

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

April 29, 2004

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DATE OF REPORT (DATE OF EARLIEST EVENT REPORTED)

**ROPER INDUSTRIES, INC.**

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(EXACT NAME OF REGISTRANT AS SPECIFIED IN ITS CHARTER)

DELAWARE

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(STATE OR OTHER JURISDICTION OF INCORPORATION)

1-12273

51-0263969

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(COMMISSION FILE NUMBER)

(IRS EMPLOYER IDENTIFICATION NO.)

2160 SATELLITE BLVD., SUITE 200, DULUTH, GEORGIA

30097

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(ADDRESS OF PRINCIPAL EXECUTIVE OFFICES)

(ZIP CODE)

(770) 495-5100

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(REGISTRANT'S TELEPHONE NUMBER, INCLUDING AREA CODE)

160 BEN BURTON ROAD, BOGART, GEORGIA 30622

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(FORMER ADDRESS)

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**ITEM 7. FINANCIAL STATEMENTS AND EXHIBITS**

(a) Financial Statements of Business Acquired

Not Applicable

(b) *Pro Forma* Financial Statements

Not Applicable

(c) Exhibits

99.1 Slide Presentation related to First Quarter Calendar Results of Roper Industries, Inc. dated April 29, 2004.

**ITEM 12. RESULTS OF OPERATIONS AND FINANCIAL POSITION**

On April 29, 2004, during the Roper Industries, Inc. (the "Company") conference call to discuss its earlier release of its first-quarter financial results, the Company delivered the slide presentation. A copy of the slide presentation is furnished as Exhibit 99.1.

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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.**

(Registrant)

BY: /s/ Martin S. Headley

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Martin S. Headley,  
Vice President, Chief Financial Officer

Date: April 29, 2004

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**EXHIBIT INDEX**

<b>Exhibit No.</b>	<b>Description</b>
99.1	Slide Presentation of First Quarter Calendar Results of the Company dated April 29, 2004



Roper Industries, Inc.



Q1 2004 Results Conference Call  
April 29, 2004



## Safe Harbor Statement

The information provided in this presentation contains forward looking statements within the meaning of the federal securities laws. These forward looking statements include, among others, statements regarding the benefits we hope to realize from the NTGH acquisition, our ability to make future strategic acquisitions, our ability to execute our growth program, and our ability to achieve improved financial performance. These statements reflect management's current beliefs and are not guarantees of performance. They involve risks and uncertainties, which could cause actual results to differ materially from those contained in any forward looking statement. Such risks and uncertainties include our ability to integrate the NTGH acquisition and realize expected synergies, any unforeseen liabilities associated with the NTGH acquisition, limitations on our business imposed by our indebtedness, reductions in our business with Gazprom, unfavorable changes in foreign exchange rates, difficulties associated with exports, risks and costs associated with our international sales and operations, difficulties in making and integrating acquisitions, product liability and insurance risks and costs, our ability to achieve anticipated benefits from the realignment of our operating structure, the cyclical nature of our business, future competition, changes in the supply of, or price for, parts and components, environmental compliance costs and liabilities, and potential write-offs of our substantial intangible assets. Other important risk factors are discussed in our Annual Report on Form 10-K for the fiscal year ended December 31, 2003, and may be discussed in subsequent filings with the SEC. You should not place undue reliance on any forward looking statements. These statements speak only as of the date they are made, and we undertake no obligation to update publicly any of them in light of new information or future events.



## First Quarter Exceeded Expectations

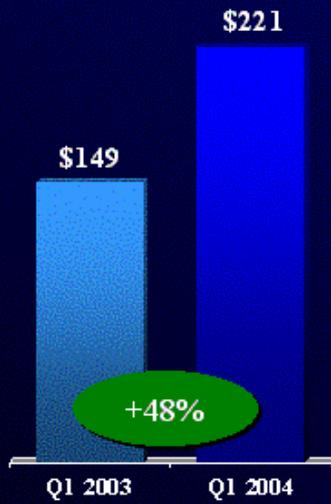
- ❑ DEPS of \$0.52 (Before NTGH Inventory Revaluation Costs) Exceeded Guidance of \$0.43-\$0.47
  - Reported \$0.49 Versus \$0.40 in Prior Year
  
- ❑ Net Sales of \$221 Million Exceeded Guidance of \$200-\$215 Million
  - Strong March Results



# Significant First Quarter Growth

(Millions)

Net Sales



Sales Up  
\$72 Million

Adjusted EBITDA



Adj. EBITDA Margins  
Up 230 Bpts to 20.7%

Cash From Operations



Expect Accelerating  
Cash Flow Thru 2004



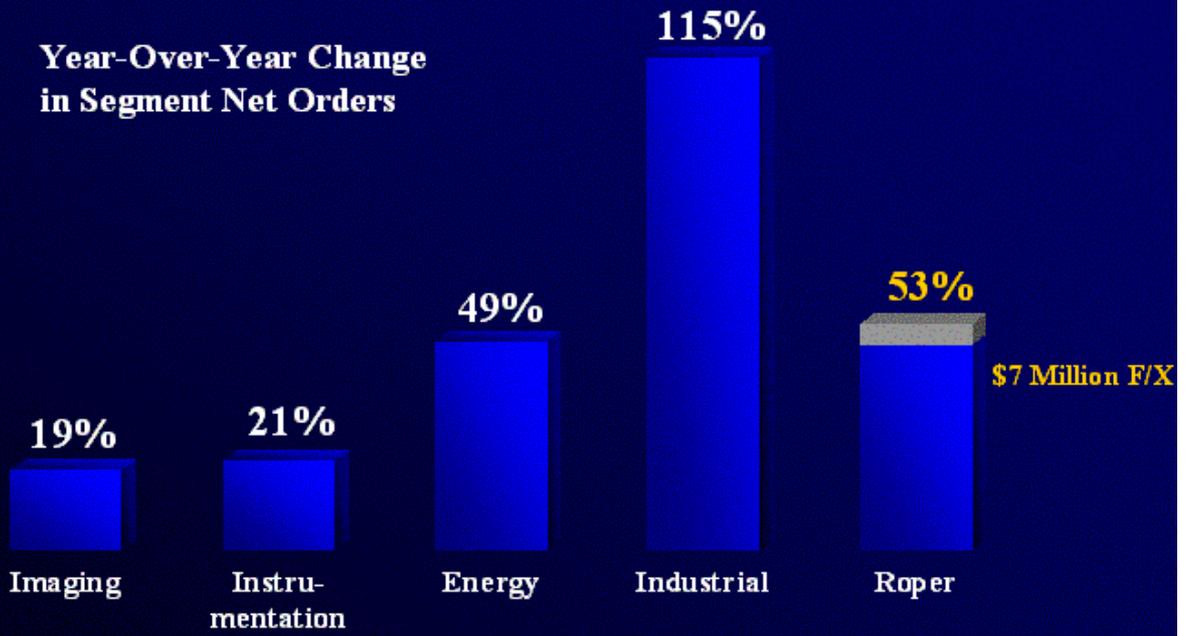
- ❑ Net Orders Up 53% to \$220 Million
- ❑ Net Debt-to-Net Cap Improved from 47.0% to 43.7%
- ❑ NTGH Performing Well
- ❑ Restructuring Projects Completed
- ❑ Acquisition Pipeline Full

**Broad-Based Strength**



# All Segment Orders Up Sharply Over Prior Year

Year-Over-Year Change  
in Segment Net Orders



**Market Focused Strategies Drive Strong Order Growth**



## Income Statement

	As Reported		
	Q1 2003	Q1 2004	
<i>Millions except DEPS</i>			
Net Sales	\$149	\$221	• Double-digit organic sales growth
Gross Profit	79	109	• Strong March activity
Gross Margin	53%	50%	• NTGH sales as expected
Income from Ops	23	33	• F/X sales benefit of \$8mm
Operating Margin	16%	15%	• Margins as reported include NTGH inventory revaluation charges and
EBITDA	28	43	• \$1.2 mm of restructuring costs, which completes our work
EBITDA Margin	18%	19%	
Diluted EPS (DEPS)	\$0.40	\$0.49	
Excl. Inv. Reval. Costs		\$0.52	• DEPS exceeded \$0.43-\$0.47 range

Cash Results Tell the Real Story



## Focus on Cash and Adjusted Margins

	Adjusted		
	Q1 2003	Q1 2004	
<i>Millions except DEPS</i>			
Net Sales	\$149	\$221	• All segments up
Gross Profit	79	111	
Gross Margin	53%	51%	• Gross margins affected by portfolio mix changes
Income from Ops	24	36	
Operating Margin	16%	16%	• Operating margins maintained in spite of \$6 million of incremental D&A
EBITDA	27	46	
EBITDA Margin	18%	21%	• EBITDA margins up sharply
Cash DEPS	\$0.56	\$0.80	• Cash earnings increased 43%

### Further Cash Expansion Expected in Q2

Adjusted Figures Exclude Restructuring Charges, Discontinued Ops and NTGH Inventory Revaluation Costs.



## Balance Sheet, Cash Flow

Millions

	Q1 2003	Q1 2004	
Cash from Ops	\$12	\$26	<ul style="list-style-type: none"><li>• Cash conversion 156%</li><li>• Expect higher cash flow in Q2, driven by improved earnings and net working capital performance</li><li>• Almost \$300 million to support disciplined strategic acquisition program</li></ul>
		+120%	
Capital Structure	Dec. 03		
Net Debt	\$581	\$542	
Net Debt-to-Net Cap	47.0%	43.7%	

**Growing Capacity Supports Strategic Growth Program**



## Working Capital Improvements

<i>Millions</i>	Dec. 2003	Mar. 2004	
Net Working Cap			
As Reported	\$170	\$187	• Increasing focus on cash return on investment throughout the Company
Excluding NTGH	\$131		• Expect continued improvements throughout the year
As a Percent of Sales			
(I) Inventory	13.5% <sup>1</sup>	12.4%	• Inventory cut by 110 bpts
(R) Receivables	18.5% <sup>1</sup>	17.8%	• A/R cut by 70 bpts
(P) Payables & Accruals	14.5% <sup>1</sup>	14.5%	
Total (I+R-P)	17.5% <sup>1</sup>	15.7%	• Favorable by 180 bpts

### Working Capital Focus Producing Results

<sup>1</sup> Excludes Net Working Capital from the December 29, 2004 Acquisition of NTGH.



Acton Research ■ Antek ■ Integrated Designs ■ Logitech ■ PAC ■ Struers ■ Uson

## Highlights

- ❑ Net Orders Up 21%; One-Third from Currency
- ❑ Fourth Consecutive Quarter of Year-Year Organic Growth
- ❑ Continued Strength in Oil & Gas, Materials Analysis Markets
- ❑ Euro Currency Benefited Sales But Hurt Margins
- ❑ Adjusted EBITDA Margins of 22% Helped by Acton/IDI Restructuring Benefits



Adjusted EBITDA Excludes Restructuring Charges.



Compressor Controls ■ Metrix Instruments ■ Zetec

## Highlights

- ❑ Net Orders Up 49%
  - Continued Strength in Oil & Gas Project Orders
- ❑ Power Utility Inspection Sales and Orders Up Sharply
  - Seasonal Strength
  - Pull-In from Q2
- ❑ Compressor Controls Re-Aligned
  - Focused on Growth Markets
  - Resources Aligned to Market Opportunities
- ❑ Adjusted EBITDA Margins Grew 190 Bpts to 18%
  - Gains from Zetec Restructuring



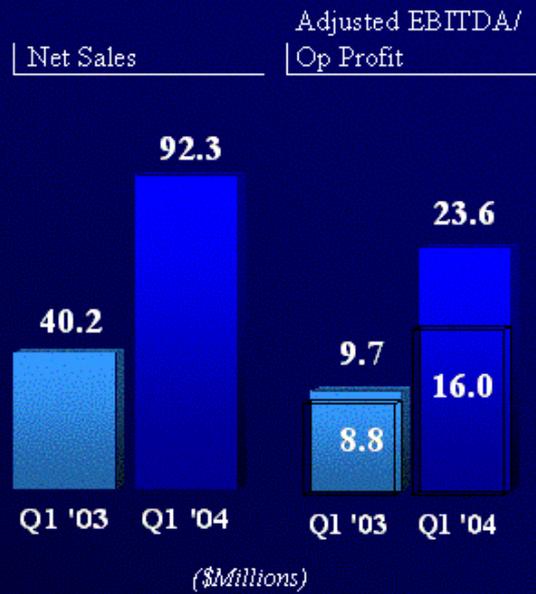
Adjusted EBITDA Excludes Restructuring Charges.



Abel ■ AMOT ■ Cornell ■ Flow Technology ■ Fluid Metering ■ Hansen ■ Neptune ■ Roper Pump

## Highlights

- Net Orders Up 115%
  - Segment Up Double-Digits Organically
  - Refrigeration Market Gains
  - Industrial Markets Improving
- \$1mm Restructuring Costs Incurred During Quarter
  - Machining Consolidation
  - Excess Capacity Reduced
  - Mexican Operation Transition to Be Completed in Q2
- Adjusted EBITDA Margins Up 90 Bpts to 25.2%



Adjusted EBITDA Excludes Restructuring Charges and NTGH Inventory Revaluation Costs.



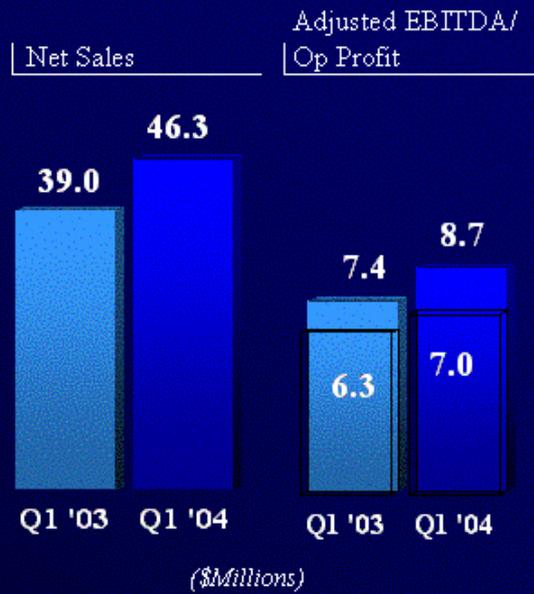
- ❑ Initial Integration Activities Complete
  - Governance, Financial Reporting, Treasury, etc.
- ❑ Q1 Sales Up More than 10% Year-Year
  - AMR Sales Growing as Expected
  - Meter Market Leadership Continues
- ❑ Working on Initiatives to Lower Procurement and Production Costs
- ❑ Supporting Software Application Enhancements for New Products
- ❑ Neptune Positioned for a Record Year



DAP ■ Gatan ■ Media Cybernetics ■ QImaging ■ Redlake ■ Roper Scientific

## Highlights

- Net Orders Up 19%
- Net Sales Up 19%
  - Life Science Outpacing Physical Science
- 19% Adjusted EBITDA
  - Excludes NTGH Inventory Valuation Charges and Restructuring
- Growing Software Expertise
  - Acquired QED Asset to Expand Software Application Technology



## New Applications Driving New Market Opportunities

Adjusted EBITDA Excludes Restructuring Charges and NTGH Inventory Revaluation Costs.

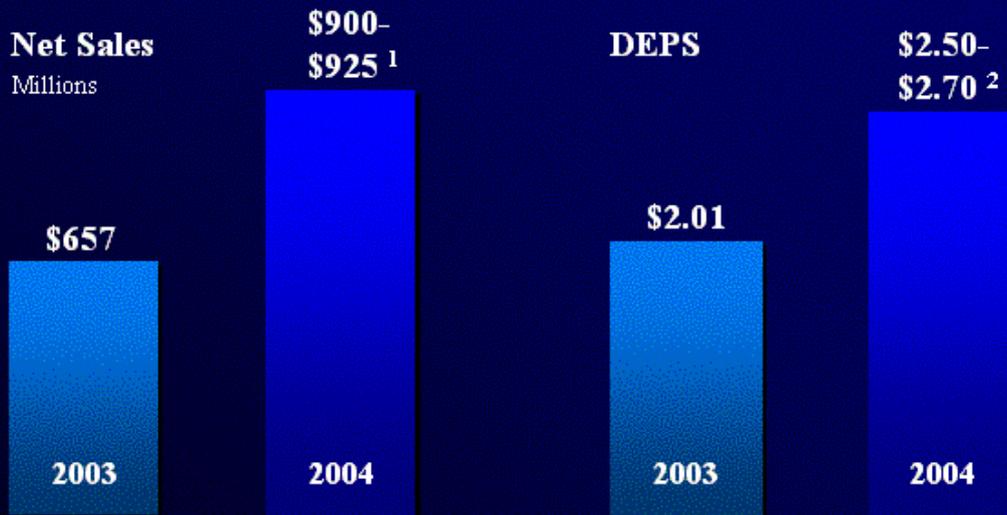


- ❑ **Build On Market-Focused Segments**
  - Orders Demonstrate Success
- ❑ **Execute Segment Growth Initiatives**
  - Organic Sales Growth at Double Digit Rates
- ❑ **Continue to Build Capabilities Across the Company**
  - Restructuring Completed; New Organizational Structures in Place
- ❑ **Drive Down Working Capital**
  - 17.5% Down to 15.7%
- ❑ **Capture NTGH Opportunities**
  - Transition Going Well; More than 10% Sales Growth
- ❑ **Continue Strategic Acquisitions**
  - Pipeline Full

**Roper Executing Successfully**



## Strong Growth Expected in 2004



<sup>1</sup> Raised from Original Guidance of \$875-\$925

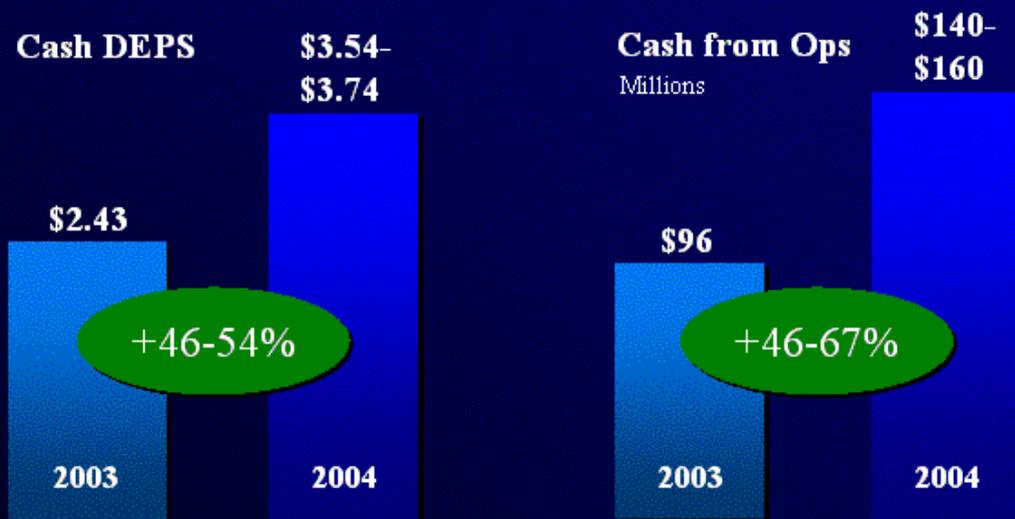
<sup>2</sup> Raised from Original Guidance of \$2.45-\$2.70

**Expect DEPS of \$0.57-\$0.63 in Q2**

DEPS excludes debt extinguishment costs, discontinued operations and NTGH inventory revaluation costs. 2003 includes \$6 million of restructuring costs; 2004 includes \$1 million of restructuring costs.



## Cash Performance Supports Growth Initiatives



**Expanding Cash Flow, Ample Capacity, Support Growing Pipeline of Acquisition Opportunities**

Excludes discontinued ops, and debt extinguishment and NTGH inventory revaluation costs. 2003 includes \$6 million of restructuring costs; 2004 includes \$1 million of restructuring costs.

- ❑ Great Start to Year... Orders, Sales, Cash Flow
- ❑ NTGH Transition Going Well
- ❑ Restructuring Completed; Margins Improving; Major Working Capital Elements Improved
- ❑ Market Conditions Improving
- ❑ Acquisition Pipeline Full
- ❑ Expect Strong Growth in Sales, DEPS and Cash Flow Throughout the Year

**Everything in Place for Record Performance**



Roper Industries, Inc.



Appendix



# Reconciliations and Definitions

## EBIT DA, Q1 2004

Millions	Including	Excluding	Manufacturing	Energy	Construction	Total
Net Income						\$ 18.1
Operating Income	\$ 7.0	\$ 15.7	\$ 9.4	\$ 4.8		37.9
Depreciation & Amortization (D&A)	1.3	5.3	1.4	0.8		8.8
Interest Expense						9.0
Income Taxes						9.0
EBITDA	\$ 8.3	\$ 21.0	\$ 10.8	\$ 5.6		\$ 45.7
Restructuring Costs	0.1	1.0		0.1		1.2
ITOH Inventory Real Costs	0.3	1.5				1.8
Recurring						
Adjusted EBITDA	\$ 8.1	\$ 20.5	\$ 10.8	\$ 5.7		\$ 45.7

## EBIT DA, Q1 2003

Millions	Including	Excluding	Manufacturing	Energy	Construction	Total
Net Income						\$ 12.8
Operating Income	\$ 6.3	\$ 8.8	\$ 7.6	\$ 3.6		39.9
Depreciation & Amortization (D&A)	0.9	1.0	1.1	0.9		4.2
Interest Expense						5.7
Income Taxes						5.7
EBITDA	\$ 7.2	\$ 9.8	\$ 8.7	\$ 4.5		\$ 26.6
Restructuring Costs	0.1		0.8			0.9
ITOH Inventory Real Costs						
Recurring	0.1	-0.1		-0.1		
Adjusted EBITDA	\$ 7.4	\$ 9.7	\$ 9.5	\$ 4.4		\$ 26.5

## Net Debt to - Net Cap

Millions	Q1 2004	Q1 2003
Total debt	\$ 624	\$ 851
Less: Cash	-62	-70
Equals: Net debt	562	781
Plus: Shareholders' equity	633	836
Equals: Net capital	\$ 1,241	\$ 1,237
Net debt divided by Net capital	45.3%	63.2%

## DEPI

	Full Year 2003	Q1 2004
DEPI Before Inventory Real Costs		\$ 0.52
ITOH Inventory Real Costs		(0.13)
DEPI As Reported	\$ 1.41	\$ 0.49
Less: an Nonrecurring Operations	0.05	
Debt Retirement Costs	0.51	
DEPI from Continuing Operations	\$ 2.01	\$ 0.49
Excluding Debt Retirement Costs		

## Adjusted Cash DEPI

	Q1 2004	Q1 2003
DEPI from Continuing Operations	\$ 0.49	\$ 0.42
ITOH Inventory Real Costs	0.03	-
Restructuring Costs	0.02	0.02
D&A per Share	0.36	0.12
Cash DEPI	\$ 0.90	\$ 0.56

## Cash DEPI

	Full Year 2003	Full Year 2004 Forecast	
		Low	High
DEPI from Continuing Operations	\$ 2.01	\$ 2.53	\$ 2.70
Excluding Debt Retirement Costs			
and ITOH Inventory Realization			
Costs			
D&A per Share	0.42	1.04	1.04
Cash DEPI	\$ 2.43	\$ 3.54	\$ 3.74

