares validly tendered or exchanged and not withdrawn as of the Expiration Time (the shares deemed so accepted up to any such maximum, being referred to as the "Purchased Shares") and (y) the product of the number of shares of Common Stock outstanding (less any Purchased Shares) at the Expiration Time and the average of the Closing Sale Price of a share of Common Stock for each of the 10 consecutive Trading Days next succeeding the Expiration Time, and

(ii) the denominator of which shall be the number of shares of Common Stock outstanding (including any tendered or exchanged shares) at the Expiration Time multiplied by the average of the Closing Sale Price of a share of Common Stock for each of the 10 consecutive Trading Days next succeeding the Expiration Time,

such adjustment to become effective immediately prior to the opening of business on the day following the Expiration Time. If the Company is obligated to purchase shares pursuant to any such tender or exchange offer, but the Company is permanently prevented by applicable law from effecting any such purchases or all such purchases are rescinded, the Conversion Rate shall again be adjusted to be the Conversion Rate that would then be in effect if such tender or exchange offer had not been made.

SECTION 16.11 When Adjustment May Be Deferred.

No adjustment in the Conversion Rate need be made unless the adjustment would require an increase or decrease of at least 1% in the Conversion Rate. Any adjustments that are not made shall be carried forward and taken into account in any subsequent adjustment and all adjustments that are made and carried forward shall be taken in the aggregate in order to determine if the 1% threshold is met.

All calculations under this Article XVI shall be made to the nearest cent or to the nearest 1/1,000th of a share, as the case may be.

SECTION 16.12 When No Adjustment Required.

No adjustment need be made for a transaction referred to in Section 16.06, 16.07, 16.08, 16.09, 16.10 or 16.16 hereof if Holders of Notes may participate in the transaction. Such participation by Holders of Notes may include participation without conversion or upon conversion; provided, that, if such participation is upon conversion, an adjustment shall be made at such time as the Holders are no longer entitled to participate.

No adjustment need be made for rights to purchase Common Stock pursuant to a Company plan for reinvestment of dividends or interest.

Unless otherwise required by a provision of this Article XVI, no adjustment need be made for a change in the par value or no par value of the Common Stock.

To the extent the Notes become convertible into cash, assets, property or securities (other than Capital Stock of the Company), subject to paragraph 9 of the Notes, pursuant to this Article XVI, no adjustment need be made thereafter as to the cash, assets, property or such securities. Interest will not accrue on the cash.

No adjustment will be made pursuant to this Article XVI that would result, through the application of two or more provisions hereof, in the duplication of any adjustment.

SECTION 16.13 Notice of Adjustment.

Whenever the Conversion Rate is adjusted, the Company shall promptly mail to Holders of Notes a notice of the adjustment. The Company shall file with the Trustee and the Conversion Agent such notice of adjustment and an Officers' Certificate briefly stating the facts requiring the adjustment and the manner of computing it. Upon receipt by it of such notice, and at the written request of the Company, the Conversion Agent will promptly mail such notice to Holders of Notes at the Company's expense. The Officers' Certificate shall be conclusive evidence that the adjustment is correct. Neither the Trustee nor any Conversion Agent shall be under any duty or responsibility and shall have no liability with respect to any such certificate and the calculations relating to such adjustment except the duty and responsibility to exhibit the same to any Holder desiring inspection thereof.

SECTION 16.14 Voluntary Increase.

The Company from time to time may increase the Conversion Rate by any amount for any period of time. Whenever the Conversion Rate is increased, the Company shall mail to Holders of Notes and file with the Trustee and the Conversion Agent a notice of the increase. The Company shall mail the notice at least 15 days before the date the increased Conversion Rate takes effect. The notice shall state the increased Conversion Rate and the period it will be in effect.

A voluntary increase of the Conversion Rate does not change or adjust the Conversion Rate otherwise in effect for purposes of Section 16.06, 16.07, 16.08, 16.09, 16.10 or 16.16 hereof.

SECTION 16.15 Notice of Certain Transactions.

If:

(a) the Company takes any action that would require an adjustment in the Conversion Rate pursuant to Section 16.06, 16.07, 16.08, 16.09 or 16.10 hereof (unless no adjustment is to occur pursuant to Section 16.12 hereof); or

(b) the Company takes any action that would require a supplemental indenture pursuant to Section 16.16; or

(c) there is a liquidation or dissolution of the Company;

then the Company shall mail to Holders of Notes and file with the Trustee and the Conversion Agent a notice stating the proposed record date for a dividend or distribution or the proposed effective date of a subdivision, combination, reclassification, consolidation, merger, binding share exchange, transfer, liquidation or dissolution. The Company shall file and mail the notice at least 15 days before such date. Failure to file or mail the notice or any defect in it shall not affect the validity of the transaction.

SECTION 16.16 Reorganization of Company; Special Distributions.

If the Company is a party to a transaction subject to Article VIII hereof (other than a sale of all or substantially all of the assets of the Company in a transaction in which the holders of Common Stock immediately prior to such transaction do not receive securities, cash, property or other assets of the Company or any other Person) or a merger or binding share exchange which reclassifies or changes its outstanding Common Stock, the Person obligated to deliver securities, cash or other assets upon conversion of Notes shall, no later than the closing date of such transaction, enter into a supplemental indenture. If the issuer of securities deliverable upon conversion of Notes is an Affiliate of the successor company, that issuer shall, no later than the closing date of such transaction, join in the supplemental indenture.

The supplemental indenture shall provide that the Holder of a Note may convert it into the kind and amount of securities, cash or other assets which such Holder would have received immediately after the consolidation, merger, binding share exchange or transfer if such Holder had converted the Note immediately before the effective date of the transaction, assuming (to the extent applicable) that such Holder was not a constituent Person or an Affiliate of a constituent Person to such transaction. The supplemental indenture shall provide for adjustments which shall be as nearly equivalent as may be practical to the adjustments provided for in this Article XVI. The successor Company shall mail to Holders of Notes a notice briefly describing the supplemental indenture.

If this Section applies, none of Sections 16.06, 16.07, 16.09 nor 16.10 hereof shall apply.

If the Company makes a distribution to all holders of its Common Stock of any of its assets, or debt securities or any rights, warrants or options to purchase securities of the Company that would otherwise result in an adjustment in the Conversion Rate pursuant to the provisions of Section 16.08 hereof, then, from and after the record date for determining the holders of Common Stock entitled to receive the distribution, a Holder of a Note that converts such Note in accordance with the provisions of this Indenture shall upon such conversion be entitled to receive, in addition to the shares of Common Stock into which the Note is convertible, the kind and amount of securities, cash or other assets comprising the distribution that such Holder would have received if such Holder had converted the Note immediately prior to the record date for determining the holders of Common Stock entitled to receive the distribution.

SECTION 16.17 Company Determination Final.

Whenever adjustments to the Conversion Rate are called for pursuant to Article XVI, such adjustments shall be made to the Conversion Rate as may be necessary or appropriate to effectuate the intent of this Article XVI and to avoid unjust or inequitable results as determined in good faith by the Board of Directors.

Any determination that the Company or the Board of Directors must make pursuant to Section 16.03, 16.06, 16.07, 16.08, 16.09, 16.10, 16.11, 16.12, 16.16 or 16.19 hereof is conclusive.

SECTION 16.18 Trustee's Adjustment Disclaimer.

The Trustee has no duty to determine when an adjustment under this Article XVI should be made, how it should be made or what it should be and shall have no liability with respect to the calculation of such adjustment. The Trustee has no duty to determine whether a supplemental indenture under Section 16.16 hereof need be entered into or whether any provisions of any supplemental indenture are correct. The Trustee shall not be accountable for and makes no representation as to the validity or value of any securities or assets issued upon conversion of Notes. The Trustee shall not be responsible for the Company's failure to comply with this Article XVI. Each Conversion Agent (other than the Company or an Affiliate of the Company) shall have the same protection under this Section 16.18 as the Trustee.

SECTION 16.19 Simultaneous Adjustments.

If more than one issuance, distribution, subdivision, tender offer or combination or other event to which Article XVI applies occurs during the period applicable for calculating adjustments to the Conversion Rate, such adjustments shall be calculated for such period in a manner determined by the Board of Directors to most appropriately reflect the combined impact of such issuance, distribution, tender offer, subdivision or combination or other event on the Conversion Rate of the Common Stock during such period.

SECTION 16.20 Successive Adjustments.

After an adjustment to the Conversion Rate under this Article XVI, any subsequent event requiring an adjustment under this Article XVI shall cause an adjustment to the Conversion Rate as so adjusted.

SECTION 16.21 Rights Issued in Respect of Common Stock Issued Upon Conversion.

Each share of Common Stock issued upon conversion of Notes pursuant to this Article XVI shall be entitled to receive the appropriate number of Common Stock or Preferred Stock purchase rights, as the case may be (the "Rights"), if any, that all shares of Common Stock are entitled to receive and the certificates representing the Common Stock issued upon such conversion shall bear such legends, if any, in each case as may be provided by the terms of any stockholder rights agreement adopted by the Company, as the same may be amended from time to time (in each case, a "Rights Agreement"). If such Rights Agreement requires that each share

of Common Stock issued upon conversion of Notes at any time prior to the distribution of separate certificates representing the Rights be entitled to receive such Rights, then, notwithstanding anything else to the contrary in the foregoing sections of this Article XVI, there shall not be any adjustment to the conversion privilege or Conversion Rate or any other term or provision of the Notes as a result of the issuance of Rights, the distribution of separate certificates representing the Rights, the exercise or redemption of such Rights in accordance with any such Rights Agreement, or the termination or invalidation of such Rights. Notwithstanding the foregoing, if a Holder of Notes exercising its right of conversion after the distribution of Rights pursuant to a "Rights Agreement" is not entitled to receive the Rights that would otherwise be attributable (but for the date of conversion) to the shares of Common Stock to be received upon such conversion, if any, the Conversion Rate will be adjusted as though the Rights were being distributed to holders of Common Stock on the Conversion Date. If such an adjustment is made and such Rights are later redeemed, invalidated or terminated, then a corresponding reversing adjustment will be made to the Conversion Rate on a equitable basis.

SECTION 2.26 Tax Matters.

For the sole benefit of the Holders of the Notes, a new Article XVII shall be added to the Base Indenture as follows:

ARTICLE XVII

TAX MATTERS

SECTION 17.01 Tax Treatment.

The parties hereto hereby agree, and each Holder and each beneficial owner of a Note, by purchasing or holding a Note or a beneficial interest in a Note hereby agrees (in the absence of a change in applicable law requiring a contrary treatment):

(i) to treat the Notes as indebtedness of the Company for all United States federal income tax purposes; and

(ii) to treat the Notes as debt instruments that are subject to U.S. Treasury Regulation section 1.1275-4(b).

Notwithstanding any other provision of this Indenture, from the commencement of discussions with respect to the transactions contemplated hereby, each party (and each employee, representative or other agent of such party) may disclose to any and all Persons, without limitation of any kind, the tax treatment and tax structure (as such terms are used in Sections 6011, 6111 and 6112 of the United States Internal Revenue Code of 1986, as amended, and the Treasury Regulations promulgated thereunder) of the transactions contemplated by this Indenture and all materials of any kind (including opinions or other tax analyses) that are provided relating to such tax treatment and tax structure, other than any information for which nondisclosure is reasonably necessary in order to comply with applicable securities laws, and the ability of each party and their respective representatives, Affiliates, employees, officers, directors or other agents to consult any tax advisor, including an independent tax advisor, regarding the

tax treatment or tax structure of the transactions hereunder (and any transactions related thereto) shall not be restricted or limited in any manner.

SECTION 17.02 Comparable Yield and Projected Payment Schedule.

Solely for purposes of applying U.S. Treasury Regulation section 1.1275-4 to the Notes:

(a) for United States federal income tax purposes, ordinary interest income shall accrue with respect to Outstanding Notes as tax original issue discount ("Tax Original Issue Discount") according to the "noncontingent bond method," as set forth in U.S. Treasury Regulation section 1.1275-4(b) using a comparable yield of 7.00%, compounded semiannually, and the projected payment schedule attached as Annex 1 to this Indenture;

(b) the Company shall file with the Trustee promptly at the end of each calendar year (i) a written notice specifying the amount of Tax Original Issue Discount for United States federal income tax purposes (including daily rates and accrual periods) accrued on Outstanding Notes as of the end of such year and (ii) such other specific information relating to such Tax Original Issue Discount that the Company determines to be relevant under the Internal Revenue Code of 1986, as amended, including the amount of any adjustment made under the noncontingent bond method to account for the amount of any difference between the amount of an actual payment and the amount of a projected payment; and

(c) the Company acknowledges and agrees, and each Holder and each beneficial owner of a Note, by purchasing or holding a Note or beneficial interest in a Note, shall be deemed to acknowledge and agree that (in the absence of an administrative determination or judicial ruling to the contrary) (i) each Holder and each beneficial owner of a Note shall be bound by the Company's determination of the projected payment schedule and comparable yield within the meaning of U.S. Treasury Regulation Section 1.275-4(b), (ii) the comparable yield means the yield at which the Company would issue, as of the Issue Date, a fixed rate, nonconvertible debt instrument with no contingent payments, but with terms and conditions otherwise comparable to those of the Notes, (iii) the projected payment schedule is determined on the basis of an assumption of compound stock price growth, (iv) the fair market value of Common Stock received by a Holder or beneficial owner of a Note upon conversion of such Note shall be treated as a contingent payment under U.S. Treasury Regulation section 1.1275-4(b), (v) the comparable yield and the projected payment schedule are not determined for any purpose other than for the purpose of applying U.S. Treasury Regulation section 1.1275-4(b)(4) to the Notes, and (vi) the comparable yield and the projected payment schedule do not constitute a projection or representation regarding the actual amounts payable on the Notes.

SECTION 2.27 Subordination of Notes.

For the sole benefit of the Holders of the Notes, a new Article XVIII shall be added to the Base Indenture as follows:

ARTICLE XVIII

SUBORDINATION OF NOTES

Section 18.01. Notes Subordinate to Senior Indebtedness.

The Company covenants and agrees, and each Holder of a Note, by his acceptance thereof, likewise covenants and agrees, that, to the extent and in the manner hereinafter set forth in this Article XVIII, the Indebtedness represented by the Note, including Original Issue Discount, and the payment of the principal of, premium, if any, and interest, including Contingent Cash Interest, if any, on, the Note are hereby expressly made subordinate and subject in right of payment as provided in this Article XVIII to the prior payment in full of all Senior Indebtedness.

This Article XVIII shall constitute a continuing offer to all Persons who, in reliance upon such provisions, become holders of, or continue to hold, Senior Indebtedness; and such provisions are made for the benefit of the holders of Senior Indebtedness; and such holders are made obligees hereunder and they and each of them may enforce such provisions.

Section 18.02. Payment Over of Proceeds Upon Dissolution, etc.

In the event of (a) any insolvency or bankruptcy case or proceeding, or any receivership, liquidation, reorganization or other similar case or proceeding in connection therewith, commenced by or against the Company or in respect of its assets, or (b) any liquidation, dissolution or other winding up of the Company, whether voluntary or involuntary, or whether or not involving insolvency or bankruptcy, or (c) any assignment for the benefit of creditors or any other marshaling of assets or liabilities of the Company, then and in any such event:

(i) the holders of Senior Indebtedness shall be entitled to receive payment in full of all amounts due on or in respect of Senior Indebtedness before the Holders of the Notes are entitled to receive any payment or distribution of any kind or character (excluding any Permitted Junior Payment) on account of the principal of, premium, if any, or interest on the Notes or on account of the purchase, redemption, defeasance or other acquisition of, or in respect of, the Notes; and

(ii) any payment or distribution of assets of the Company of any kind or character, whether in cash, property or securities (excluding any Permitted Junior Payment), by set-off or otherwise, to which the Holders or the Trustee would be entitled but for the provisions of this Article XVIII shall be paid by the liquidating trustee or agent or other Person making such payment or distribution, whether a trustee in bankruptcy, a receiver or liquidating trustee or otherwise, directly to the holders of Senior Indebtedness or their representative or representatives or to the trustee or trustees under any indenture under which any instruments evidencing any of such Senior Indebtedness may have been issued, ratably according to the aggregate amounts remaining unpaid on account of the Senior Indebtedness held or represented by each, to the extent necessary to make payment in full, of all Senior Indebtedness remaining unpaid, after

giving effect to any concurrent payment or distribution to the holders of such Senior Indebtedness; and

(iii) in the event that, notwithstanding the foregoing provisions of this Section 18.02, the Trustee or the Holder of any Note shall have received any payment or distribution of assets of the Company of any kind or character, whether in cash, property or securities (excluding any Permitted Junior Payment), in respect of principal, premium, if any, and interest, including Contingent Cash Interest, if any on the Notes before all Senior Indebtedness is paid in full, then and in such event such payment or distribution (excluding any Permitted Junior Payment) shall be paid over or delivered forthwith to the liquidating trustee or agent or other Person making payments or distributions of assets of the Company for application to the payment of all Senior Indebtedness remaining unpaid, to the extent necessary to pay all Senior Indebtedness in full after giving effect to any concurrent payment or distribution to or for the holders of Senior Indebtedness.

The consolidation of the Company with, or the merger of the Company with or into, another Person or the liquidation or dissolution of the Company following the sale, assignment, conveyance, transfer, lease or other disposal of its properties and assets substantially as an entirety to another Person upon the terms and conditions set forth in Article VIII shall not be deemed a dissolution, winding up, liquidation, reorganization, assignment for the benefit of creditors or marshaling of assets and liabilities of the Company for the purposes of this Section 18.02 if the Person formed by such consolidation or the surviving entity of such merger or the Person which acquires by sale, assignment, conveyance, transfer, lease or other disposal of such properties and assets substantially as an entirety, as the case may be, shall, as a part of such consolidation, merger, sale, assignment, conveyance, transfer, lease or other disposal, comply with the conditions set forth in Article VIII.

Section 18.03. Suspension of Payment When Designated Senior Indebtedness in Default.

(a) Unless Section 18.02 shall be applicable, upon the occurrence and during the continuance of any default in the payment of any Designated Senior Indebtedness beyond any applicable grace period (a "Payment Default") and after the receipt by the Trustee from a Senior Representative of holders of any Designated Senior Indebtedness of written notice of such default, no payment or distribution of any assets of the Company or any Subsidiary of any kind or character (excluding any Permitted Junior Payment) may be made by the Company on account of the principal of, premium, if any, or interest, including Contingent Cash Interest, if any, on, the Notes, or on account of the purchase, redemption or other acquisition of or in respect of, the Notes unless and until such Payment Default shall have been cured or waived or shall have ceased to exist or such Designated Senior Indebtedness shall have been discharged or paid in full, after which the Company shall (subject to the other provisions of this Article XVIII) resume making any and all required payments in respect of the Notes, including any missed payments.

(b) Unless Section 18.02 shall be applicable, (1) upon the occurrence and during the continuance of any non-payment default or non-payment event of default with respect to any Designated Senior Indebtedness pursuant to which the maturity thereof may then be accelerated immediately (a "Non-payment Default") and (2) after the receipt by the Trustee and the

Company from a Senior Representative of holders of any Designated Senior Indebtedness of written notice of such Non-payment Default, no payment or distribution of any assets of the Company of any kind or character (excluding any Permitted Junior Payment) may be made by the Company on account of the principal of, premium, if any, or interest on, the Notes, or on account of the purchase, redemption or other acquisition of, or in respect of, the Notes for the period specified below ("Payment Blockage Period").

(c) The Payment Blockage Period shall commence upon the receipt of notice of the Non-payment Default by the Trustee from a Senior Representative of holders of Designated Senior Indebtedness and shall end on the earliest of (i) the 179th day after such commencement, (ii) the date on which such Non-payment Default (and all other Non-payment Defaults as to which notice is given after such Payment Blockage Period is initiated) is cured, waived or ceases to exist or on which such Designated Senior Indebtedness is discharged or paid in full, or (iii) the date on which such Payment Blockage Period (and all Non-payment Defaults as to which notice is given after such Payment Blockage Period is initiated) shall have been terminated by written notice to the Company or the Trustee from the Senior Representative initiating such Payment Blockage Period, after which, in the case of clauses (i), (ii) and (iii), the Company shall promptly resume making any and all required payments in respect of the Notes, including any missed payments. In no event will a Payment Blockage Period extend beyond 179 days from the date of the receipt by the Trustee of the notice initiating such Payment Blockage Period (such 179-day period referred to as the "Initial Period"). Any number of notices of Non-payment Defaults may be given during the Initial Period; provided that during any period of 365 consecutive days only one Payment Blockage Period, during which payment of principal of, premium, if any, or interest on, the Notes may not be made, may commence and the duration of such period may not exceed 179 days. No Non-payment Default with respect to any Designated Senior Indebtedness that existed on the date of the commencement of any Payment Blockage Period can be made the basis for the commencement of a second Payment Blockage Period. The Company shall deliver a written notice to the Trustee promptly after the date on which any Non-payment Default is cured or waived or ceases to exist or on which the Designated Senior Indebtedness related thereto is discharged or paid in full, and the Trustee is authorized to act in reliance on such notice and shall have no liability with respect thereto.

(d) In the event that, notwithstanding the foregoing, the Company shall make any payment to the Trustee or the Holder of any Note prohibited by the foregoing provisions of this Section 18.03, then and in such event such payment shall be paid over and delivered forthwith to a Senior Representative of the holders of the Designated Senior Indebtedness or as a court of competent jurisdiction shall direct.

Section 18.04. Payment Permitted if No Default.

Nothing contained in this Article XVIII, elsewhere in this Indenture or in any of the Notes shall prevent the Company, at any time except during the pendency of any case, proceeding, receivership, reorganization, dissolution, liquidation or other winding-up, assignment for the benefit of creditors or other marshaling of assets and liabilities of the Company referred to in Section 18.02 or under the conditions described in Section 18.03, from making payments at any time of principal of, premium, if any, or interest on the Notes.

Section 18.05. Subrogation to Rights of Holders of Senior Indebtedness.

After the payment in full of all Senior Indebtedness, the Holders of the Notes shall be subrogated to the rights of the holders of such Senior Indebtedness to receive payments and distributions of cash, property and securities applicable to the Senior Indebtedness until the principal of, premium, if any, and interest, including Contingent Cash Interest, if any, on the Notes shall be paid in full. For purposes of such subrogation, no payments or distributions to the holders of Senior Indebtedness of any cash, property or securities to which the Holders of the Notes or the Trustee would be entitled except for the provisions of this Article XVIII, and no payments over pursuant to the provisions of this Article XVIII to the holders of Senior Indebtedness by Holders of the Notes or the Trustee, shall, as among the Company and its creditors other than holders of Senior Indebtedness and the Holders of the Notes, be deemed to be a payment or distribution by the Company to or on account of the Senior Indebtedness.

Section 18.06. Provisions Solely to Define Relative Rights.

The provisions of this Article are intended solely for the purpose of defining the relative rights of the Holders of the Notes on the one hand and the holders of Senior Indebtedness on the other hand. Nothing contained in this Article XVIII or elsewhere in this Indenture or in the Notes is intended to or shall (a) impair, as among the Company and its creditors other than holders of Senior Indebtedness and the Holders of the Notes, the obligation of the Company, which is absolute and unconditional, to pay to the Holders of the Notes the principal of, premium, if any, and interest, including Contingent Cash Interest, if any, on, the Notes as and when the same shall become due and payable in accordance with their terms; or (b) affect the relative rights against the Company of the Holders of the Notes and creditors of the Company, other than the holders of Senior Indebtedness; or (c) prevent the Trustee or the Holder of any Note from exercising all remedies otherwise permitted by applicable law upon default under this Indenture, subject to the rights, if any, under this Article XVIII of the holders of Senior Indebtedness (1) in any case, proceeding, dissolution, liquidation or other winding up, assignment for the benefit of creditors or other marshaling of assets and liabilities of the Company referred to in Section 18.02, to receive, pursuant to and in accordance with such Section, cash, property and securities otherwise payable or deliverable to the Trustee or such Holder, or (2) under the conditions specified in Section 18.03, to prevent any payment prohibited by such Section or enforce their rights pursuant to Section 18.03(d).

Section 18.07. Trustee to Effectuate Subordination.

Each Holder of a Note by such Holder's acceptance thereof authorizes and directs the Trustee on such Holder's behalf to take such action as may be necessary or appropriate to effectuate the subordination provided in this Article XVIII and appoints the Trustee such Holder's attorney-in-fact for any and all such purposes, including, in the event of any dissolution, winding-up, liquidation or reorganization of the Company whether in bankruptcy, insolvency, receivership proceedings, or otherwise, the timely filing of a claim for the unpaid balance of the Indebtedness of the Company owing to such Holder in the form required in such proceedings and the causing of such claim to be approved.

Section 18.08. No Waiver of Subordination Provisions.

(a) No right of any present or future holder of any Senior Indebtedness to enforce subordination as herein provided shall at any time in any way be prejudiced or impaired by any act or failure to act on the part of the Company or by any act or failure to act, in good faith, by any such holder, or by any non-compliance by the Company with the terms, provisions and covenants of this Indenture, regardless of any knowledge thereof any such holder may have or be otherwise charged with.

(b) Without limiting the generality of subsection (a) of this Section 18.08, the holders of Senior Indebtedness may, at any time and from time to time, without the consent of or notice to the Trustee or the Holders of the Notes, without incurring responsibility to the Holders of the Notes and without impairing or releasing the subordination provided in this Article XVIII or the obligations hereunder of the Holders of the Notes to the holders of Senior Indebtedness, do any one or more of the following: (1) change the manner, place or terms of payment or extend the time of payment of, or renew or alter, Senior Indebtedness or any instrument evidencing the same or any agreement under which Senior Indebtedness is outstanding; (2) sell, exchange, release or otherwise deal with any property pledged, mortgaged or otherwise securing Senior Indebtedness; (3) release any Person liable in any manner for the collection or payment of Senior Indebtedness; and (4) exercise or refrain from exercising any rights against the Company and any other Person; provided, however, that in no event shall any such actions limit the right of the Holders of the Notes to take any action to accelerate the maturity of the Notes pursuant to Article V of this Indenture or to pursue any rights or remedies hereunder or under applicable laws if the taking of such action does not otherwise violate the terms of this Article XVIII.

Section 18.09. Notice to Trustee.

(a) The Company shall give prompt written notice to the Trustee of any fact known to the Company which would prohibit the making of any payment to or by the Trustee in respect of the Notes. Notwithstanding the provisions of this Article XVIII or any other provision of this Indenture, the Trustee shall not be charged with knowledge of the existence of any facts which would prohibit the making of any payment to or by the Trustee in respect of the Notes, unless and until the Trustee shall have received written notice thereof from the Company or a holder of Senior Indebtedness or from a Senior Representative or any trustee, fiduciary or agent therefor; and, prior to the receipt of any such written notice, the Trustee shall be entitled in all respects to assume that no such facts exist; provided, however, that if the Trustee shall not have received the notice provided for in this Section by Noon, New York City time, on the Business Day prior to the date upon which by the terms hereof any money may become payable for any purpose (including, without limitation, the payment of the principal of, premium, if any, or interest, including Contingent Cash Interest, if any on any Note), then, anything herein contained to the contrary notwithstanding, but without limiting the rights and remedies of the holders of Senior Indebtedness, a Senior Representative or any trustee, fiduciary or agent thereof, the Trustee shall have full power and authority to receive such money and to apply the same to the purpose for which such money was received and shall not be affected by any notice to the contrary which may be received by it after such time and date; nor shall the Trustee be charged with knowledge of the curing of any default or the elimination of the act or condition preventing any such payment unless and until the Trustee shall have received an Officers' Certificate to

such effect and, in the case of any written notice under Section 18.03 from a Senior Representative of any Designated Senior Indebtedness, written confirmation thereof from such Senior Representative.

(b) The Trustee shall be entitled to rely on the delivery to it of a written notice to the Trustee and the Company by a Person representing himself to be a Senior Representative or a holder of Senior Indebtedness (or a trustee, fiduciary or agent therefor) to establish that such notice has been given by a Senior Representative or a holder of Senior Indebtedness (or a trustee, fiduciary or agent therefor); provided, however, that failure to give such notice to the Company shall not affect in any way the ability of the Trustee to rely on such notice. In the event that the Trustee determines in good faith that further evidence is required with respect to the right of any Person as a holder of Senior Indebtedness to participate in any payment or distribution pursuant to this Article XVIII, the Trustee may request such Person to furnish evidence to the reasonable satisfaction of the Trustee as to the amount of Senior Indebtedness held by such Person and the extent to which such Person is entitled to participate in such payment or distribution and any other facts pertinent to the rights of such Person under this Article XVIII, and if such evidence is not furnished, the Trustee may defer any payment to such Person pending judicial determination as to the right of such Person to receive such payment.

Section 18.10. Reliance on Judicial Orders or Certificates.

Upon any payment or distribution of assets of the Company referred to in this Article XVIII, the Trustee and the Holders of the Notes shall be entitled to rely upon any order or decree entered by any court of competent jurisdiction in which any insolvency, bankruptcy, receivership, liquidation, reorganization, dissolution, winding up or similar case or proceeding in respect of the Company is pending, or a certificate of the trustee in bankruptcy, receiver, liquidating trustee, custodian, assignee for the benefit of creditors, agent or other Person making such payment or distribution, or a certificate of a Senior Representative, delivered to the Trustee or to the Holders of Notes for the purpose of ascertaining the Persons entitled to participate in such payment or distribution, the holders of Senior Indebtedness and other Indebtedness of the Company, the amount thereof or payable thereon, the amount or amounts paid or distributed thereon and all other facts pertinent thereto or to this Article XVIII, provided that the foregoing shall apply only if such court has been fully apprised of the provisions of this Article XVIII.

Section 18.11. Rights of Trustee as a Holder of Senior Indebtedness; Preservation of Trustee's Rights.

The Trustee in its individual capacity shall be entitled to all the rights set forth in this Article XVIII with respect to any Senior Indebtedness which may at any time be held by it, to the same extent as any other holder of Senior Indebtedness, and nothing in this Indenture shall deprive the Trustee of any of its rights as such holder. Nothing in this Article XVIII shall apply to claims of, or payments to, the Trustee under or pursuant to Section 6.07.

Section 18.12. Article Applicable to Paying Agents.

In case at any time any Paying Agent other than the Trustee shall have been appointed by the Company and be then acting under this Indenture, the term "Trustee" as used in

this Article XVIII shall in such case (unless the context otherwise requires) be construed as extending to and including such Paying Agent within its meaning as fully for all intents and purposes as if such Paying Agent were named in this Article XVIII in addition to or in place of the Trustee; provided, however, that Section 18.11 shall not apply to the Company or any Affiliate of the Company if it or such Affiliate acts as Paying Agent.

Section 18.13. No Suspension of Remedies.

Nothing contained in this Article XVIII shall limit the right of the Trustee or the Holders of Notes to take any action to accelerate the maturity of the Notes pursuant to Article V of this Indenture or to pursue any rights or remedies hereunder or under applicable law, subject to the rights, if any, under this Article XVIII of the holders, from time to time, of Senior Indebtedness to receive the cash, property or securities receivable upon the exercise of such rights or remedies.

Section 18.14. Trustee's Relation to Senior Indebtedness.

With respect to the holders of Senior Indebtedness, the Trustee undertakes to perform or to observe only such of its covenants and obligations as are specifically set forth in this Article XVIII, and no implied covenants or obligations with respect to the holders of Senior Indebtedness shall be read into this Article XVIII against the Trustee. The Trustee shall not be deemed to owe any fiduciary duty to the holders of Senior Indebtedness and the Trustee shall not be liable to any holder of Senior Indebtedness if it shall in good faith mistakenly (absent gross negligence or willful misconduct) pay over or deliver to Holders, the Company or any other Person moneys or assets to which any holder of Senior Indebtedness shall be entitled by virtue of this Article XVIII or otherwise.

ARTICLE III

MISCELLANEOUS

SECTION 3.01 Effect of Headings and Table of Contents.

The Article and Section headings herein and the Table of Contents are for convenience only and shall not affect the construction hereof.

SECTION 3.02 Successors and Assigns.

All covenants and agreements in this First Supplemental Indenture by the Company shall bind their respective successors and assigns, whether so expressed or not.

SECTION 3.03 Benefits of Indenture.

Nothing in this First Supplemental Indenture or in the Notes, express or implied, shall give to any Person (other than the parties hereto and their successors hereunder, any Paying Agent and the Holders) any benefit or any legal or equitable right, remedy or claim under this First Supplemental Indenture.

SECTION 3.04 Governing Law.

This First Supplemental Indenture and the Notes shall be governed by and construed in accordance with the laws of the State of New York, without regard to principles of conflicts of laws. This First Supplemental Indenture is subject to the provisions of the Trust Indenture Act that are required to be part of this Indenture and shall, to the extent applicable, be governed by such provisions.

SECTION 3.05 Separability.

In case any provision in this First Supplemental Indenture, including the Notes, shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

SECTION 3.06 Counterparts.

This First Supplemental Indenture may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same First Supplemental Indenture.

SECTION 3.07 Ratification.

The Base Indenture, as supplemented by this First Supplemental Indenture, is in all respects ratified and confirmed, and the Base Indenture and this First Supplemental Indenture shall be read, taken and construed as one and the same instrument with respect to the Notes. All provisions included in this First Supplemental Indenture supersede any conflicting provisions included in the Base Indenture with respect to the Notes unless not permitted by law. The Trustee accepts the trusts created by the Indenture, as supplemented by this First Supplemental Indenture, and agrees to perform the same upon the terms and conditions of the Indenture, as supplemented by this First Supplemental Indenture.

SECTION 3.08 Annexes and Exhibits.

All annexes and exhibits attached hereto are by this reference made a part hereof with the same effect as if herein set forth in full.

SECTION 3.09 Effectiveness.

The provisions of this First Supplemental Indenture shall become effective as of the date hereof.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the parties hereto have caused this First Supplemental Indenture to be duly executed all as of the date first above written.

SUNTRUST BANK,
as Trustee

By: /s/ B.A. Donaldson

Name: B.A. Donaldson
Title: Vice President

ROPER INDUSTRIES, INC.

By: /s/ Martin S. Headley

Name: Martin S. Headley
Title: Vice President and Chief Financial Officer

ANNEX 1
PROJECTED PAYMENT SCHEDULE*

Period Ending	Projected Payment per $1,000 Principal Amount at Maturity of Notes*
December 29, 2003	
July 15, 2004	8.07
January 15, 2005	7.41
July 15, 2005	7.41
January 15, 2006	7.41
July 15, 2006	7.41
January 15, 2007	7.41
July 15, 2007	7.41
January 15, 2008	7.41
July 15, 2008	7.41
January 15, 2009	7.41
July 15, 2009	--
January 15, 2010	--
July 15, 2010	--
January 15, 2011	--
July 15, 2011	--
January 15, 2012	--
July 15, 2012	0.66
January 15, 2013	0.69
July 15, 2013	0.71
January 15, 2014	0.74
July 15, 2014	0.76
January 15, 2015	0.79
July 15, 2015	0.82
January 15, 2016	0.85
July 15, 2016	0.88
January 15, 2017	0.91
July 15, 2017	0.94
January 15, 2018	0.98
July 15, 2018	1.01
January 15, 2019	1.05
July 15, 2019	1.09
January 15, 2020	1.13
July 15, 2020	1.17
January 15, 2021	1.21
July 15, 2021	1.25
January 15, 2022	1.30
July 15, 2022	1.34
January 15, 2023	1.39
July 15, 2023	1.44
January 15, 2024	1.49

Period Ending	Projected Payment per $1,000 Principal Amount at Maturity of Notes*
July 15, 2024	1.56
January 15, 2025	1.60
July 15, 2025	1.66
January 15, 2026	1.72
July 15, 2026	1.78
January 15, 2027	1.84
July 15, 2027	1.91
January 15, 2028	1.98
July 15, 2028	2.05
January 15, 2029	2.12
July 15, 2029	2.20
January 15, 2030	2.28
July 15, 2030	2.36
January 15, 2031	2.44
July 15, 2031	2.53
January 15, 2032	2.62
July 15, 2032	2.72
January 15, 2033	2.81
July 15, 2033	2.91
January 15, 2034	3.02
Terminal Value at Maturity	2,500.51

* The comparable yield and the schedule of projected payments are determined on the basis of an assumption of compound stock price growth and are not determined for any purpose other than for the determination of interest accruals and adjustments thereof in respect of the Notes for United States federal income tax purposes. The comparable yield and the schedule of projected payments do not constitute a projection or representation regarding the amounts payable on Notes.

EXHIBIT A-1
[FORM OF FACE OF GLOBAL NOTE]

THIS NOTE IS BEING ISSUED WITH ORIGINAL ISSUE DISCOUNT, FOR PURPOSES OF SECTIONS 1271, 1272, 1273 AND 1275 OF THE UNITED STATES INTERNAL REVENUE CODE OF 1986, AS AMENDED, AND IS SUBJECT TO THE CONTINGENT PAYMENT DEBT INSTRUMENT REGULATIONS OF TREASURY REGULATION SECTION 1.1275-4. THE ISSUE PRICE OF THIS NOTE IS $395.02 PER NOTE WITH A PRINCIPAL AMOUNT OF $1,000 AT MATURITY; THE ISSUE DATE IS DECEMBER 29, 2003; THE COMPARABLE YIELD IS 7.00% PER ANNUM, COMPOUNDED SEMIANNUALLY; THE PROJECTED PAYMENT SCHEDULE IS ATTACHED AS ANNEX 1 TO THE INDENTURE; AND THE TOTAL AMOUNT OF ORIGINAL ISSUE DISCOUNT FOR FEDERAL INCOME TAX PURPOSES IS $2,248.95 PER NOTE WITH A PRINCIPAL AMOUNT OF $1,000 AT MATURITY, BASED ON THE PROJECTED PAYMENT SCHEDULE AND DETERMINED WITHOUT TAKING INTO ACCOUNT ANY ADJUSTMENTS PURSUANT TO TREASURY REGULATION SECTION 1.1275-4(b).

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY TO THE ISSUER OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY (AND ANY PAYMENT HEREON IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL SINCE THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

TRANSFERS OF THIS GLOBAL NOTE SHALL BE LIMITED TO TRANSFERS IN WHOLE, BUT NOT IN PART, TO NOMINEES OF THE DEPOSITORY TRUST COMPANY, OR TO A SUCCESSOR THEREOF OR SUCH SUCCESSOR'S NOMINEE AND TRANSFERS OF PORTIONS OF THIS GLOBAL NOTE SHALL BE LIMITED TO TRANSFERS MADE IN ACCORDANCE WITH THE RESTRICTIONS SET FORTH IN ARTICLE TWO OF THE INDENTURE REFERRED TO ON THE REVERSE HEREOF.

ROPER INDUSTRIES, INC.
SENIOR SUBORDINATED CONVERTIBLE NOTE DUE 2034

No. 1	CUSIP: 776696 AA 4
Issue Date: December 29, 2003	
Issue Price: $395.02 (for each $1,000 Principal Amount at Maturity)	Original Issue Discount: $604.98 (for each $1,000 Principal Amount at Maturity)

ROPER INDUSTRIES, INC., a Delaware corporation (herein called the "Company"), promises to pay to Cede & Co. or registered assigns, the Principal Amount at Maturity of five hundred eighty-two million and two hundred forty-nine thousand dollars ($582,249,000) on January 15, 2034.

This Note shall not bear interest except as specified on the other side of this Note. Original Issue Discount will accrue as specified on the other side of this Note. This Note is convertible as specified on the other side of this Note.

Additional provisions of this Note are set forth on the other side of this Note.

IN WITNESS WHEREOF, the Company has caused this Note to be duly executed.

ROPER INDUSTRIES, INC.

By:_____
Title:

Dated: December 29, 2003

TRUSTEE'S CERTIFICATE OF
AUTHENTICATION

SUNTRUST BANK,
as Trustee, certifies that this
is one of the Notes referred
to in the within-mentioned Indenture.

By: _____
Authorized Signatory

[FORM OF REVERSE SIDE OF ALL NOTES]
SENIOR SUBORDINATED CONVERTIBLE NOTES DUE 2034

1. Interest.

The Company promises to pay interest in cash on the Principal Amount at Maturity of this Note at the rate per annum of 1.4813% from the Issue Date, or from the most recent date to which interest has been paid or provided for, until January 15, 2009. During such period, the Company will pay cash interest semiannually in arrears on January 15 and July 15 of each year (each an "Interest Payment Date") beginning July 15, 2004 to Holders of record at the close of business on each December 31 and June 30 (whether or not a business day) (each a "Regular Record Date") immediately preceding such Interest Payment Date. Cash interest will be computed on the basis of a 360-day year of twelve 30-day months.

After January 15, 2009, this Note shall not bear interest, except as specified in this paragraph or in paragraphs 5 and 10 hereof. If the Principal Amount at Maturity hereof or any portion of such Principal Amount at Maturity is not paid when due (whether upon acceleration pursuant to Section 5.02 of the Indenture, upon the date set for payment of the Redemption Price pursuant to paragraph 6 hereof, upon the date set for payment of the Purchase Price or Change in Control Purchase Price pursuant to paragraph 7 hereof , upon the Stated Maturity of this Note or otherwise) or if cash interest (including Contingent Cash Interest, if any) due hereon or any portions of such cash interest is not paid when due in accordance with paragraph 5 or 10 hereof, then in each such case the overdue amount shall, to the extent permitted by law, bear interest at the rate of 3.75% per annum of the Issue Price plus any previously accrued Original Issue Discount, compounded semiannually, which interest shall accrue from the date such overdue amount was originally due to the date payment of such amount, including interest thereon, has been made or duly provided for. All such interest shall be payable on demand. The accrual of such interest on overdue amounts shall be in lieu of, and not in addition to, the continued accrual of Original Issue Discount or cash interest on such overdue amounts.

Original Issue Discount (the difference between the Issue Price and the Principal Amount at Maturity of the Note), in the period during which a Note remains Outstanding, shall accrue at 3.75% per annum of the Issue Price plus any previously accrued Original Issue Discount, beginning on January 15, 2009, on a semiannual bond equivalent basis using a 360-day year composed of twelve 30-day months.

2. Method of Payment.

Subject to the terms and conditions of the Indenture, the Company will make payments in respect of Redemption Prices, Purchase Prices, Change in Control Purchase Prices and at Stated Maturity to Holders who surrender Notes to a Paying Agent to collect such payments in respect of the Notes. In addition, the Company will pay cash interest from the Issue Date until January 15, 2009, as more fully described in paragraph 1 hereof or Contingent Cash Interest as more fully described in paragraph 5 below. The

Company will pay any cash amounts in money of the United States that at the time of payment is legal tender for payment of public and private debts. However, the Company may make such cash payments by check payable in such money.

3. Paying Agent, Conversion Agent, Security Registrar and Bid Solicitation Agent.

Initially, SunTrust Bank, a Georgia banking corporation (the "Trustee"), will act as Paying Agent, Conversion Agent, Security Registrar and Bid Solicitation Agent. The Company may appoint and change any Paying Agent, Conversion Agent, Security Registrar or co-registrar or Bid Solicitation Agent without notice, other than notice to the Trustee. The Company or any of its Subsidiaries or any of their Affiliates may act as Paying Agent, Conversion Agent, Security Registrar or Co-Security Registrar. None of the Company, any of its Subsidiaries or any of their Affiliates shall act as Bid Solicitation Agent.

4. Indenture.

The Company issued the Notes pursuant to an Indenture dated as of November 28, 2003, as supplemented by the First Supplemental Indenture dated as of December 29, 2003 (collectively, the "Indenture"), between the Company and the Trustee. The terms of the Notes include those stated in the Indenture and those made part of the Indenture by reference to the Trust Indenture Act of 1939, as in effect from time to time (the "TIA"). Capitalized terms used herein and not defined herein have the meanings ascribed thereto in the Indenture. The Notes are subject to all such terms, and Holders of Notes are referred to the Indenture and the TIA for a statement of those terms.

The Notes are general unsecured and senior subordinated obligations, of the Company, limited to $582,249,000 aggregate Principal Amount at Maturity (subject to Section 3.06 of the Indenture). Subject to Section 10.07 of the Indenture, the Indenture does not limit other Indebtedness of the Company, secured or unsecured.

5. Contingent Cash Interest.

Subject to the conditions of the Indenture and the accrual and record date provisions specified in this paragraph 5, the Company shall pay Contingent Cash Interest to the Noteholders during any Semiannual Period, with the initial six-month period commencing on January 16, 2009, if, but only if, the Average Security Market Price for the five Trading Days ending on the third Trading Day immediately preceding the first day of the applicable Semiannual Period equals 120% or more of the Relevant Value of such Note.

Contingent Cash Interest, if any, will accrue and be payable to Holders of this Note as of the Contingent Cash Interest Record Date. Original Issue Discount will continue to accrue at 3.75% of the Issue Price plus any previously accrued Original Issue Discount whether or not Contingent Cash Interest is paid.

The amount of Contingent Cash Interest payable per $1,000 Principal Amount at Maturity hereof in respect of any Semiannual Period shall equal the annual

rate of 0.25% of the Average Security Market Price for the five Trading Day measuring period.

Upon determination that Holders of Notes will be entitled to receive Contingent Cash Interest during a Semiannual Period, the Company shall issue a press release and use its reasonable best efforts to post such information on its web site or through such other public medium it may use at the time.

The Company shall also notify the Trustee of the declaration of any Regular Cash Dividends and the related record and payment dates.

"Regular Cash Dividends" means any quarterly cash dividends on the Company's Common Stock as declared by the Company's Board of Directors as part of its cash dividend payment practices and that are not designated by them as extraordinary or special or other nonrecurring dividends.

6. Redemption at the Option of the Company.

No sinking fund is provided for the Notes. The Notes are redeemable for cash as a whole, or from time to time in part, at any time at the option of the Company in accordance with the Indenture at the Redemption Prices set forth below; provided that the Notes are not redeemable prior to January 15, 2009.

The table below shows Redemption Prices of a Note per $1,000 Principal Amount at Maturity on the dates shown below and at Stated Maturity, which prices reflect accrued Original Issue Discount calculated to each such date. The Redemption Price of a Note redeemed between such dates shall include an additional amount reflecting the additional Original Issue Discount accrued since the immediately preceding date in the table to, but not including, the Redemption Date.

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Redemption Date	(1) Note Issue Price	(2) Accrued Original Issue Discount	(3) Redemption Price (1) + (2)
January 15,			
2009	$ 395.02	$ 0.00	$ 395.02
2010	$ 395.02	$ 14.95	$ 409.97
2011	$ 395.02	$ 30.47	$ 425.49
2012	$ 395.02	$ 46.58	$ 441.60
2013	$ 395.02	$ 63.29	$ 458.31
2014	$ 395.02	$ 80.64	$ 475.66
2015	$ 395.02	$ 98.64	$ 493.66
2016	$ 395.02	$ 117.33	$ 512.35
2017	$ 395.02	$ 136.72	$ 531.74
2018	$ 395.02	$ 156.85	$ 551.87
2019	$ 395.02	$ 177.74	$ 572.76
2020	$ 395.02	$ 199.42	$ 594.44
2021	$ 395.02	$ 221.92	$ 616.94
2022	$ 395.02	$ 245.27	$ 640.29
2023	$ 395.02	$ 269.51	$ 664.53
2024	$ 395.02	$ 294.66	$ 689.68
2025	$ 395.02	$ 320.77	$ 715.79
2026	$ 395.02	$ 347.86	$ 742.88
2027	$ 395.02	$ 375.98	$ 771.00
2028	$ 395.02	$ 405.16	$ 800.18
2029	$ 395.02	$ 435.45	$ 830.47
2030	$ 395.02	$ 466.88	$ 861.90
2031	$ 395.02	$ 499.51	$ 894.53
2032	$ 395.02	$ 533.37	$ 928.39
2033	$ 395.02	$ 568.51	$ 963.53
At stated maturity	$ 395.02	$ 604.98	$1,000.00

7. Purchase by the Company at the Option of the Holder for Cash.

Subject to the terms and conditions of the Indenture, the Company shall become obligated to purchase, at the option of the Holder, the Notes held by such Holder on the following Purchase Dates and at the following Purchase Prices, plus accrued and unpaid cash interest, if any, including Contingent Cash Interest, if any, per $1,000 Principal Amount at Maturity, upon delivery of a Purchase Notice containing the information set forth in the Indenture, at any time from the opening of business on the date that is 20 Business Days prior to such Purchase Date until the close of business on the day immediately preceding such Purchase Date and upon delivery of the Notes to the Paying Agent by the Holder as set forth in the Indenture.

Purchase Date	Price Purchase
January 15, 2009	$ 395.02
January 15, 2014	$ 475.66
January 15, 2019	$ 572.76
January 15, 2024	$ 689.68
January 15, 2029	$ 830.47

Notwithstanding anything herein or in the Indenture, the Purchase Price (equal to the Issue Price plus accrued Original Issue Discount to the Purchase Date) may only be paid in cash.

At the option of the Holder and subject to the terms and conditions of the Indenture, the Company shall become obligated to purchase the Notes held by such Holder no later than 30 Business Days after the occurrence of a Change in Control of the Company, but in no event prior to the date on which such a Change in Control occurs, for a Change in Control Purchase Price equal to the Issue Price plus accrued Original Issue Discount and accrued and unpaid cash interest, if any, including Contingent Cash Interest, if any, to but not including the Change in Control Purchase Date, which Change in Control Purchase Price shall be paid in cash.

A third party may make the offer and purchase of the Notes in lieu of the Company in accordance with the Indenture.

Holders have the right to withdraw any Purchase Notice or Change in Control Purchase Notice, as the case may be, by delivering to the Paying Agent a written notice of withdrawal in accordance with the provisions of the Indenture.

If cash sufficient to pay the Purchase Price or Change in Control Purchase Price, as the case may be, of all Notes or portions thereof to be purchased as of the Purchase Date or the Change in Control Purchase Date, as the case may be, is deposited with the Paying Agent on the Business Day following the Purchase Date or the Change in Control Purchase Date, as the case may be, Original Issue Discount or cash interest (including Contingent Cash Interest), if any, shall cease to accrue on such Notes (or portions thereof) on such Purchase Date or Change in Control Purchase Date, as the case may be, and the Holder thereof shall have no other rights as such (other than the right to receive the Purchase Price or Change in Control Purchase Price, as the case may be, if any, upon surrender of such Note).

8. Notice of Redemption.

Notice of redemption will be mailed at least 30 days but not more than 60 days before the Redemption Date to each Holder of Notes to be redeemed at the Holder's registered address. If money sufficient to pay the Redemption Price of, and accrued and unpaid cash interest, if any, with respect to, all Notes (or portions thereof) to be redeemed on the Redemption Date is deposited with the Paying Agent prior to or on the Redemption Date, on such Redemption Date, Original Issue Discount or cash interest

(including Contingent Cash Interest), if any, shall cease to accrue on such Notes or portions thereof. Notes in denominations larger than $1,000 of Principal Amount at Maturity may be redeemed in part but only in integral multiples of $1,000 of Principal Amount at Maturity.

9. Conversion.

Conversion Based on Sale Price of Common Stock. Subject to the provisions of this paragraph 9 and notwithstanding the fact that any other condition to conversion described below has not been satisfied, Holders may convert the Notes into Common Stock on a Conversion Date in any fiscal quarter commencing at any time after March 31, 2004, if, as of the last day of the preceding fiscal quarter, the Sale Price of the Common Stock for at least 20 Trading Days in a period of 30 consecutive Trading Days ending on the last Trading Day of the most recently ended fiscal quarter, is greater than the conversion trigger price per share. The "conversion trigger price" for any fiscal quarter shall be 120% of the accreted conversion price per share (calculated without giving effect to accrued cash interest, if any) of Common Stock on the last day of such fiscal quarter. Once the foregoing condition is satisfied for any one fiscal quarter, then the Notes will thereafter be convertible at any time at the option of the Holder, through their maturity.

The "accreted conversion price per share" of Common Stock as of any day equals the quotient of:

- the Issue Price plus accrued Original Issue Discount, if any, to that day; divided by

- the number of shares of Common Stock issuable upon conversion of $1,000 Principal Amount at Maturity of Notes on that day pursuant to this paragraph 9 and Article XVI of the Indenture.

Such accreted conversion price shall be calculated by the Company in accordance with Article XVI of the Indenture.

Conversion Upon Satisfaction of Trading Price Condition. Subject to the provisions of this paragraph 9 and notwithstanding the fact that any other condition described herein to conversion has not been satisfied, Holders may convert Notes into Common Stock any time prior to Maturity during the five Business Day period after any five consecutive Trading Day period in which the Trading Price per $1,000 Principal Amount at Maturity of the Notes for each day of such five Trading Day period was less than 98% of the product of the Closing Sale Price and the Conversion Rate as of such Trading Day. Notwithstanding the foregoing, if, on the day prior to any conversion pursuant to the preceding sentence, the Closing Sale Price of the Common Stock is greater than the accreted conversion price per share but less than or equal to 120% of the accreted conversion price per share, the Holders of Notes surrendered for conversion shall receive, in lieu of Common Stock based on the Conversion Rate, cash or Common Stock or a combination of cash and Common Stock, at the Company's option, with a

value equal to the Issue Price plus accrued Original Issue Discount, accrued cash interest, if any, and accrued Contingent Interest, if any, as of the Conversion Date (a "Principal Value Conversion"). If a Holder surrenders its Notes for a Principal Value Conversion, the Company shall notify such Holder by the second Business Day following the Conversion Date whether the Company will pay such Holder in cash, Common Stock or a combination of cash and Common Stock, and in what percentage unless the Company has already provided such notice in connection with its optional redemption of the Notes pursuant to Article XI of the Indenture and paragraphs 6 and 8 hereof. Any Common Stock delivered upon a Principal Value Conversion will be valued at the greater of the accreted conversion price on the Conversion Date and the Applicable Stock Price as of the Conversion Date. The Company will then deliver such Common Stock and/or cash to such Holders surrendering Notes for conversion, no later than the third Business Day following the determination of the Applicable Stock Price. In connection with any conversion pursuant to this paragraph 9, the Trustee shall not have any obligation to determine the Trading Price of the Notes unless the Company has requested in writing such determination and shall have offered the Trustee indemnity reasonably satisfactory to it regarding such determination and the Company shall have no obligation to make such request unless a Holder provides the Company with reasonable evidence that the Trading Price per Note would be less than 98% of the product of the Closing Sale Price of the Common Stock and the number of shares of Common Stock issuable upon conversion of such Note. At such time, the Company shall instruct the Trustee in writing to determine the Trading Price of the Notes beginning on the next Trading Day and on each successive Trading Day until the Trading Price per such Note is greater than or equal to 98% of the product of the Closing Sale Price of the Common Stock and the Conversion Rate as of such Trading Day.

Conversion upon Redemption. Subject to the provisions of this paragraph 9 and notwithstanding the fact that any other condition described herein to conversion has not been satisfied, a Holder may convert into Common Stock a Note or portion of a Note which has been called for redemption pursuant to paragraph 6 hereof, but such Notes may be surrendered for conversion only until the close of business on the second Business Day immediately preceding the Redemption Date.

Conversion Upon Certain Distributions. Subject to the provisions of this paragraph 9 and notwithstanding the fact that any other condition to conversion has not been satisfied, in the event that the Company declares a dividend or distribution described in Section 16.07 of the Indenture, or a dividend or a distribution described in Section 16.08 of the Indenture and, in the case of a dividend or distribution described in Section 16.08 of the Indenture, the sum of (a) the Fair Market Value, per share, of such dividend or distribution per share of Common Stock, and (b) the quotient of (1) the amount of Contingent Cash Interest paid on the Notes during the Measurement Period divided by (2) the number of shares of Common Stock issuable upon conversion of Notes at the Conversion Rate in effect at the Ex-Dividend Time, as determined in the Indenture, exceeds 15% of the Sale Price of the Common Stock on the Business Day immediately preceding the date of declaration for such dividend or distribution, the Notes may be surrendered for conversion beginning on the date the Company gives notice to the Holders of such right, which shall not be less than 20 days prior to the Ex-Dividend Time

for such dividend or distribution, and Notes may be surrendered for conversion at any time thereafter until the close of business on the Business Day prior to the Ex-Dividend Time or until the Company announces that such dividend or distribution will not take place. For the purposes of this paragraph, the "Measurement Period" with respect to a dividend on the Common Stock shall mean the 365 consecutive day period ending on the date prior to the Ex-Dividend Time with respect to such dividend.

Conversion Upon Occurrence of Certain Corporate Transactions. Subject to the provisions of this paragraph 9 and notwithstanding the fact that any other condition described herein to conversion has not been satisfied, in the event the Company is a party to a consolidation, merger or binding share exchange pursuant to which the Common Stock would be converted into cash, securities or other property as set forth in Section 16.14 of the Indenture, the Notes may be surrendered for conversion at any time from and after the date which is 15 days prior to the date announced by the Company as the anticipated effective time until 15 days after the actual effective date of such transaction, and at the effective time of such transaction the right to convert a Note into Common Stock will be deemed to have changed into a right to convert it into the kind and amount of cash, securities or other property which the Holder would have received if the Holder had converted its Note immediately prior to the transaction.

A Note in respect of which a Holder has delivered a Purchase Notice or Change in Control Purchase Notice exercising the option of such Holder to require the Company to purchase such Note may be converted only if such notice of exercise is withdrawn in accordance with the terms of the Indenture.

The initial Conversion Rate is 6.211 shares of Common Stock per $1,000 Principal Amount at Maturity, subject to adjustment in the case of certain events described in the Indenture. The Company will deliver cash or a check in lieu of any fractional share of Common Stock. The ability to surrender Notes for conversion will expire at the close of business on January 15, 2034.

Notes surrendered for conversion during the period from the close of business on any Regular Record Date next preceding any Interest Payment Date to the opening of business on such Interest Payment Date, shall be entitled to receive such interest, in lieu of Original Issue Discount or Contingent Cash Interest, payable on such Notes on the corresponding Interest Payment Date and (except Notes with respect to which the Company has mailed a notice of redemption) Notes surrendered for conversion during such periods must be accompanied by payment of an amount equal to the interest in lieu of Original Issue Discount or Contingent Cash Interest with respect thereto that the registered Holder is to receive.

To convert a Note, a Holder must (a) complete and manually sign the conversion notice (or complete and manually sign a facsimile of such notice) and deliver such notice to the Conversion Agent, (b) surrender the Note to the Conversion Agent, (c) furnish appropriate endorsements and transfer documents if required by the Conversion Agent, the Company or the Trustee and (d) pay any transfer or similar taxes, if required.

A Holder may convert a portion of a Note if the Principal Amount at Maturity of such portion is $1,000 or an integral multiple of $1,000. No payment or adjustment will be made for dividends on the Common Stock except as provided in the Indenture. On conversion of a Note, accrued Original Issue Discount and any accrued and unpaid cash interest, including Contingent Cash Interest, attributable to the period from the Issue Date through the Conversion Date shall not be cancelled, extinguished or forfeited, but rather shall be deemed to be paid in full to the Holder thereof through the delivery of the Common Stock (as cash in lieu thereof) (together with the cash payment, if any, in lieu of fractional shares) in exchange for the Note being converted pursuant to the terms hereof; and the Fair Market Value of such shares of Common Stock (as cash in lieu thereof) (together with any such cash payment in lieu of fractional shares) shall be treated as issued, to the extent thereof, first in exchange for Original Issue Discount and any accrued and unpaid cash interest, including Contingent Cash Interest, accrued through the Conversion Date, and the balance, if any, of such Fair Market Value of such Common Stock (and any such cash payments) shall be treated as issued in exchange for the Issue Price of the Note being converted pursuant to the provisions hereof.

The Conversion Rate will be adjusted in accordance with Article XVI of the Indenture for dividends or distributions on Common Stock payable in Common Stock or other Capital Stock; subdivisions, combinations or certain reclassifications of Common Stock; distributions to all holders of Common Stock of certain rights to purchase Common Stock for a period expiring within 60 days of the Issue Date at less than the Sale Price of the Common Stock at the Time of Determination; distributions to such holders of assets or debt securities of the Company or certain rights to purchase securities of the Company (excluding certain cash dividends or distributions) and certain rights pursuant to stockholder rights plans; certain dividends or distributions of cash; and certain tender offers or exchange offers. The Company from time to time may voluntarily increase the Conversion Rate.

If the Company is a party to a consolidation, merger or binding share exchange or a transfer of all or substantially all of its assets, or upon certain distributions described in the Indenture, the right to convert a Note into Common Stock may be changed into a right to convert it into securities, cash or other assets of the Company or another person.

10. Defaulted Interest.

Except as otherwise specified with respect to the Notes, any Defaulted Interest on any Note shall forthwith cease to be payable to the registered Holder thereof on the relevant Regular Record Date or accrual date, as the case may be, and such Defaulted Interest shall be paid by the Company as provided for in Section 3.07 of the Indenture.

11. Denominations; Transfer; Exchange.

The Notes are in fully registered form, without coupons, in denominations of $1,000 of Principal Amount at Maturity and integral multiples of $1,000. A Holder

may transfer or exchange Notes in accordance with the Indenture. The Registrar may require a Holder, among other things, to furnish appropriate endorsements and transfer documents and to pay any taxes and fees required by law or permitted by the Indenture. The Registrar need not transfer or exchange any Notes selected for redemption (except, in the case of a Note to be redeemed in part, the portion of the Note not to be redeemed) or any Notes in respect of which a Purchase Notice or Change in Control Purchase Notice has been given and not withdrawn (except, in the case of a Note to be purchased in part, the portion of the Note not to be purchased) or any Notes for a period of 15 days before the mailing of a notice of redemption of Notes to be redeemed.

12. Persons Deemed Owners.

The registered Holder of this Note may be treated as the owner of this Note for all purposes.

13. Unclaimed Money or Notes.

The Trustee and the Paying Agent shall return to the Company upon written request any money or securities held by them for the payment of any amount with respect to the Notes that remains unclaimed for two years, subject to applicable unclaimed property laws. After return to the Company, Holders entitled to the money or securities must look to the Company for payment as general creditors unless an applicable abandoned property law designates another Person.

14. Amendment; Waiver.

Subject to certain exceptions set forth in the Indenture, (a) the Indenture or the Notes may be amended with the written consent of the Holders of a majority in aggregate Principal Amount at Maturity of the Notes at the time outstanding and (b) certain Events of Default may be waived with the written consent of the Holders of a majority in aggregate Principal Amount at Maturity of the Notes at the time outstanding. Subject to certain exceptions set forth in the Indenture, without the consent of any Holder of the Notes, the Company and the Trustee may amend the Indenture or the Notes as set forth in Section 9.01 of the Indenture.

15. Defaults and Remedies.

Under the Indenture, Events of Default include (a) default in the payment of any interest, including Contingent Cash Interest, under the Notes when it becomes due and payable, and continuance of such default for a period of thirty (30) days; (b) default in the payment of Principal Amount at Maturity, Redemption Price, Purchase Price or Change in Control Purchase Price on any Note when the same becomes due and payable at its Stated Maturity, upon redemption, upon declaration, when due for purchase by the Company or otherwise; (c) failure to comply with any of the other agreements in the Notes or the Indenture upon the Company's receipt of notice of such default from the Trustee or from Holders of not less than 25% in aggregate Principal Amount at Maturity of the Notes, and its failure to cure (or obtain a waiver of) such default within 60 days after the Company receives such notice; (d) default in the payment of principal when due

or resulting in acceleration of other Indebtedness of the Company or any Subsidiary for borrowed money where the aggregate principal amount with respect to which the default or acceleration has occurred exceeds $10 million, and such acceleration has not been rescinded or annulled or such Indebtedness repaid within a period of 10 days after written notice to the Company by the Trustee or to the Company and the Trustee by the Holders of at least 25% in Principal Amount at Maturity of the Notes, provided that, if any such default or acceleration is cured, waived, rescinded or annulled, then the Event of Default by reason thereof would be deemed not to have occurred; and (e) certain events of bankruptcy or insolvency. If an Event of Default occurs and is continuing, the Trustee, or the Holders of at least 25% in aggregate Principal Amount at Maturity of the Notes at the time outstanding, may declare all the Notes to be due and payable immediately. Certain events of bankruptcy or insolvency are Events of Default which will result in the Issue Price plus Original Issue Discount and any accrued and unpaid cash interest or any Contingent Cash Interest on the Notes becoming due and payable immediately upon the occurrence of such Events of Default.

Holders of the Notes may not enforce the Indenture or the Notes except as provided in the Indenture. The Trustee may refuse to enforce the Indenture or the Notes unless it receives indemnity or security reasonably satisfactory to it. Subject to certain limitations, Holders of a majority in aggregate Principal Amount at Maturity of the Notes at the time outstanding may direct the Trustee in its exercise of any trust or power. The Trustee may withhold from Holders of the Notes notice of any continuing Default (except a Default in payment of amounts specified in clause (a) or (b) above) if it determines that withholding notice is in their interests.

16. Subordination.

The payment of principal of, premium, if any, and interest, including Contingent Cash Interest, if any, will be subordinated in right of payment, as set forth in the Indenture, to the prior payment in full of all Senior Indebtedness whether outstanding on the Issue Date or thereafter incurred.

17. Trustee Dealings with the Company.

Subject to certain limitations imposed by the TIA, the Trustee under the Indenture, in its individual or any other capacity, may become the owner or pledgee of Notes and may otherwise deal with and collect obligations owed to it by the Company or its Affiliates and may otherwise deal with the Company or its Affiliates with the same rights it would have if it were not Trustee.

18. No Recourse Against Others.

A director, officer, employee, agent, representative, stockholder or equity holder, as such, of the Company or the Trustee shall not have any liability for any obligations of the Company or the Trustee under the Notes or the Indenture or for any claim based on, in respect of or by reason of such obligations or their creation. By

accepting a Note, each Holder of the Notes waives and releases all such liability. The waiver and release are part of the consideration for the issue of the Notes.

19. Authentication.

This Note shall not be valid until an authorized signatory of the Trustee manually signs the Trustee's Certificate of Authentication on the other side of this Note.

20. Abbreviations.

Customary abbreviations may be used in the name of a Holder of the Notes or an assignee, such as TEN COM (=tenants in common), TEN ENT (=tenants by the entireties), JT TEN (=joint tenants with right of survivorship and not as tenants in common), CUST (=custodian), and U/G/M/A (=Uniform Gift to Minors Act).

21. GOVERNING LAW.

THE INDENTURE AND THIS NOTE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK.

The Company will furnish to any Holder of the Notes upon written request and without charge a copy of the Indenture which has in it the text of this Note in larger type. Requests may be made to:

Roper Industries, Inc.
2160 Satellite Boulevard
Suite 200
Duluth, Georgia 30097
Attention: Investor Relations

ASSIGNMENT FORM
To assign this Note, fill in the form below:

I or we assign and transfer this Note to

_____

_____

(Insert assignee's soc. sec. or tax ID no.)

_____

_____

_____
(Print or type assignee's name, address and zip code)

and irrevocably appoint

_____ agent to transfer this Note on the books of the Company. The agent may substitute another to act for him.

CONVERSION NOTICE
To convert this Note into Common Stock of the Company, check the box: [ ]

To convert only part of this Note, state the Principal Amount at Maturity to be converted (which must be $1,000 or an integral multiple of $1,000):

$_____

If you want the stock certificate made out in another Person's name, fill in the form below:

_____

_____

(Insert other Person's soc. sec. or tax ID no.)

_____

_____

_____

_____

(Print or type other Person's name, address and zip code)

_____

Date: _____ Your Signature: _____

_____

(Sign exactly as your name appears on the other side of this Note)

EXHIBIT A-2
[FORM OF FACE OF CERTIFICATED NOTE]

THIS NOTE IS BEING ISSUED WITH ORIGINAL ISSUE DISCOUNT, FOR PURPOSES OF SECTIONS 1271, 1272, 1273 AND 1275 OF THE UNITED STATES INTERNAL REVENUE CODE OF 1986, AS AMENDED, AND IS SUBJECT TO THE CONTINGENT PAYMENT DEBT INSTRUMENT REGULATIONS OF TREASURY REGULATION SECTION 1.1275-4. THE ISSUE PRICE OF THIS NOTE IS $395.02 PER NOTE WITH A PRINCIPAL AMOUNT OF $1,000 AT MATURITY; THE ISSUE DATE IS DECEMBER 29, 2003; THE COMPARABLE YIELD IS 7.00% PER ANNUM, COMPOUNDED SEMIANNUALLY; THE PROJECTED PAYMENT SCHEDULE IS ATTACHED AS ANNEX 1 TO THE INDENTURE; AND THE TOTAL AMOUNT OF ORIGINAL ISSUE DISCOUNT FOR FEDERAL INCOME TAX PURPOSES IS $2,248.95 PER NOTE WITH A PRINCIPAL AMOUNT OF $1,000 AT MATURITY, BASED ON THE PROJECTED PAYMENT SCHEDULE AND DETERMINED WITHOUT TAKING INTO ACCOUNT ANY ADJUSTMENTS PURSUANT TO TREASURY REGULATION SECTION 1.1275-4(b).

ROPER INDUSTRIES, INC.
SENIOR SUBORDINATED CONVERTIBLE NOTE DUE 2034

No. [ ] CUSIP: 776696 AA 4
Issue Date: December 29, 2003
Issue Price: $ Original Issue Discount: $604.98
(for each $1,000 Principal Amount at Maturity) (for each $1,000 Principal Amount at Maturity)

ROPER INDUSTRIES, INC., a Delaware corporation (herein called the "Company"), promises to pay to Cede & Co. or registered assigns, the Principal Amount at Maturity of [ ] ($[ ]) on January 15, 2034.

This Note shall not bear interest except as specified on the other side of this Note. Original Issue Discount will accrue as specified on the other side of this Note. This Note is convertible as specified on the other side of this Note.

Additional provisions of this Note are set forth on the other side of this Note.

ROPER INDUSTRIES, INC.

By: _____
Title:

By: _____
Title:

Dated:

TRUSTEE'S CERTIFICATE OF
AUTHENTICATION
THE BANK OF NEW YORK,

as Trustee, certifies that this
is one of the Notes referred
to in the within-mentioned Indenture.

By: _____
Authorized Signatory

[FORM OF REVERSE SIDE OF CERTIFICATED NOTE IS THE SAME
THE FORM OF REVERSE SIDE OF GLOBAL NOTE]

EXHIBIT 5.1

December 29, 2003

Roper Industries, Inc.
2160 Satellite Boulevard
Duluth, Georgia 30097

Re: Registration Statement on Form S-3 --
$4,200,000 shares of Common Stock and
$230,000,000 of gross proceeds at issuance of
Senior Subordinated Convertible Notes due 2034

Ladies and Gentlemen:

We have acted as counsel for Roper Industries, Inc., a Delaware corporation (the "Company"), in connection with the registration under the Securities Act of 1933 (the "1933 Act"), as amended, of 4,200,000 shares of common stock, par value $.01 per share, (the "Shares") pursuant to a prospectus supplement dated December 22, 2003 (the "Common Stock Prospectus Supplement") and $230,000,000 of gross proceeds at issuance of Senior Subordinated Convertible Notes due 2034 (the "Notes") pursuant to a prospectus supplement dated December 22, 2003 (the "Notes Prospectus Supplement") under the Registration Statement on Form S-3 (File No. 333-110491) filed with the Securities and Exchange Commission on November 14, 2003, and the related Registration Statement on Form S-3 (File No. 333-1114721) filed with the Securities and Exchange Commission on December 23, 2003. The Notes have been issued by the Company pursuant to an Indenture, dated November 28, 2003, between the Company and SunTrust Bank, as trustee (the "Trustee") (the "Indenture") and a Supplemental Indenture, dated December 29, 2003, between the Company and the Trustee (the "Supplemental Indenture").

In connection with this opinion, we have examined and relied upon such records, agreements, certificates and other documents as we have deemed necessary or appropriate to form the basis for the opinions hereinafter set forth. In all such examinations, we have assumed the genuineness of signatures on original documents and the conformity to such original documents of all copies submitted to us as certified, conformed, photographic or facsimile copies and, as to certificates of public officials and officers of the Company, we have assumed the same to have been properly given and to be accurate. As to matters of fact material to this opinion, we have relied upon statements and representations of representatives of the Company and of public officials.

We have assumed that the execution and delivery of, and the performance of all obligations under, the Indenture and the Supplemental Indenture were duly authorized by all requisite action of the Trustee, and that the Indenture and the Supplemental Indenture were duly executed and delivered by, and are both valid and binding agreements of, the Trustee, enforceable against the Trustee in accordance with their terms.

The opinions expressed herein are limited in all respects to the laws of the State of New York, the State of Delaware and the federal laws of the United States of America, and no opinion is expressed with respect to the laws of any other jurisdiction or any effect which such laws may have on the opinions expressed herein. This opinion is limited to the matters stated herein, and no opinion is implied or may be inferred beyond the matters expressly stated herein.

Based upon the foregoing, we are of the opinion that:

(i) The Company is a corporation validly existing and in good standing under the laws of the State of Delaware;

(ii) Upon the issuance and sale of the Shares as described in the Common Stock Prospectus Supplement, such Shares were validly issued, fully paid and non-assessable and upon issuance of the Shares upon conversion of the Notes as described in the Notes Prospectus Supplement, such Shares will be validly issued, fully paid and non-assessable; and

(iii) Upon the issuance and sale of the Notes as described in the Notes Prospectus Supplement, the Notes constituted valid and legally binding obligations of the Company, enforceable against the Company in accordance with their terms, and entitled to the benefits of the Indenture.

The opinions set forth above are subject, as to enforcement, to the effect of (i) bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting the rights and remedies of creditors generally, and (ii) general principles of equity (regardless of whether enforcement is considered in a proceeding in equity or at law).

This opinion is given as of the date hereof, and we assume no obligation to advise you after the date hereof of facts or circumstances that come to our attention or changes in law that occur which could affect the opinions contained herein. This opinion is being rendered solely for the benefit of the Company in connection with the matters addressed herein. This opinion may not be furnished to or relied upon by any person or entity for any purpose without our prior written consent.

We hereby consent to the filing of this opinion with the Securities and Exchange Commission as an exhibit to the Current Report on Form 8-K, and further consent to the use of our name under the heading "Legal Matters" in the Common Stock Prospectus Supplement and Notes Prospectus Supplement.

Very truly yours,

/s/ King & Spalding LLP

EXHIBIT 23.1

CONSENT OF INDEPENDENT AUDITORS

We hereby consent to the incorporation by reference in the Registration Statements of Roper Industries, Inc. on Form S-8 (Nos. 33-71094, 33-77770, 33-78026, 333-36897, 333-73139, 333-35666, 333-35672, 333-35648, 333-59130, 333-105919, 333-105920) of our reports dated January 31, 2003 relating to the financial statements of Neptune Technology Group Holdings, Inc. and Water Management which appear in Roper Industries, Inc.'s Current Report on Form 8-K dated November 14, 2003, which is incorporated by reference in this Current Report on Form 8-K.

/s/ PricewaterhouseCoopers, LLP
- --
PricewaterhouseCoopers, LLP
Atlanta, Georgia
January 12, 2004

UNAUDITED PRO FORMA CONSOLIDATED FINANCIAL INFORMATION

We derived the following unaudited pro forma consolidated financial data by the application of pro forma adjustments to our historical financial statements and the historical financial statements of NTGH. The following pro forma income statements for the year ended October 31, 2002 and the nine months ended September 30, 2003 reflect the following events as if each had occurred immediately prior to these periods, and the unaudited pro forma balance sheet as of September 30, 2003 reflects the following events as if each had occurred on September 30, 2003:

- the acquisition of NTGH;
- the acquisition of the remaining one-third interest in DAP Technologies;
- the issuance of 4,830,000 shares of common stock at a public offering price of $48.00 per share, including exercise of the underwriters' overallotment;
- the issuance of notes for proceeds of $230 million;
- the redemption of our outstanding senior notes, for an aggregate redemption price, including a make-whole payment and accrued and unpaid interest, of $149.3 million; and
- the repayment of all amounts outstanding under our existing credit facility, which aggregated $162.3 million at September 30, 2003.

The foregoing are referred to herein as the "Transactions."

The pro forma consolidated statement of operations for the year ended October 31, 2002 utilize the audited consolidated statement of operations of Roper for the year ended October 31, 2002 and the audited consolidated statements of operations of NTGH for the year ended December 31, 2002.

The unaudited pro forma consolidated financial data has been prepared giving effect to the NTGH acquisition and our acquisition of the remaining one-third interest in DAP Technologies, which will be accounted for in accordance with SFAS No. 141, "Business Combinations." The total purchase price will be allocated to the net assets of NTGH based upon estimates of fair value. The pro forma adjustments are based on a preliminary assessment of the value of NTGH's tangible and intangible assets by management. Management will utilize a formal valuation analysis by an outside appraisal firm in determining the final purchase price allocation. Accordingly, the final purchase price allocation may include an adjustment to the amounts recorded for the value of property and equipment, identifiable intangible assets and goodwill, as well as changes in cash consideration based on changes in cash, indebtedness and working capital on the closing date.

The adjustments to the unaudited pro forma consolidated statement of operations are based upon available information and certain assumptions that we believe are reasonable and exclude the following non-recurring charges that will be incurred therewith: (1) amortization of estimated inventory fair value step-up of approximately $4 million from the acquisition expected to impact 2004 cost of sales; and (2) the write-off of approximately $15.8 million of debt extinguishment costs, net of tax, related to the redemption of our outstanding senior notes and related deferred financing costs. The pro forma consolidated financial information should be read in conjunction with the historical financial statements of Roper and NTGH and the related notes thereto included in or incorporated by reference into this prospectus supplement. The pro forma financial information is presented for informational purposes only and does not purport to represent what our actual results of operations or financial position would have been had the NTGH acquisition and related Transactions described above been consummated at the date indicated, nor is it necessarily indicative of our future results of operations or financial condition.

ROPER INDUSTRIES, INC. AND SUBSIDIARIES

PRO FORMA CONSOLIDATED BALANCE SHEET
SEPTEMBER 30, 2003

(UNAUDITED) (DOLLARS IN THOUSANDS)	ROPER	HISTORICAL NTGH	ADJUSTMENTS FOR THE TRANSACTIONS	HISTORICAL PRO FORMA
Cash and cash equivalents	$ 14,510	$ 24,159	$ 6,687	$ 45,356
Accounts receivable, net	120,344	25,677	--	146,021
Inventories	95,233	14,631	4,000 (1)	113,864
Other current assets	5,238	9,373	(1,000)(2)	13,611
Total current assets	235,325	73,840	9,687	318,852
Property, plant and equipment, net	51,908	26,085	--	77,993
Goodwill	482,465	77,231	154,933 (1)	714,629
Other intangible assets, net	36,852	180,644	80,446 (1)	297,942
Other noncurrent assets	29,127	10,442	15,349 (3)	45,519
			(9,399)(4)	
Total assets	$835,677	$368,242	$251,016	$1,454,935
Accounts payable	$ 33,791	$ 10,360	$ --	$ 44,151
Accrued liabilities	54,732	16,604	12,308 (1)	83,644
Income taxes payable	3,093	--	(8,522)(5)	(5,429)
Current portion of long-term debt	1,017	10,000	10,000 (6)	21,017
Total current liabilities	92,633	36,964	13,786	143,383
Long-term debt	287,470	277,304	45,430 (6)	610,204
Other noncurrent liabilities	13,846	10,405	28,156 (1)	52,407
Total liabilities	393,949	324,673	87,372	805,994
Minority interest	--	4,512	(4,512)(7)	--
Redeemable preferred stock	--	29,017	(29,017) (7)	--
Total stockholders' equity	441,728	10,040	(15,826)(5)	648,941
			223,039 (8)	
			(10,040)(7)	
Total liabilities and equity	$835,677	$368,242	$251,016	$1,454,935

See accompanying notes to the unaudited Pro Forma Consolidated Balance Sheet.

NOTES TO UNAUDITED PRO FORMA CONSOLIDATED BALANCE SHEET
(IN THOUSANDS)

(1) Under purchase accounting, the estimated acquisition consideration will be allocated to NTGH's assets and liabilities based on their relative fair values. The consideration remaining will be allocated to identifiable intangibles with a finite life and amortized over that life, as well as to goodwill and identifiable intangibles with an infinite life, which will be evaluated on an annual basis to determine impairment and adjusted accordingly. The pro forma adjustments were based on management's assessment of value of NTGH's tangible and intangible assets in conjunction with an independent outside appraisal. The final purchase price allocation may include an adjustment in the amount recorded for any changes in value of property and equipment, identifiable intangible assets, and goodwill after completion of the Transactions.

TOTAL ACQUISITION CONSIDERATION ALLOCATION:	
Net cash paid for NTGH acquisition	$ 475,000
Cash and stock consideration paid for the DAP Technologies acquisition	9,132
Estimated acquisition expenses	11,098
Total acquisition consideration	495,230
Less: Net book value of assets acquired	(296,315)
Excess purchase price to be allocated	$ 198,915
PRELIMINARY ALLOCATIONS:	
Inventory step-up	$ 4,000
Deferred tax liability	(28,156)
Restructuring and other incremental liabilities	(12,308)
Incremental identifiable intangible assets	80,446
Incremental goodwill	154,933
	$ 198,915

Amortization of intangible assets, if applicable, will occur over their estimated useful lives, which we estimate will range from two to twenty-five years. The major categories of NTGH intangible assets are estimated as follows, subject to adjustment in connection with the final purchase price allocation:

ASSETS SUBJECT TO AMORTIZATION:	
Customer relationships	$ 206,090
Technology	10,000
Software	9,000
ASSETS NOT SUBJECT TO AMORTIZATION:	
Trade names	36,000
	$ 261,090

(2) Reflects the elimination of a capitalized management fee incurred by NTGH that was being amortized over a five-year period which will not be assumed in connection with the NTGH acquisition.

(3) Estimated debt issuance costs of $15,349 relating to our new senior subordinated convertible notes and our new senior secured credit facility, and related expenses, will be amortized over the weighted average life of the associated financings.

NOTES TO UNAUDITED PRO FORMA CONSOLIDATED BALANCE SHEET -- (CONTINUED)

(4) Reflects the elimination of capitalized financing fees that will no longer be amortized due to the repayment of NTGH's outstanding indebtedness in connection with the NTGH acquisition.

(5) Represents the estimated costs associated with extinguishing our current outstanding senior notes and the write-off of deferred financing costs associated with those notes and our revolving credit facility. The non-recurring expense associated with early extinguishment of our current senior notes is tax deductible and a tax benefit of $8,522 has been recognized at the federal statutory rate.

(6) Reflects the increase in our outstanding indebtedness following the Transactions and the repayment of NTGH's outstanding indebtedness in connection with the Transactions.

(7) Reflects the elimination of NTGH's historical share capital, retained earnings, minority interest and other equity accounts pursuant to the application of purchase accounting.

(8) Reflects the issuance of shares in the common stock offering and the application of the net proceeds from the common stock offering, net of underwriting discounts and expenses, as well as the issuance of 34,000 shares of our common stock in the DAP Technologies acquisition.

ROPER INDUSTRIES, INC. AND SUBSIDIARIES

PRO FORMA CONSOLIDATED STATEMENT OF OPERATIONS
YEAR ENDED OCTOBER 31, 2002

	ROPER(1)	NTGH(1)	ADJUSTMENTS FOR THE TRANSACTIONS	HISTORICAL PRO FORMA
	(UNAUDITED) (IN THOUSANDS)			
Net sales	$617,462	$189,544	$ --	$807,006
Cost of good sold	283,707	109,211	--	392,918
Gross profit	333,755	80,333	--	414,088
Selling, general and administrative expenses	218,210	45,793	(2,600)(3)	261,403
Operating profit	115,545	34,540	2,600	152,685
Interest expense	18,506	12,880	(5,036)(4)	26,350
Euro debt currency loss	4,093	--	--	4,093
Loss on extinguishment of debt(2)	--	1,353	--	1,353
Other income	3,381	928	--	4,309
Earnings from continuing operations before income taxes and change in accounting principle	96,327	21,235	7,636	125,198
Income taxes	29,889	7,833	2,673(5)	40,395
Earnings from continuing operations before change in accounting principle	$ 66,438	$ 13,402	$ 4,964	$ 84,804
EARNINGS PER SHARE FROM CONTINUING OPERATIONS BEFORE CHANGE IN ACCOUNTING PRINCIPLE				
Basic	$ 2.13			$ 2.35
Diluted	2.09			2.31
AVERAGE SHARES OUTSTANDING				
Basic	31,210		4,864(6)	36,074
Diluted	31,815		4,864(6)	36,679

See accompanying notes to the unaudited Pro Forma Consolidated Statement of Operations.

ROPER INDUSTRIES, INC. AND SUBSIDIARIES

PRO FORMA CONSOLIDATED STATEMENT OF OPERATIONS
NINE MONTHS ENDED SEPTEMBER 30, 2003

	ROPER(1)	NTGH(1)	ADJUSTMENTS FOR THE TRANSACTIONS	HISTORICAL PRO FORMA
	(UNAUDITED) (IN THOUSANDS)			
Net sales	$487,562	$147,473	$ --	$635,035
Cost of good sold	230,504	83,773	--	314,277
Gross profit	257,058	63,700	--	320,758
Selling, general and administrative expenses	178,262	37,472	(2,775)(3)	212,959
Operating profit	78,796	26,228	2,775	107,799
Interest expense	12,653	14,867	(7,970)(4)	19,550
Loss on Extinguishment of debt(2)	--	9,329	--	9,329
Other expense	(195)	(2,556)	--	(2,751)
Earnings (loss) from continuing operations before income taxes	65,948	(524)	10,745	76,169
Income taxes	19,784	451	3,761(5)	23,996
Earnings (loss) from continuing operations	$ 46,164	$ (975)	$ 6,984	$ 52,173
EARNINGS PER SHARE FROM CONTINUING OPERATIONS				
Basic	$ 1.47	$ 1.44		
Diluted	1.45	1.42		
AVERAGE SHARES OUTSTANDING				
Basic	31,482	4,864(6)		36,346
Diluted	31,844	4,864(6)		36,708

See accompanying notes to the unaudited Pro Forma Consolidated Statement of Operations.

ROPER INDUSTRIES, INC. AND SUBSIDIARIES

NOTES TO UNAUDITED PRO FORMA CONSOLIDATED STATEMENT OF OPERATIONS

(1) Because of differing fiscal 2002 year-ends for Roper and NTGH, the pro-forma consolidated statement of operations for fiscal year ended October 31, 2002 utilizes the audited income statement of NTGH for the calendar year ended December 31, 2002. For fiscal 2003, both NTGH and Roper report on a calendar year basis and common reporting periods are used for the consolidated statement of operations for the nine months ended September 30, 2003.

(2) During the year ended October 31, 2002, and the nine months ended September 30, 2003, NTGH recorded losses on early extinguishment of debt of $1,353 and $9,329 respectively. These losses were associated with financing arrangements typical of private equity group ownership. These losses are required to be presented in the pro formas under Article 11 of Regulation S-X. These amounts will not recur for Roper due to a different ownership structure following the NTGH acquisition. The table below reflects the pro forma earnings from continuing operations before income taxes adjusted to exclude these losses (dollars in thousands):

YEAR ENDED 2002	NINE MONTHS ENDED SEPTEMBER 30, 2003
Pro forma earnings from continuing operations before income taxes	$125,198	$76,169
Loss on extinguishment of debt	1,353	9,329
Adjusted earnings from continuing operations before income taxes	$126,551	$85,498

(3) Reflects the net adjustment to the historical amortization expense of NTGH from the elimination of certain non-recurring management fees and financing expenses, and the adjustment to intangibles amortization of identifiable finite-lived intangible assets.

(4) Reflects the net change in interest expense to give effect to (a) borrowings under our new senior secured credit facility, (b) the issuance of $400 million of notes under our five year term-note facility, (c) the issuance of our senior subordinated convertible notes for initial gross proceeds of $230 million, (d) the amortization of $15.3 million of debt issuance costs over an average of four years and (e) the elimination of interest expense for both Roper and NTGH under their current financing structures. For every 1/8% change in the interest rates on the debt, the effect on interest expense of the combined entities is approximately $400.

(5) Tax effects of the pro forma adjustments have been calculated based on the applicable statutory rate of 35%.

(6) Reflects the issuance of 4,830,000 shares of common stock in the common stock offering for gross proceeds of $232 million and the issuance of 34,000 shares of common stock out of treasury in connection with the DAP Technologies acquisition.

EXHIBIT 99.2

PRESS RELEASE

12/30/03 - ROPER COMPLETES ACQUISITION OF NEPTUNE TECHNOLOGY GROUP HOLDINGS

ROPER COMPLETES ACQUISITION OF
NEPTUNE TECHNOLOGY GROUP HOLDINGS

Duluth, Georgia, December 30, 2003 - Roper Industries, Inc. (NYSE:ROP) announced that it has completed the previously announced acquisition of Neptune Technology Group Holdings Inc.

Roper also announced that it completed a public offering of 4.2 million shares of its common stock for gross proceeds of $201.6 million, an offering of 3.75% senior subordinated convertible notes for gross proceeds of $230.0 million, and a new $625.0 million senior secured credit facility consisting of a $400.0 million five-year term loan and a $225.0 million three-year revolving credit facility. The credit facility will initially be priced at LIBOR plus 200 basis points. The Company had drawn $20.0 million on the revolving credit facility upon closing of the acquisition of Neptune. The Company has also granted the underwriters an option to purchase up to 0.6 million of additional shares to cover over-allotments.

Roper used the proceeds from the common stock offering, together with borrowings under its new senior secured credit facility, to fund the acquisition, repay a portion of its existing credit facility and pay related fees and expenses. Roper used all of the proceeds from the notes offering to redeem its outstanding senior notes and to repay a portion of its existing credit facility.

The Company noted that the strength of demand for the convertible notes and credit facility participation resulted in a reduction in the final credit facility debt rates and convertible note coupons.

About Roper Industries
Roper Industries is a diversified industrial growth company providing engineered products and solutions for global niche markets. Additional information about Roper Industries, including registration for press releases via email, is available on the Company's website, www.roperind.com.

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