UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended June 30, 2006.

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from to .

Commission File Number 1-12273

ROPER INDUSTRIES, INC.

(Exact name of registrant as specified in its charter)

Delaware	**51-0263969**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
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)

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes X No ___

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer or a non-accelerated filer (as defined in Rule 12b-2 of the Exchange Act).
[X] Large accelerated file [ ] Accelerated filer [ ] Non-accelerated filer

Indicate by check mark if the registrant is a shell company (as defined in Rule 12-b2 of the Act). [ ] Yes [X] No

The number of shares outstanding of the Registrant's common stock as of August 4, 2006 was approximately 87,002,111.

ROPER INDUSTRIES, INC.

REPORT ON FORM 10-Q FOR THE QUARTERLY PERIOD ENDED JUNE 30, 2006

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PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

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

	Three months ended June 30,		Six months ended June 30,	
	2006	2005	2006	2005
Net sales	$ 425,310	$ 361,564	$ 808,033	$ 695,401
Cost of sales	210,427	181,622	400,753	352,835
Gross profit	214,883	179,942	407,280	342,566
Selling, general and administrative expenses	129,491	117,550	254,412	228,310
Income from operations	85,392	62,392	152,868	114,256
Interest expense	11,313	10,957	22,112	21,334
Other income/(expense)	(31)	231	(159)	243
Earnings before income taxes	74,048	51,666	130,597	93,165
Income taxes	25,955	16,104	44,818	29,592
Net earnings	$ 48,093	$ 35,562	$ 85,779	$ 63,573
Net earnings per share:				
Basic	$ 0.55	$ 0.42	$ 0.99	$ 0.75
Diluted	0.53	0.41	0.95	0.73
Weighted average common shares outstanding:				
Basic	86,919	85,432	86,492	85,252
Diluted	91,043	86,928	90,350	86,694
Dividends declared per common share	$0.058750	$0.053125	$0.117500	$0.106250

See accompanying notes to condensed consolidated financial statements.

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

	June 30, 2006	December 31, 2005
ASSETS:		
Cash and cash equivalents	$ 53,383	$ 53,116
Accounts receivable, net	277,041	257,210
Inventories	147,332	131,838
Deferred taxes	19,120	19,145
Other current assets	48,543	36,898
Total current assets	545,419	498,207

Property, plant and equipment, net	102,231	97,462
Goodwill	1,407,958	1,353,712
Other intangible assets, net	501,839	501,365
Deferred taxes	22,214	25,852
Other noncurrent assets	47,083	45,708
Total assets	$ 2,626,744	$ 2,522,306
LIABILITIES AND STOCKHOLDERS' EQUITY:		
Accounts payable	$ 84,183	$ 71,693
Accrued liabilities	136,006	142,835
Income taxes payable	20,880	14,718
Deferred taxes	3,066	3,066
Current portion of long-term debt	284,676	273,313
Total current liabilities	528,811	505,625
Long-term debt	584,436	620,958
Deferred taxes	128,632	124,202
Other liabilities	23,412	21,733
Total liabilities	1,265,291	1,272,518
Commitments and contingencies		
Common stock	893	883
Additional paid-in capital	690,227	685,450
Unearned compensation on restricted stock	--	(15,128)
Retained earnings	625,180	549,603
Accumulated other comprehensive earnings	67,710	51,731
Treasury stock	(22,557)	(22,751)
Total stockholders' equity	1,361,453	1,249,788
Total liabilities and stockholders' equity	$ 2,626,744	$ 2,522,306

See accompanying notes to condensed consolidated financial statements.

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

	Six months ended June 30,	
	2006	**2005**
Cash flows from operating activities:		
Net earnings	$ 85,779	$ 63,573
Depreciation	13,927	13,684
Amortization	25,536	21,008
Income Taxes	13,102	17,707
Other, net	(32,588)	(14,589)
Cash provided by operating activities	105,756	101,383
Cash flows from investing activities:		
Business acquisitions, net of cash acquired	(63,454)	(177,375)
Capital expenditures	(16,807)	(10,500)
Other, net	(870)	(1,600)
Cash used in investing activities	(81,131)	(189,475)
Cash flows from financing activities:		
Term note payments	(16,376)	(16,351)
Debt borrowings/(payments), net	(12,946)	49,244
Dividends	(10,189)	(9,032)
Excess windfall tax benefit	2,483	--
Other, net	10,931	8,785
Cash provided/(used) by financing activities	(26,097)	32,646

Effect of foreign currency exchange rate changes on cash	1,739	(5,574)
Net increase/(decrease) in cash and cash equivalents	267	(61,020)
Cash and cash equivalents, beginning of period	53,116	129,419
Cash and cash equivalents, end of period	$ 53,383	$ 68,399

See accompanying notes to condensed consolidated financial statements.

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

	Common stock	Additional paid-in capital	Unearned compensation on restricted stock earnings	Retained earnings	Accumulated other comprehensive earnings	Treasury stock	Total
Balances at December 31, 2005	$ 883	$685,450	$ (15,128)	$549,603	$ 51,731	$ (22,751)	$1,249,788
Reclassification due to change in accounting principle (Note 3)	--	(15,128)	15,128	--	--	--	--
Net earnings	--	--	--	85,779	--	--	85,779
Stock option exercises	5	10,123	--	--	--	--	10,128
Treasury stock transactions	--	614	--	--	--	194	808
Currency translation adjustments, net of tax	--	--	--	--	14,638	--	14,638
Unrealized gain on derivative, shown net of $722 tax	--	--	--	--	1,341	--	1,341
Stock option and ESPP compensation	--	1,795	--	--	--	--	1,795
Restricted stock grants and compensation	5	3,836	--	--	--	--	3,841
Stock option tax benefit	--	3,537	--	--	--	--	3,537
Dividends declared	--	--	--	(10,202)	--	--	(10,202)
Balances at June 30, 2006	$ 893	$690,227	$ --	$625,180	$ 67,710	$ (22,557)	$1,361,453

See accompanying notes to condensed consolidated financial statements.

Roper Industries, Inc. and Subsidiaries

Notes to Condensed Consolidated Financial Statements (unaudited)
June 30, 2006

1. Basis of Presentation

The accompanying condensed consolidated financial statements for the three-month and six-month periods ended June 30, 2006 and 2005 are unaudited. In the opinion of management, the accompanying unaudited condensed consolidated financial statements reflect all adjustments, which include only normal recurring adjustments, necessary to state fairly the financial position, results of operations and cash flows of Roper Industries, Inc. and its subsidiaries ("Roper" or the "Company") for all periods presented.

During the quarter ended March 31, 2006, Roper consolidated the number of reporting segments from five to four, reflecting the continued implementation of its market-focus strategy. Roper's four segments are: Industrial Technology, Energy Systems and Controls, Scientific and Industrial Imaging and RF Technology. All prior year comparisons have been restated to conform to the current year presentation.

Roper's management has made a number of estimates and assumptions relating to the reporting of assets and liabilities and the disclosure of contingent assets and liabilities to prepare these condensed consolidated financial statements in conformity with accounting principles generally accepted in the United States of America ("GAAP"). Actual results could differ from those estimates.

The results of operations for the three-month and six-month periods ended June 30, 2006 are not necessarily indicative of the results to be expected for the full year. You should read these unaudited condensed consolidated financial statements in conjunction with Roper's consolidated financial statements and the notes thereto included in its 2005 Annual Report on Form 10-K filed with the Securities and Exchange Commission.

On July 27, 2005, the Company declared a two-for-one split of its common stock. The split was effected in the form of a 100% stock dividend paid on August 26, 2005 to shareholders of record at the end of business on August 12, 2005. All historical weighted average share and per share amounts and all references to stock compensation data and market prices of the Company's common stock for all periods presented have been adjusted to reflect this two-for-one stock split.

2. Earnings Per Share

Basic earnings per share were calculated using net earnings and the weighted average number of shares of common stock outstanding during the respective period. Diluted earnings per share were calculated using net earnings and the weighted average number of shares of common stock and potential common stock outstanding during the respective period. For the three and six month periods ending June 30, 2006 there were 60,000 outstanding stock options that were not included in the determination of diluted earnings per share because doing so would have been antidilutive. Potentially dilutive common stock consisted of stock options, restricted stock awards and the premium over the conversion price on our senior subordinated convertible notes based upon the trading price of the Company's common stock. The effects of potential common stock were determined using the treasury stock method (in thousands).

	Three months ended June 30,		Six months ended June 30,	
	2006	2005	2006	2005
Basic shares outstanding	86,919	85,432	86,492	85,252
Effect of potential common stock				
Common stock awards	1,780	1,496	1,755	1,442
Senior subordinated convertible notes	2,344	--	2,103	--
Diluted shares outstanding	91,043	86,928	90,350	86,694

3. Stock Based Compensation

Effective January 1, 2006, the Company adopted the provisions of Statement of Financial Accounting Standards No. 123R ("SFAS 123(R)"), "Share-Based Payment," which requires the measurement and recognition of compensation expense for all share-based payment awards to employees and directors based on estimated fair values. SFAS 123(R) supersedes the Company's previous accounting methodology using the intrinsic value method under Accounting Principles Board Opinion No. 25 ("APB 25"), "Accounting for Stock Issued to Employees." Under the intrinsic value method, no share-based compensation expense related to stock option awards granted to employees had been recognized in the Company's Consolidated Statements of Earnings, as all stock option awards granted under the plans had an exercise price equal to or greater than the market value of the common stock on the date of the grant.

The Company adopted SFAS 123(R) using the modified prospective transition method. Under this transition method, compensation expense recognized during the six months ended June 30, 2006 included: (a) compensation expense for all share-based awards granted prior to, but not yet vested, as of December 31, 2005, based on the grant date fair value estimated in accordance with the original provisions of SFAS 123, and (b) compensation expense for all share-based awards granted subsequent to December 31, 2005, based on the grant date fair value estimated in accordance with the provisions of SFAS 123(R). In accordance with the modified prospective transition method, the Company's Consolidated Financial Statements for prior periods have not been restated to reflect the impact of SFAS 123(R).

On November 10, 2005 the Financial Accounting Standards Board ("FASB") issued FASB Staff Position No. FAS 123(R)-3, "Transition Election Related to Accounting for Tax Effects of Share-Based Payment Awards." The Company has elected to adopt the alternative transition method provided in the FASB Staff Position for calculating the tax effects of share-based compensation pursuant to SFAS 123(R). The alternative transition method includes simplified methods to establish the beginning balance of the additional paid-in capital pool ("APIC Pool") related to the tax effects of employee share-based compensation, and to determine the subsequent impact on the APIC Pool and Consolidated Statements of Cash Flows of the tax effects of employee and director share-based awards that are outstanding upon adoption of SFAS 123(R).

Roper has stock-based compensation plans available to grant incentive stock options, nonqualified stock options, restricted stock, stock appreciation rights or equivalent instruments to the Company's employees, officers, directors and consultants. The Roper Industries, Inc. 2006 Incentive Plan ("2006 Plan") was approved by shareholders at the Annual Meeting of Shareholders on June 28, 2006. The 2006 Plan replaces the Amended and Restated 2000 Incentive Plan ("2000 Plan"), and no additional grants will be made from the 2000 Plan. The 17,000 remaining shares available to grant in the 2000 Plan have been added to the 2006 Plan, therefore 3,017,000 shares may be granted pursuant to the 2006 plan. Roper also has a stock compensation plan for non-employee directors (the "Non-employee Director Plan") and any grants under this plan are accounted for the same as grants awarded to employees.

Stock Options – Stock options under all plans are typically granted at prices not less than 100% of market value of the underlying stock at the date of grant. Stock options typically vest over a period of up to five years from the grant date and generally expire up to 10 years after the grant date. During the three- and six-month periods ended June 30, 2006, the Company recorded $904,000 and $1,665,000, respectively, of compensation expense relating to outstanding options. No compensation expense was recorded related to outstanding options during the three and six month periods ended June 30, 2005.

The Company records compensation expense for employee stock options based on the estimated fair value of the options on the date of grant using the Black-Scholes option-pricing model with the assumptions included in the table below. The Company uses historical data among other factors to estimate the expected price volatility, the expected dividend yield, the expected option life and the expected forfeiture rate. The risk-free rate is based on the U.S. Treasury yield curve in effect at the time of grant for the estimated life of the option. The following table sets forth the weighted-average assumptions used to estimate the fair value of options granted using the Black-Scholes option-pricing model:

	Three months ended June 30,		Six months ended June 30,	
	2006	2005	2006	2005
Weighted average fair value per share ($)	14.01	12.11	13.64	12.12
Risk-free interest rate (%)	5.00	3.90	4.65	3.91
Average expected option life (years)	4.5	6.0	4.5	6.0
Expected volatility (%)	24.1	35.5	30.2	35.6
Expected dividend yield (%)	0.47	0.68	0.54	0.68

The following tables summarize the Company's activities with respect to its stock option plans for the six month period ended June 30, 2006:

	Number of shares	Weighted average exercise	Weighted average	Aggregate intrinsic value

		price per share	contractual term	
Outstanding at January 1, 2006	4,621,000	$ 21.25		
Granted	426,000	43.25		
Exercised	(492,000)	20.73		
Canceled	(8,000)	25.09		
Outstanding at June 30, 2006	4,547,000	23.36	6.03	$ 108,246,000
Exercisable at June 30, 2006	3,230,000	$ 19.86	5.83	$ 88,102,000

	Outstanding options			Exercisable options	
Exercise price	Number	Average exercise price	Average remaining life (years)	Number	Average exercise price
$ 3.97 - 10.00	145,000	$ 6.42	5.4	145,000	$ 6.42
10.01 - 20.00	1,596,000	16.25	5.5	1,448,000	15.96
20.01 - 30.00	1,454,000	21.88	6.4	1,197,000	21.94
30.01 - 40.00	935,000	31.51	6.2	440,000	31.45
40.01 - 49.52	417,000	43.33	6.7	--	--
$ 3.97 - 42.35	4,547,000	$23.36	6.1	3,230,000	$19.86

The weighted average grant date fair value of options during the six months ended June 30, 2006 and 2005 was $13.64 and $12.12, respectively. The total intrinsic value of options exercised during the six months ended June 30, 2006 and 2005 was $12,103,000 and $7,086,000, respectively. Cash received from option exercises under all plans for the six months ended June 30, 2006 and 2005 was approximately $10,128,000 and $8,158,000, respectively. The actual tax benefit realized for the tax deductions from option exercises under all plans totaled approximately $3,537,000 and $1,631,000, respectively, for the six months ended June 30, 2006 and 2005.

Restricted Stock Awards — During the six months ended June 30, 2006 and 2005, the Company granted 216,000 and 40,000 shares, respectively, of Restricted Stock to certain employee participants under the 2000 Plan. Restricted Stock awards generally vest over a period of 1 to 3 years. The fair value of Restricted Stock awards is determined based on the average trading price of the Company's common stock on the grant date. The weighted average fair value of the shares granted during the six month period ended June 30, 2006 was $43.35 per share. The Company recorded approximately $5,304,000 and $2,078,000 of compensation expense related to outstanding shares of Restricted Stock held by employees and directors during the six month periods ended June 30, 2006 and 2005, respectively, and $2,554,000 and $1,252,000 during the three month periods ended June 30, 2006 and 2005, respectively. A summary of the Company's nonvested shares activity for the six months ended June 30, 2006 was as follows:

	Number of shares	Weighted average fair value
Nonvested at January 1, 2006	547,000	$ 33.60
Granted	216,000	43.35
Vested	(151,000)	33.47
Forfeited	(15,000)	37.50
Nonvested at June 30, 2006	597,000	$ 46.10

At June 30, 2006, there was $19,009,000 of total unrecognized compensation expense related to nonvested shares granted to both employees and directors under the Company's share-based payment plans. That cost is expected to be recognized over a weighted-average period of 1.9 years. There were 151,000 and 32,000 shares that vested during the six months ended June 30, 2006 and 2005, respectively. Unrecognized compensation expense related to nonvested shares of Restricted Stock awards is recorded as additional paid-in capital in shareholder's equity at June 30, 2006.

Employee Stock Purchase Plan — All U.S. and Canada employees are eligible to participate in Roper's stock purchase plan whereby they may designate up to 10% of eligible earnings to purchase Roper's common stock at a 10% discount to the average closing price of its common stock at the beginning and end of a quarterly offering period. The common stock sold to the employees may be either treasury stock, stock purchased on the open market, or newly issued shares. During the six month periods ended June 30, 2006 and 2005, participants of the employee stock purchase plan purchased 20,000, and 21,000 shares, respectively, of Roper's common stock for total consideration of $809,000 and $629,000, respectively. All of these shares were purchased from Roper's treasury shares. The Company recorded $130,000 and $0 of compensation expense relating to the stock purchase plan during the six-month periods ended June 30, 2006 and 2005, respectively.

Employee Share-Based Compensation Expense — The table below shows the amounts recognized in the financial statements for share-based compensation related to employees (amounts are in thousands, except for per share data):

	Three months ended June 30, 2006	Six months ended June 30, 2006
Total stock based compensation cost included in corporate general and administrative expenses	$ 3,487	$ 7,099
Tax effect	1,220	2,485

Total stock based compensation cost included in net income	$ 2,267	$ 4,614
Impact on net earnings per share:		
Basic	$ (0.03)	$ (0.05)
Diluted	$ (0.03)	$ (0.05)

The pro forma effects of recognizing estimated compensation expense under the fair value method on net income and earnings per common share were as follows (amounts in thousands, except per share data):

	Three months ended June 30, 2005	**Six months ended June 30, 2005**
Net earnings, as reported (in thousands)	35,562	$ 63,573
Add: Total stock based compensation cost included in net income, net of tax	814	1,351
Deduct: Total stock based compensation cost, net of tax	(2,542)	(3,883)
Net earnings Pro forma (in thousands)	33,834	$ 61,041
Impact on net earnings per share:		
Basic	(0.02)	(0.03)
Diluted	(0.02)	(0.03)

4. Comprehensive Earnings

Comprehensive earnings include net earnings and all other non-owner sources of changes in net assets. Comprehensive earnings (in thousands) for the three months ended June 30, 2006 and 2005 were $60,458 and $26,087, respectively, and $101,758 and $41,719 for the six months ended June 30, 2006 and 2005 respectively. The differences between net earnings and comprehensive earnings were currency translation adjustments and unrealized gains on interest rate swaps accounted for under hedge accounting, net of tax.

5. Acquisitions

On April 5, 2006, the Company acquired all the outstanding shares of Sinmed Holding International BV ("Sinmed"), a maker of medical positioning equipment. The operations of Sinmed are included in the Scientific & Industrial Imaging segment. On April 26, 2006, the Company acquired all the outstanding shares of Intellitrans, LLC ("Intellitrans"), a provider of asset tracking technology. The operations of Intellitrans are included in the RF Technology segment. Preliminary purchase price allocations resulted in approximately $19 million allocated to identifiable intangibles, and $38 million to goodwill. Final purchase price allocations will be completed by year end.

6. Inventories

	June 30, 2006	**December 31, 2005**
	(in thousands)	
Raw materials and supplies	$ 96,587	$ 80,930
Work in process	28,074	26,066
Finished products	47,954	50,262
Inventory reserves	(25,283)	(25,420)
	$ 147,332	$ 131,838

7. Goodwill

	Industrial Technology	**Energy Systems & Controls**	**Scientific & Industrial Imaging**	**RF Technology**	**Total**
			(in thousands)		
Balances at December 31, 2005	$ 401,657	$ 160,996	$ 357,584	$ 433,475	$ 1,353,712
Additions	--	--	13,885	26,987	40,872
Other	50	--	--	(926)	(876)
Currency translation adjustments	9,253	1,746	2,251	1,000	14,250
Balances at June 30, 2006	$ 410,960	$ 162,742	$ 373,720	$ 460,536	$ 1,407,958

8. Other intangible assets, net

	Cost	**Accumulated**	**Net book**

		amortization	value
		(in thousands)	
Assets subject to amortization:			
Existing customer base	$ 348,844	$ (35,187)	$ 313,657
Unpatented technology	16,651	(2,566)	14,085
Software	65,689	(13,308)	52,381
Patents and other protective rights	25,852	(8,865)	16,987
Sales order backlog	14,479	(5,223)	9,256
Trade secrets	6,202	(2,438)	3,764
Assets not subject to amortization:			
Trade names	91,235	--	91,235
Balances at December 31, 2005	$ 568,952	$ (67,587)	$ 501,365
Assets subject to amortization:			
Existing customer base	$ 357,642	$ (46,903)	$ 310,739
Unpatented technology	28,245	(5,420)	22,825
Software	60,630	(16,004)	44,626
Patents and other protective rights	28,439	(12,561)	15,878
Sales order backlog	16,404	(7,509)	8,895
Trade secrets	9,013	(2,938)	6,075
Assets not subject to amortization:			
Trade names	92,801	--	92,801
Balances at June 30, 2006	$ 593,174	$ (91,335)	$ 501,839

Amortization expense of other intangible assets was $23,748 and $19,407 during the six months ended June 30, 2006 and 2005, respectively.

9. Contingencies

Roper, in the ordinary course of business, is the subject of, or a party to, various pending or threatened legal actions, including those pertaining to product liability and employment practices. It is vigorously contesting all lawsuits that, in general, are based upon claims of the kind that have been customary over the past several years. After analyzing the Company's contingent liabilities on a gross basis and, based upon past experience with resolution of its product liability and employment practices claims and the limits of the primary, excess, and umbrella liability insurance coverages that are available with respect to pending claims, management believes that adequate provision has been made to cover any potential liability not covered by insurance, and that the ultimate liability, if any, arising from these actions should not have a material adverse effect on the consolidated financial position, results of operations or cash flows of Roper.

Over recent years there has been a significant increase in certain U.S. states in asbestos-related litigation claims against numerous industrial companies. Roper or its subsidiaries have been named defendants in some such cases. No significant resources have been required by Roper to respond to these cases and Roper believes it has valid defenses to such claims and, if required, intends to defend them vigorously. Given the state of these claims it is not possible to determine the potential liability, if any.

The Company's financial statements include accruals for potential product liability and warranty claims based on the Company's claims experience. Such costs are accrued at the time revenue is recognized. A summary of the Company's warranty accrual activity for the six months ended June 30, 2006 is presented below (in thousands).

Balance at December 31, 2005	$ 6,633
Additions charged to costs and expenses	2,954
Deductions	(2,824)
Other	9
Balance at June 30, 2006	$ 6,772

10. Industry Segments

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

	Three months ended June 30,			Six months ended June 30,		
	2006	2005	Change	2006	2005	Change
Net sales:						
Industrial Technology	$136,783	$126,943	7.8%	$261,580	$245,387	6.6%
Energy Systems & Controls	75,915	77,742	(2.4)	144,624	149,180	(3.1)
Scientific & Industrial Imaging	85,644	58,356	46.8	166,422	110,040	51.2
RF Technology	126,968	98,523	28.9	235,407	190,794	23.4
Total	$425,310	$361,564	17.6%	$808,033	$695,401	16.2%
Gross profit:						
Industrial Technology	$ 65,668	$ 60,496	8.5%	$126,526	$116,520	8.6%

Energy Systems & Controls	41,641	41,628	0.0	77,664	78,200	(0.7)
Scientific & Industrial Imaging	48,212	32,600	47.9	92,708	61,461	50.8
RF Technology	59,362	45,218	31.3	110,382	86,385	27.8
Total	$214,883	$179,942	19.4%	$407,280	$342,566	18.9%
Operating profit*:						
Industrial Technology	$ 32,174	$ 27,082	18.8%	$ 59,742	$ 50,430	18.5%
Energy Systems & Controls	19,037	18,788	1.3	33,969	33,657	0.9
Scientific & Industrial Imaging	18,027	10,330	74.5	33,871	18,991	78.4
RF Technology	24,596	12,573	95.6	43,024	23,746	81.2
Total	$ 93,834	$ 68,773	36.4%	$170,606	$126,824	34.5%
Long-lived assets						
Industrial Technology	$ 46,380	$ 48,235	(3.8)%			
Energy Systems & Controls	21,696	16,957	27.9			
Scientific & Industrial Imaging	24,884	22,682	9.7			
RF Technology	24,798	24,714	0.3			
Total	$117,758	$112,588	4.6%			

* Segment operating profit is calculated as operating profit before unallocated corporate general and administrative expenses. Such expenses were $8,442 and $6,381 for the three months ended June 30, 2006 and 2005, respectively, and $17,738 and $12,568 for the six months ended June 30, 2006 and 2005, respectively.

11. Recently Released Accounting Pronouncements

In November 2004, the FASB issued FAS 151, “Inventory Costs-An Amendment of ARB No. 43” to clarify the accounting for abnormal amounts of idle facility expense, freight, handling costs, and material waste. The standard requires that abnormal amounts of these items be recognized as current period charges. FAS 151 is effective for fiscal years beginning after June 15, 2005. The implementation of this standard did not have a material impact on the Company’s Financial Statements.

The FASB issued Interpretation (“FIN”) No. 48, “Accounting for Uncertainty in Income Taxes – an interpretation of FASB Statement No. 109.” FIN 48 clarifies the accounting for uncertainty in income taxes by establishing minimum standards for the recognition and measurement of tax positions taken or expected to be taken in a tax return. Under the requirements of FIN 48, the Company must review all of its uncertain tax positions and make a determination as to whether its position is more-likely-than-not to be sustained upon examination by regulatory authorities. If a position meets the more-likely-than-not criterion, then the related tax benefit is measured based on the cumulative probability analysis of the amount that is more-likely-than-not to be realized upon ultimate settlement. Fin 48 is effective for fiscal years beginning after December 15, 2006. The Company is currently evaluating the impact of this interpretation on its financial statements.

12. Senior Subordinated Convertible Notes

In December 2003, we issued $230 million of senior subordinated convertible notes at an original issue discount of 60.498%, resulting in an effective yield of 3.75% per year to maturity. Interest on the notes is payable semiannually, beginning July 15, 2004, until January 15, 2009. After that date, we will not pay cash interest on the notes prior to maturity unless contingent cash interest becomes payable. Instead, after January 15, 2009, interest will be recognized at the effective rate of 3.75% and will represent accrual of original issue discount, excluding any contingent cash interest that may become payable. We will pay contingent cash interest to the holders of the notes during any six month period commencing after January 15, 2009 if the average trading price of a note for a five trading day measurement period preceding the applicable six month period equals 120% or more of the sum of the issue price, accrued original issue discount and accrued cash interest, if any, for such note. The contingent cash interest payable per note in respect of any six month period will equal the annual rate of 0.25%.

The notes are unsecured senior subordinated obligations, rank junior to our existing and future senior secured indebtedness and rank equally with our existing and future senior subordinated indebtedness.

As originally issued, each $1,000 principal amount of the notes will be convertible at the option of the holder into 12.422 shares of our common stock (giving effect to the 2-for-1 stock split in the form of a stock dividend effective August 26, 2005 and subject to further adjustment), if (i) the sale price of our common stock reaches, or the trading price of the notes falls below, specified thresholds, (ii) if the notes are called for redemption or (iii) if specified corporate transactions have occurred. Upon conversion, we would have the right to deliver, in lieu of common stock, cash or a combination of cash and common stock. On November 19, 2004, the Company began a consent solicitation to amend the notes such that the Company would pay the same conversion value upon conversion of the Notes, but would change how the conversion value is paid. In lieu of receiving exclusively shares of common stock or cash upon conversion, noteholders would receive cash up to the value of the accreted principal amount of the Notes converted and, at the Company’s option, any remainder of the conversion value would be paid in cash or shares of common stock. The consent solicitation was successfully completed on December 6, 2004 and the amended conversion provisions were adopted.

Holders may require us to purchase all or a portion of their notes on January 15, 2009, January 15, 2014, January 15, 2019, January 15, 2024, and January 15, 2029, at stated prices plus accrued cash interest, if any, including contingent cash interest, if any. We may only pay the purchase price of such notes in cash and not in common stock.

We may redeem for cash all or a portion of the notes at any time on or after January 15, 2009 at redemption prices equal to the sum of the issue price plus accrued original issue discount and accrued cash interest, if any, including contingent cash interest, if any, on such notes to the applicable redemption date.

As of September 30, 2005, the senior subordinated convertible notes were reclassified from long term to short term debt as the notes became convertible on October 1, 2005 based upon the Company’s common stock trading above the trigger price for at least 20 trading days during the 30 consecutive trading-day period ending on September 30, 2005.

In accordance with EITF 04-8, “The Effect of Contingently Convertible Debt on Diluted Earnings Per Share,” the Company is required to include in its diluted weighted-average common share calculation an increase in shares based upon the difference between the Company’s average closing stock price for the period and the conversion price of $31.80. This is calculated using the treasury stock method (See Note 2).

ITEM 2. MANAGEMENT’S DISCUSSION AND ANALYSIS OFFINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion in conjunction with Management’s Discussion and Analysis of Financial Conditions and Results of Operations included in our Annual Report on Form 10-K for the year ended December 31, 2005 as filed with the Securities and Exchange Commission (“SEC”) and the notes to our Condensed Consolidated Financial Statements included elsewhere in this report.

Overview

Roper Industries, Inc. (“Roper”, “we” or “us”) is a diversified industrial company that designs, manufactures and distributes energy systems and controls, scientific and industrial imaging products and software, industrial technology products and radio frequency (RF) products and services. We market these products and services to selected segments of a broad range of markets including RF applications, water, energy, research/medical and general industry.

During the quarter ended March 31, 2006, Roper consolidated the number of our reporting segments from five to four, reflecting the continued implementation of its market-focus strategy. Roper’s four segments are: Industrial Technology, Energy Systems and Controls, Scientific and Industrial Imaging and RF Technology.

We pursue consistent and sustainable growth in sales and earnings by emphasizing continuous improvement in the operating performance of our existing businesses and by acquiring other carefully selected businesses that offer high value-added, engineered products and solutions and are capable of achieving growth and maintaining high margins. Our acquisitions have represented both financial bolt-ons and new strategic platforms. We strive for high cash and earnings returns from our acquisition investments. During the first six months of 2006, our results of operations benefited from the 2005 acquisitions of Inovonics Corporation (“Inovonics”) on February 25, 2005, CIVCO Holding, Inc. (“CIVCO”) on June 17, 2005, MEDTEC, Inc. (“MEDTEC”) on November 30, 2005, and the 2006 acquisitions of Sinmed Holding International BV (“Sinmed”) on April 5, 2006 and Intellitrans, LLC (“Intellitrans”) on April 26, 2006

Application of Critical Accounting Policies

Our consolidated financial statements are prepared in conformity with accounting principles generally accepted in the United States (“GAAP”). A discussion of our significant accounting policies can be found in the notes to our consolidated financial statements for the year ended December 31, 2005 included in our Annual Report.

GAAP offers acceptable alternative methods for accounting for certain issues affecting our financial results, such as determining inventory cost, depreciating long-lived assets and recognizing revenues. We have not changed the application of acceptable accounting methods or the significant estimates affecting the application of these principles in the last three years in a manner that had a material effect on our financial statements.

The preparation of financial statements in accordance with GAAP requires the use of estimates, assumptions, judgments and interpretations that can affect the reported amounts of assets, liabilities, revenues and expenses, the disclosure of contingent assets and liabilities and other supplemental disclosures.

The development of accounting estimates is the responsibility of our management. Our management discusses those areas that require significant judgments with the audit committee of our board of directors. The audit committee discusses critical estimates with our external auditors and reviews all financial disclosures to be included in our filings with the SEC. Although we believe the positions we have taken with regard to uncertainties are reasonable, others might reach different conclusions and our positions can change over time as more information becomes available. If an accounting estimate changes, its effects are accounted for prospectively.

Our most significant accounting uncertainties are encountered in the areas of accounts receivable collectibility, inventory utilization, future warranty obligations, revenue recognition (percent of completion), income taxes and goodwill analysis. These issues, except for income taxes (which are not allocated to our business segments), affect each of our business segments. These issues are evaluated primarily using a combination of historical experience, current conditions and relatively short-term forecasting.

Accounts receivable collectibility is based on the economic circumstances of customers and credits given to customers after shipment of products, including in certain cases, credits for returned products. Accounts receivable are regularly reviewed to determine customers who have not paid within agreed upon terms, whether these amounts are consistent with past experiences, what historical experience has been with amounts deemed uncollectible and the impact that current and near-term forecast economic conditions might have on collection efforts in general and with specific customers. The returns and other sales credit histories are analyzed to determine likely future rates for such credits. At June 30, 2006, our allowance for doubtful accounts receivable, sales returns and sales credits was $8.6 million, or 3.0% of total gross accounts receivable of $285.6 million. The dollar amount of the reserve has remained relatively consistent over the past year.

We regularly compare inventory quantities on hand against anticipated future usage, which we determine as a function of historical usage or forecasts related to specific items in order to evaluate obsolescence and excessive quantities. When we use historical usage, this information is also qualitatively compared to business trends to evaluate the reasonableness of using historical information as an estimate of future usage. Business trends can change rapidly and these events can affect the evaluation of inventory balances. At June 30, 2006, inventory reserves for excess and obsolete inventory were $24.1 million, or 14.0% of gross first-in, first-out inventory cost. The dollar amount of the Company’s excess and obsolete inventory reserve was consistent with the prior quarter and slightly lower than year end 2005. The reserve as a percentage of our gross inventory continues to decline.

Most of our sales are covered by warranty provisions that generally provide for the repair or replacement of qualifying defective items for a specified period after the time of sale, typically 12 months. Future warranty obligations are evaluated using, among other factors, historical cost experience, product evolution and customer feedback. At June 30, 2006, the accrual for future warranty obligations was $6.8 million or 0.4% of annualized second quarter sales and is consistent with prior quarters.

Net sales recognized under the percentage-of-completion method of accounting are estimated and dependent on a comparison of total costs incurred to date to total estimated costs for a project. During the second quarter of 2006, we recognized $25.4 million of net sales using this method. In addition, approximately

$96.4 million of net sales related to unfinished percentage-of-completion contracts had yet to be recognized at June 30, 2006. Net sales accounted for under this method are generally not significantly different in profitability compared with net sales for similar products and services accounted for under other methods.

Income taxes can be affected by estimates of whether, and within which jurisdictions, future earnings will occur and how and when cash is repatriated to the United States, combined with other aspects of an overall income tax strategy. Additionally, taxing jurisdictions could retroactively disagree with our tax treatment of certain items, and some historical transactions have income tax effects going forward. Accounting rules require these future effects to be evaluated using current laws, rules and regulations, each of which can change at any time and in an unpredictable manner. Our second quarter effective income tax rate was 35.1%, which is 390 basis points higher than the 31.2% rate experienced in the prior year second quarter. This increase is due to a $1.0 million tax refund received in the prior year quarter and a higher effective rate in the current year quarter due to the non-renewal of the R&D tax credit legislation and the phase out of the ETI tax credit. We may experience a lower rate in future quarters if legislation is passed to reinstate the R&D tax credit.

The evaluation of the carrying value of goodwill and indefinite-lived intangibles is required to be performed annually. We perform this analysis during our fourth quarter.

Results of Operations

General

The following tables set forth selected information for the periods indicated. Dollar amounts are in thousands and percentages are the particular line item shown as a percentage of net sales. Percentages may not foot due to rounding.

	Three months ended June 30,		Six months ended June 30,	
	2006	2005	2006	2005
Net sales				
Industrial Technology	$ 136,783	$ 126,943	$ 261,580	$ 245,387
Energy Systems & Controls	75,915	77,742	144,624	149,180
Scientific & Industrial Imaging	85,644	58,356	166,422	110,040
RF Technology	126,968	98,523	235,407	190,794
Total	$ 425,310	$ 361,564	$ 808,033	$ 695,401
Gross profit:				
Industrial Technology	48.0%	47.7%	48.4%	47.5%
Energy Systems & Controls	54.9	53.5	53.7	52.4
Scientific & Industrial Imaging	56.3	55.9	55.7	55.9
RF Technology	46.8	45.9	46.9	45.3
Total	50.5	49.8	50.4	49.3
Selling, general & administrative expenses:				
Industrial Technology	24.5%	26.3%	25.5%	26.9%
Energy Systems & Controls	29.8	29.4	30.2	29.9
Scientific & Industrial Imaging	35.2	38.2	35.4	38.6
RF Technology	27.4	33.1	28.6	32.8
Total	28.5	30.7	29.3	31.0
Segment operating profit:				
Industrial Technology	23.5%	21.3%	22.8%	20.6%
Energy Systems & Controls	25.1	24.2	23.5	22.6
Scientific & Industrial Imaging	21.0	17.7	20.4	17.3
RF Technology	19.4	12.8	18.3	12.4
Total	22.1	19.0	21.1	18.2
Corporate administrative expenses	(2.0)	(1.8)	(2.2)	(1.8)
	20.1	17.3	18.9	16.4
Interest expense	(2.7)	(3.0)	(2.7)	(3.1)
Other income / (expense)	--	0.1	--	--
Earnings before income taxes	17.4	14.3	16.2	13.4
Income taxes	(6.1)	(4.5)	(5.5)	(4.3)
Net earnings	11.3%	9.8%	10.6%	9.1%

Three months ended June 30, 2006 compared to three months ended June 30, 2005

Net sales for the quarter ended June 30, 2006 were $425.3 million as compared to $361.6 million in the prior-year quarter, an increase of 17.6%. Our second quarter 2006 results included a full quarter of sales from the purchase of CIVCO and MEDTEC, which were purchased in June and November of 2005, respectively, and partial period results from Intellitrans and Sinmed, purchased in April 2006. Approximately $22 million of our sales increase was due to acquisitions; however, three of our four segments showed improvement over the prior year quarter resulting in internal sales growth of 12%.

In our Industrial Technology segment, net sales were up 7.8% to $136.8 million in the second quarter of 2006 as compared to $126.9 million in the second quarter of 2005 due primarily to increased sales of water meters with new integrated radio frequency technology. Gross margins were higher at 48.0% for the second quarter of 2006 as compared to 47.7% in the second quarter of 2005. The increase was due to stronger margins in our water meter business due to cost controls in the manufacturing process. SG&A expenses as a percentage of net sales were 24.5%, down from 26.3% in the prior year quarter due to operating leverage from higher sales. The resulting operating profit margins were 23.5% in the second quarter of 2006 as compared to 21.3% in the second quarter of 2005.

Net sales in our Energy Systems & Controls segment decreased by 2.4% to $75.9 million during the second quarter of 2006 compared to $77.7 million in the second quarter of 2005. Our non-destructive test business, Zetec, accounted for the decrease in this segment. The decrease is due to the deferral of business into the second half of the calendar year based upon the timing of inspections at customer power plants. Gross margins increased to 54.9% in the second quarter of 2006 compared to 53.5% in the second quarter of 2005 due to the reduction of fixed costs at several of the business units in this segment. SG&A expenses as a percentage of net sales were up slightly to 29.8% compared to prior year quarter at 29.4%. Operating margins were 25.1% in the second quarter of 2006 as compared to 24.2% in the second quarter of 2005.

Net sales in our Scientific & Industrial Imaging segment net sales increased by 46.8% to $85.6 million during the second quarter of 2006 as compared to $58.4 million in the second quarter of 2005. Approximately 31.6% of the increase was due to sales by CIVCO and MEDTEC, which were purchased in 2005, and Sinmed, purchased in April 2006. Internal sales increased by 15.2% with the largest gains being experienced in the physical sciences cameras and electron microscope businesses. Gross margins increased from 55.9% in the second quarter of 2005 to 56.3% in the second quarter of 2006 due to operating leverage as a result of the higher sales levels. SG&A as a percentage of net sales was 35.2% in the second quarter of 2006 as compared to 38.2% in the second quarter of 2005. The decrease is also due to operating leverage from higher sales. As a result, operating margins were 21.0% in the second quarter of 2006 as compared to 17.7% in the second quarter of 2005.

In our RF Technology segment, net sales were up 28.9% at $127.0 million compared to $98.5 million in the second quarter of 2005. The increase is due primarily to internal growth in both our security and tolling and traffic management business. Gross margins were 46.8% as compared to 45.9% in the prior year quarter. The increase is due to a $1.4 million purchase accounting inventory step-up charge in the second quarter of 2005. SG&A as a percentage of sales in the second quarter of 2006 was 27.4% down from 33.1% in the prior year due to operating leverage on increased sales with a resulting operating profit margin of 19.4% as compared to 12.8% in 2005.

Corporate expenses were $8.4 million in the second quarter of 2006 as compared to $6.4 million in the second quarter of 2005. The increase over prior year was due primarily to the $2.3 million increase in stock based compensation in the second quarter of 2006 as compared to the second quarter of 2005. The increase included both the expense related to restricted stock awards and option expense under SFAS 123(R) which was not previously charged to our income statement.

Interest expense of $11.3 million for the second quarter of 2006 was $0.4 million higher as compared to the second quarter of 2005. This is due to higher average balances on our credit facility due to the acquisitions of Inovonics, CIVCO and MEDTEC made during 2005, and Intellitrans and Sinmed in 2006, as well as increasing interest rates on the variable rate portion of our outstanding debt.

Income taxes were 35.1% of pretax earnings in the current quarter as compared to 31.2% in the second quarter of 2005. This increase is due to a $1.0 million tax refund received in the prior year quarter and a higher effective rate in the current year quarter due to the non-renewal of the R&D tax credit legislation and the phase out of the ETI tax credit.

At June 30, 2006, the functional currencies of our European subsidiaries were nearly static against the U.S. dollar compared to currency exchange rates at June 30, 2005, but stronger against the dollar since December 31, 2005, with the exception of the euro, which weakened against the U.S. dollar since December 31, 2005. The currency changes resulted in an increase of $12.0 million in the foreign exchange component of comprehensive earnings for the quarter. Approximately $11.8 million of the total adjustment is related to goodwill and is not expected to directly affect our expected future cash flows. Operating results in the second quarter of 2006 increased slightly due to the weakening of the US dollar as compared to a year ago, primarily against the Canadian dollar. The difference between the operating results for these companies for the three months ended June 30, 2006, translated into U.S. dollars was less than 1%.

Net orders were $433.4 million for the quarter, 19.2% higher than the second quarter 2005 net order intake of $363.6 million. Approximately $21 million of the order increase was due to acquisitions resulting in internal growth of 13%. We experienced strong bookings in our Industrial Technology and RF Technology segments. Overall, our order backlog at June 30, 2006 was up 19.3% as compared to June 30, 2005. The increase is primarily due to internal growth, with approximately $2 million of the increase due to acquisitions.

	Net orders booked for the three months ended June 30,		Order backlog as of June 30,	
	2006	2005	2006	2005
Industrial Technology	$ 151,791	$ 121,411	$ 81,236	$ 50,948
Energy Systems & Controls	77,928	75,176	61,981	48,731
Scientific & Industrial Imaging	79,307	65,258	51,731	51,069
RF Technology	124,395	101,799	202,212	182,271
	$ 433,421	$ 363,644	$ 397,160	$ 333,019

Six months ended June 31, 2006 compared to six months ended June 31, 2005

Net sales for the six months ended June 30, 2006 were $808.0 million as compared to $695.4 million in the prior-year six-month period, an increase of 16.2%. Results of the six month period ended June 30, 2006 included a full six months of sales from the 2005 acquisitions of Inovonics, CIVCO and MEDTEC, purchased in February, June and November, 2005, respectively, as well as partial period results from the 2006 acquisitions of Sinmed and Intellitrans in April 2006. Approximately $45.2 million of our sales increase was due to acquisitions; however, three of our four segments showed improvement over the prior year quarter resulting in internal sales growth of 10%, net of 1% negative foreign exchange impact.

During the first quarter of 2006, Roper consolidated the number of reporting segments from five to four, reflecting the continued implementation of its market-focus strategy. Roper's four segments are: Industrial Technology, Energy Systems and Controls, Scientific and Industrial Imaging and RF Technology. All prior year comparisons have been restated to conform to the current year presentation.

In our Industrial Technology segment, net sales were up 6.6% to $261.6 million in the first six months of 2006 as compared to $245.4 million in the first six months of 2005 due primarily to increased sales of water meters with new integrated radio frequency technology. Gross margins were higher at 48.4% for the first six months of 2006 as compared to 47.5% in the first six months of 2005. The increase was primarily due to stronger margins in our water meter business due to cost controls in the manufacturing process and higher margins on consumables sales in the product testing businesses. SG&A expenses as a percentage of net sales were 25.5%, down from 26.9% in the prior year six-month period due to operating leverage from higher sales. The resulting operating profit margins were 22.8% in the first six months of 2006 as compared to 20.6% in the first six months of 2005.

Net sales in our Energy Systems & Controls segment decreased by 3.1% to $144.6 million during the first six months of 2006 compared to $149.2 million in the first six months of 2005. Our non-destructive test business, Zetec, accounted for the decrease in this segment. The decrease is due to the deferral of business into the second half of the calendar year based upon the timing of inspections at customer power plants. Gross margins increased to 53.7% in the first six months of 2006 compared to 52.4% in the first six months of 2005 due to favorable product mix and both product and customer rationalization to focus on more profitable business and the reduction of fixed costs at several of the business units in this segment. SG&A expenses as a percentage of net sales were up slightly to 30.2% compared to the prior year six month period at 29.9%. As a result, operating margins were 23.5% in the first six months of 2006 as compared to 22.6% in first six months of 2005.

In our Scientific & Industrial Imaging segment net sales increased 51.2% to 166.4 million in the first six months of 2006 as compared to $110.0 million in the first six months of 2005. Approximately 33% of the increase was due to sales by CIVCO and MEDTEC, which were purchased in 2005, and Sinmed, which was purchased in April 2006. Internal sales increased by 18% with the gains being experienced in almost all business units in this segment. Gross margins decreased slightly from 55.7% in the first six months of 2006 from 55.9% in the first six months of 2005 due to a $0.8 million purchase accounting inventory step up charge related to the acquisition of MEDTEC. SG&A as a percentage of net sales was 35.4% in the six month period ended June 30, 2006 as compared to 38.6% in the prior year period, which was due to operating leverage from higher sales. As a result, operating margins were 20.4% in the first six months of 2006 as compared to 17.3% in the first six months of 2005.

In our RF Technology segment, net sales were up 23.4% at $235.4 million compared to $190.8 million in the first six months of 2005. Approximately 4% of the increase is due the acquisitions of Inovonics in February 2005 and Intellitrans in April 2006, with the remainder coming from internal growth in our tolling and traffic management business. Gross margins were 46.9% as compared to 45.3% in the prior year six month period. The prior year margins were depressed due to approximately $4.7 million of purchase accounting inventory step up charges. SG&A as a percentage of sales in the first six months of 2006 was 28.6% down from 32.8% in the prior year due to leverage on increased sales, with a resulting operating profit margin of 18.3% as compared to 12.4% in 2005.

Corporate expenses were $17.7 million in the six month period ended June 30, 2006 as compared to $12.6 million in the first six months of 2005. The increase over prior year was due primarily to the $3.6 million increase in stock based compensation in the first six months of 2006 as compared to the first six months of 2005. The increase included both the expense related to restricted stock awards and option expense under SFAS 123(R) which was not previously charged to our income statement.

Interest expense of $22.1 million for the first six months of 2006 was $0.8 million higher as compared to the first six months of 2005. This is due to higher average balances on our credit facility due to the acquisitions of Inovonics, CIVCO and MEDTEC made during 2005 and Sinmed and Intellitrans in 2006, and increasing interest rates on the variable rate portion of our outstanding debt.

Income taxes were 34.3% of pretax earnings in the first six months of 2006 as compared to 31.8% in the first six months of 2005. This increase was expected as the Company continues to have a lower percentage of its revenue in lower tax jurisdictions after several U.S. based acquisitions and the expiration of the R&D tax credit legislation and the phase out of the ETI tax credit noted in the second quarter discussion.

Financial Condition, Liquidity and Capital Resources

Net cash provided by operating activities was $48.4 million in the second quarter of 2006 as compared to $62.8 million in the second quarter of 2005, a 23% decrease. This change is due to the higher income levels from the prior year quarter, more than offset by higher levels of tax payments which was expected due to the depletion of operating loss carryforwards and higher working capital needs as the company's sales increase. Cash used in investing activities during the current and prior-year quarter was primarily business acquisitions. Cash provided by financing activities during the current and prior year quarter *resulted* primarily from debt borrowings, offset by dividend and debt payments. Principal payments of $16.4 million were made on the Company's $655.0 million term loan in accordance with the terms of the credit facility.

Year to date net cash provided by operating activities was $105.8 million in the six month period ended June 30, 2006 as compared to $101.4 million in the six month period ended June 30, 2005, a 4% increase. This increase is primarily due to the higher income levels over the prior year period, offset by higher tax payments and higher working capital needs as the company grows. Cash used in investing activities during the current six month period was primarily business acquisitions and capital expenditures, and the prior year six month period related primarily to business acquisitions. The Company does not expect the level of capital expenditures to continue at the current six month period level as this included $4.8 million related to the completion of a new facility in Houston, Texas, which enabled the consolidation of several facilities. Cash provided by financing activities during the current and prior year six month periods was primarily related to debt borrowings for acquisitions: Inovonics and CIVCO in 2005 and Sinmed and Intellitrans in 2006. Cash used in financing activities during the current and prior year six month periods was for paydown on our revolving credit line, scheduled payments on our term debt and dividend payments. $40.4 million of debt was repaid over the six months ended June 30, 2006 as compared with $66.4 million in the prior-year period. In the current year, principal payments of $16.4 million were made on the Company's $655.0 million term loan in accordance with the terms of the credit facility.

Net working capital (total current assets, excluding cash, less total current liabilities, excluding debt) was $247.9 million at June 30, 2006 compared to $212.8 million at December 31, 2005, reflecting increases in working capital due to 2005 and 2006 acquisitions and a higher level of sales at the end of the second quarter of 2006. Total debt was $869.1 million at June 30, 2006 compared to $894.3 million at December 31, 2005. The leverage of the Company is shown in the following table:

	June 30, 2006	December 31, 2005
Total Debt	$ 869,112	$ 894,271
Cash	(53,383)	(53,116)

Net Debt		815,729		841,155
Stockholders' Equity		1,361,453		1,249,788
Total Net Capital	$	2,177,182	$	2,090,943
Net Debt / Total Net Capital		37.5%		40.2%

Our debt consists of a $1.055 billion senior secured credit facility with a diverse group of participating financial institutions and banks, and $230 million of senior subordinated convertible notes. The credit facility consists of a $655 million amortizing term loan with a five year maturity and a $400 million revolving loan with a five year maturity. Our senior subordinated convertible notes are due in 2034. At June 30, 2006, our debt consisted of the $230 million in senior subordinated convertible notes, $603.2 million of term loans and $38.8 million in outstanding revolver debt under the credit facility. The Company also had $30.4 million of outstanding letters of credit at June 30, 2006. We expect that our available additional borrowing capacity combined with the cash flows expected to be generated from existing business will be sufficient to fund normal operating requirements and finance additional acquisitions. We also have several smaller facilities that allow for borrowings or the issuance of letters of credit in various foreign locations to support our non-U.S. businesses. In total, these smaller facilities do not represent a significant source of credit for us.

The Company was in compliance with all debt covenants related to our credit facilities throughout the six month period ended June 30, 2006.

At June 30, 2006, we did not have any relationships with unconsolidated entities or financial partnerships, such as entities often referred to as structured finance or special purpose entities, which would have been established for the purpose of facilitating off-balance sheet arrangements or other contractually narrow or limited purposes.

Capital expenditures of $16.8 million and $10.5 million were incurred during the six month periods ended June 30, 2006 and 2005 respectively. The increase over the prior year period was primarily due to $4.8 million in expenditures related to our new facility in Houston. This increase is not expected to recur in future periods. We expect capital expenditures for the balance of the year to be comparable to prior years as a percentage of sales.

Recently Issued Accounting Standards

In November 2004, the FASB issued FAS 151, “Inventory Costs-An Amendment of ARB No. 43” to clarify the accounting for abnormal amounts of idle facility expense, freight, handling costs, and material waste. The standard requires that abnormal amounts of these items be recognized as current period charges. FAS 151 is effective for fiscal years beginning after June 15, 2005. The implementation of this standard did not have a material impact on the Company’s Financial Statements.

In December, 2004, the FASB issued FAS 123R, “Share-Based Payment” (revised 2004) (“SFAS 123(R)”) which was originally effective for interim or annual reporting periods beginning after June 15, 2005. The effective date of this standard was delayed until annual reporting periods beginning after December 31, 2005. This standard requires unvested equity awards outstanding at the effective date to continue to be measured and charged to expense over the remaining requisite service (vesting) period as required by FAS 123. Effective January 1, 2006, we adopted SFAS 123(R) using the modified prospective transition method, whereby compensation expense is only recognized in the consolidated financial statements of operations in the period beginning on January 1, 2006. Accordingly, compensation cost amounts for prior periods are contained in the Company’s footnotes but the consolidated financial statements have not been restated to reflect, and do not include, the impact of SFAS 123(R). Stock based compensation expense related to all stock based awards for the six months ended June 30, 2006 was approximately $4.6 million, net of tax, or $0.05 per diluted share and for the six months ended June 30, 2005 was approximately $1.4 million, net of tax, or $0.02 per diluted share. Total pre-tax unrecognized compensation cost related to non-vested options and restricted stock awards of $25.8 million will be recognized over a weighted average period of 2.1 years.

We have elected to adopt the alternative transition method provided in FSP FAS 123(R)-3 for calculating the tax effects of stock based compensation pursuant to SFAS 123(R). The alternative transition method includes simplified methods to establish the beginning balance of the additional paid in capital pool (APIC pool) related to the tax effects of employee stock based compensation, and to determine the subsequent impact on the APIC pool and consolidated statements of cash flows of the tax effects of employee stock based compensation awards that are outstanding upon the adoption of SFAS 123(R).

The FASB issued Interpretation (“FIN”) No. 48, “Accounting for Uncertainty in Income Taxes – an interpretation of FASB Statement No. 109.” FIN 48 clarifies the accounting for uncertainty in income taxes by establishing minimum standards for the recognition and measurement of tax positions taken or expected to be taken in a tax return. Under the requirements of FIN 48, the Company must review all of its uncertain tax positions and make a determination as to whether its position is more-likely-than-not to be sustained upon examination by regulatory authorities. If a position meets the more-likely-than-not criterion, then the related tax benefit is measured based on the cumulative probability analysis of the amount that is more-likely-than-not to be realized upon ultimate settlement. Fin 48 is effective for fiscal years beginning after December 15, 2006. The Company is currently evaluating the impact of this interpretation on its financial statements.

Outlook

Current geopolitical uncertainties could adversely affect our business prospects. A significant terrorist attack or other global conflict could cause changes in world economies that would adversely affect us. It is impossible to isolate each of these factor’s effects on current economic conditions. It is also impossible to predict with any reasonable degree of certainty what or when any additional events may occur that also will similarly disrupt the economy.

We maintain an active acquisition program; however, future acquisitions will be dependent on numerous factors and it is not feasible to reasonably estimate if or when any such acquisitions will occur and what the impact will be on our business, financial condition and results of operations. Such acquisitions may be financed by the use of existing credit lines, future cash flows from operations, the proceeds from the issuance of new debt or equity securities or some combination of these methods.

We anticipate that our recently acquired companies as well as our other companies will generate positive cash flows from operating activities, and that these cash flows will permit the reduction of currently outstanding debt at a pace consistent with that which has historically been experienced. However, the rate at which we can reduce our debt during 2006 (and reduce the associated interest expense) will be affected by, among other things, the financing and operating requirements of any new acquisitions and the financial performance of our existing companies; and none of these factors can be predicted with certainty.

Information About Forward Looking Statements

This report includes “forward-looking statements” within the meaning of the federal securities laws. In addition, we, or our executive officers on our behalf, may from time to time make forward-looking statements in reports and other documents we file with the SEC or in oral statements made to the press, potential investors or others. All statements that are not historical facts are “forward-looking statements.” The words “estimate,” “project,” “intend,” “expect,” “should,” “will,” “plan,” “believe,” “anticipate,” and similar expressions identify forward-looking statements. These forward-looking statements include statements regarding our expected financial position, business, financing plans, business strategy, business prospects, revenues, working capital, liquidity, capital needs, interest costs and income, in each case relating to our company as a whole, as well as statements regarding acquisitions, potential acquisitions and the benefits of acquisitions.

Forward-looking statements are estimates and projections reflecting our best judgment and involve a number of risks and uncertainties that could cause actual results to differ materially from those suggested by the forward-looking statements. These statements are based on our management’s beliefs and assumptions, which in turn are based on currently available information. Examples of forward looking statements in this report include but are not limited to our expectations regarding our ability to generate operating cash flows and reduce debt and associated interest expense and our expectations regarding growth through acquisitions. Important assumptions relating to the forward-looking statements include, among others, assumptions regarding demand for our products, the cost, timing and success of product upgrades and new product introductions, raw materials costs, expected pricing levels, the timing and cost of expected capital expenditures, expected outcomes of pending litigation, competitive conditions, general economic conditions and expected synergies relating to acquisitions, joint ventures and alliances. These assumptions could prove inaccurate. Although we believe that the estimates and projections reflected in the forward-looking statements are reasonable, our expectations may prove to be incorrect. Important factors that could cause actual results to differ materially from estimates or projections contained in the forward-looking statements include:

- difficulty making acquisitions and successfully integrating acquired businesses;
- any unforeseen liabilities associated with future acquisitions;
- limitations on our business imposed by our indebtedness;
- unfavorable changes in foreign exchange rates;
- difficulties associated with exports;
- risks and costs associated with our international sales and operations;
- increased directors and officers liability and other insurance costs;
- risk of rising interest rates;
- product liability and insurance risks;
- increased warranty exposure;
- future competition;
- the cyclical nature of some of our markets;
- reduction of business with large customers;
- risks associated with government contracts;
- changes in the supply of, or price for, parts and components;
- environmental compliance costs and liabilities;
- risks and costs associated with asbestos-related litigation;
- potential write-offs of our substantial intangible assets;
- our ability to successfully develop new products;
- failure to protect our technology;
- trade tariffs that may be applied due to the U.S. government's delay in complying with certain WTO directives;
- terrorist attacks;
- future health crises; and
- the factors discussed in other reports filed with the SEC.

We believe these forward-looking statements are reasonable; however, you should not place undue reliance on any forward-looking statements, which are based on current expectations. Further, forward-looking statements speak only as of the date they are made, and we undertake no obligation to publicly update any of these statements in light of new information or future events.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are exposed to interest rate risks on our outstanding borrowings, and we are exposed to foreign currency exchange risks on our transactions denominated in currencies other than the U.S. dollar. We are also exposed to equity market risks pertaining to the traded price of our common stock.

At June 30, 2006 we had a combination of fixed-rate borrowings (primarily our $230 million senior subordinated convertible notes and $250 million of our term loan with accompanying interest rate swaps) and variable rate borrowings under the $1.055 billion credit facility. Our $655 million 5-year term note under this credit facility was variable at a spread over LIBOR. Any borrowings under the $400 million revolving credit facility have a fixed rate, but the terms of these individual borrowings are generally only one to three months. To reduce the financial risk of future rate increases, the Company entered into a $250 million fixed rate swap agreement expiring March 13, 2008. At June 30, 2006, the prevailing market rates were between 1.5% and 2.3% higher than the fixed rate on our debt instruments.

At June 30, 2006, Roper’s outstanding variable-rate borrowings under the $1.055 billion credit facility were $353.2 million. An increase in interest rates of 1% would increase our annualized pre-tax interest costs by approximately $3.5 million.

Several Roper companies have transactions and balances denominated in currencies other than the U.S. dollar. Most of these transactions or balances are denominated in Euros, British pounds, Danish krone or Japanese yen. Sales by companies whose functional currency was not the U.S. dollar were 27.0% of our total second quarter sales and 66.6% of these sales were by companies with a European functional currency. The U.S. dollar weakened slightly against these European currencies during the second quarter of 2006 versus December 2005, with the exception of the Euro, which weakened against the U.S. dollar. The U.S. dollar weakened against the Canadian dollar both from the prior-year quarter and since December 2005 and was relatively stable compared to other currencies. The difference between the current quarter operating results for these companies translated into U.S. dollars at exchange rates experienced during second-quarter 2006 versus exchange rates experienced during second-quarter 2005 was not material and resulted in increased operating profits of less than 1%. If these currency exchange rates had been 10% different throughout the second quarter of 2006 compared to currency exchange rates actually experienced, the impact on our net earnings would have been approximately $1.8 million.

The changes in these currency exchange rates relative to the U.S. dollar during the second quarter of 2006 compared to currency exchange rates at December 31, 2005 resulted in an increase in net assets of $12.0 million that was reported as a component of comprehensive earnings, $11.8 million of which was attributed to goodwill. Goodwill changes from currency exchange rate changes do not directly affect our reported earnings or cash flows.

The trading price of Roper’s common stock influences the valuation of stock option grants and the effects these grants have on net income. The stock price also influences the computation of the dilutive effect of outstanding stock options to determine diluted earnings per share. The stock price also affects our employees’ perceptions of various programs that involve our common stock. We believe the quantification of the effects of these changing prices on our future earnings and cash flows is not readily determinable.

ITEM 4. CONTROLS AND PROCEDURES

As required by Securities and Exchange Commission rules, we have evaluated the effectiveness of the design and operation of our disclosure controls and procedures as of the end of the period covered by this quarterly report. This evaluation was carried out under the supervision and with the participation of our management, including our principal executive officer and principal financial officer. Based on this evaluation, these officers have concluded that the design and operation of our disclosure controls and procedures are effective. There were no changes to our internal controls during the period covered by this quarterly report that materially affected, or are reasonably likely to materially affect, our internal controls over financial reporting.

Disclosure controls and procedures are our controls and other procedures designed to ensure that information required to be disclosed by us in the reports that we file or submit under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), is recorded, processed, summarized and reported, within the time periods specified in the Securities and Exchange Commission’s rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by the Company in the reports that we file or submit under the Exchange Act are accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate, to allow timely decisions regarding required disclosure.

Part II. OTHER INFORMATION

Item 1A. Risk Factors

For information regarding factors that could affect the Company’s results of operations, financial condition and liquidity, see the risk factors discussion in Item 1A of Roper’s Annual Report on Form 10-K for the fiscal year ended December 31, 2005. See also, “Information about Forward-Looking Statements” included in Item 2 of this Quarterly Report on Form 10-Q.

Item 4. Submission of Matters to a Vote of Security Holders

Roper held its 2006 Annual Meeting of Shareholders on June 28, 2006 in Duluth, Georgia. Of the 86,846,850 shares of common stock outstanding as of record date of April 29, 2006, 56,275,682 shares, or 64.8% of the Company’s capital stock, were present or represented by proxy at the meeting, constituting a quorum. Of the shares present, 1,552,755 shares were asserted to be entitled to five votes per share based upon certain beneficial ownership holding period requirements. The results of the matters submitted to the stockholders were as follows:

Proposal 1: Election of two (2) Directors

Each of the directors identified below elected at the 2006 Annual Meeting of Shareholders was elected for a term expiring at the 2009 Annual Meeting of Shareholders. Continuing directors whose terms expire at either the 2007 Annual Meeting of Shareholders or the 2008 Annual Meeting of Shareholders are as follows: Brian D. Jellison (2007), W. Lawrence Banks (2007), David W. Devonshire (2007), John F. Fort (2007), Donald G. Calder (2008), Derrick N. Key (2008), and Christopher Wright (2008).

	Number of Votes		
	For	**Against**	**Withheld**
Wilbur J. Prezzano	62,198,443	--	288,259
Robert D. Johnson	62,236,280	--	250,422

Proposal 2: Approval the Roper Industries, Inc. 2006 Incentive Plan

Approval of the Roper Industries, Inc. 2006 Plan, as adopted by the Board of Directors on April 20, 2006.

For	50,772,215
Against	3,430,006
Abstain	422,690

Proposal 3: Approval of an Amendment to the Restated Certificate of Incorporation, to eliminate time phase voting and give all outstanding shares of common stock of the Company one vote on matters properly submitted to the shareholders of the Company for their vote.

For	49,594,200
Against	344,857
Abstain	315,582

Proposal 4: Ratification of PricewaterhouseCoopers as independent auditor of the Company

For	62,376,204
Against	44,320
Abstain	66,178

Item 6. Exhibits

3.1	Certificate of Amendment, amending Restated Certificate of Incorporation, filed herewith.
[(a)]4.1	Form of Indenture for Debt Securities.
4.2	Form of Debt Securities (included in Exhibit 4.3).
[(b)]4.3	First Supplemental Indenture between Roper Industries, Inc. and SunTrust Bank, dated as of December 29, 2003.
10.1	Offer letter for John Humphrey, dated March 31, 2006, filed herewith
[(c)]10.2	Roper Industries, Inc. 2006 Incentive Plan
31.1	Rule 13a-14(a)/15d-14(a), Certification of Chief Executive Officer, filed herewith.
31.2	Rule 13a-14(a)/15d-14(a), Certification of Chief Financial Officer, filed herewith.
32.1	Section 1350 Certification of Chief Executive Officer, filed herewith.
32.2	Section 1350 Certification of Chief Financial Officer, filed herewith.

(a) Incorporated herein by reference to Exhibit 4.2 to the Roper Industries, Inc. Pre-Effective Amendment No. 1 to the Registration Statement on Form S-3 filed November 28, 2003 (File No. 333-110491).

(b) Incorporated herein by reference to Exhibit 4.1 to the Roper Industries, Inc. Current Report on Form 8-K filed January 13, 2004.

(c) Incorporated herein by reference to Annex B of the Company's Definitive Proxy Statement on Schedule 14A filed May 1, 2006

Signatures

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 thereunto duly authorized.

Roper Industries, Inc.

Signature	**Title**	**Date**
/s/ Brian D. Jellison Brian D. Jellison	Chairman of the Board, President, and Chief Executive Officer	August 9, 2006
/s/ John Humphrey John Humphrey	Chief Financial Officer and Vice President	August 9, 2006
/s/ Paul J. Soni Paul J. Soni	Chief Accounting Officer and Vice President	August 9, 2006

EXHIBIT INDEX

TO REPORT ON FORM 10-Q

EXHIBIT INDEX TO REPORT ON FORM 10-Q

Number	Exhibit
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4.2	Form of Debt Securities (included in Exhibit 4.3).
4.3	First Supplemental Indenture between Roper Industries, Inc. and SunTrust Bank, dated December 29, 2003 incorporated herein by reference to Exhibit 4.1 to the Roper Industries, Inc. Current Report on Form 8-K filed on January 13, 2004.
10.1	Offer letter for John Humphrey, dated March 31, 2006, filed herewith.

10.2	Roper Industries, Inc. 2006 Incentive Plan, incorporated herein by reference to Annex B of the Company's Definitive Proxy Statement on Schedule 14A filed May 1, 2006.
31.1	Rule 13a-14(a)/15d-14(a), Certification of Chief Executive Officer, filed herewith.
31.2	Rule 13a-14(a)/15d-14(a), Certification of Chief Financial Officer, filed herewith.
32.2	Section 1350 Certification of Chief Executive Officer, filed herewith.
32.2	Section 1350 Certification of Chief Financial Officer, filed herewith.

CERTIFICATE OF AMENDMENT

TO THE

RESTATED

CERTIFICATE OF INCORPORATION

OF

ROPER INDUSTRIES, INC.

Roper Industries, Inc., a corporation organized and existing under and by virtue of the Delaware General Corporation Law (the "Corporation"), hereby certifies as follows:

1. The name of the Corporation is Roper Industries, Inc.

2. The Corporation filed a Certificate of Incorporation with the Office of the Secretary of State of the State of Delaware on December 17, 1981, and filed a Restated Certificate of Incorporation (the "Restated Certificate of Incorporation") with the Delaware Secretary of State on May 9, 1996, which has been subsequently amended on March 12, 1997 and June 14, 2005.

3. This Certificate of Amendment to the Restated Certificate of Incorporation is being executed and filed in accordance with Section 242 and Section 103 of the Delaware General Corporation Law.

4. Section 4(B) of the Restated Certificate of Incorporation is hereby amended and restated, in its entirety, as follows:

"B. Each outstanding share of Common Stock shall entitle the holder thereof to one (1) vote on each matter properly submitted to the stockholders of the corporation for their vote, waiver, release or other action."

The undersigned, in his capacity as the duly elected Secretary of the Corporation, do on behalf of the Corporation, make this Amendment to the Restated Certificate of Incorporation, hereby declaring and certifying, under penalties of perjury, that this is the act and deed of the Corporation and that the facts herein stated are true, and accordingly have hereunto set my hand this 12th day of July, 2006.

/s David B. Liner
Name: David B. Liner
Title: Vice President, General Counsel & Secretary

RESTATED CERTIFICATE OF INCORPORATION
OF
ROPER INDUSTRIES, INC.
ADOPTED APRIL 1996

This Restated Certificate of Incorporation was duly adopted by unanimous written consent of the Board of Directors of Roper Industries, Inc. in accordance with the provisions of Section 245 of the General Corporation Law of the State of Delaware. The Corporation was originally formed under the name Dexter Holdings, Inc. pursuant to an original Certificate of Incorporation filed with the Secretary of State of the State of Delaware on December 17, 1981. The following Restated Certificate of Incorporation restates and integrates the original Certificate of Incorporation and all amendments filed with the Secretary of State of Delaware prior to April 11, 1996.

1. The name of the corporation is:

ROPER INDUSTRIES, INC.

2. The address of the corporation's registered office in the State of Delaware is 1013 Centre Road in the City of Wilmington, County of New Castle, and the name of the registered agent thereat is The Prentice-Hall Corporation System, Inc.

3. The nature of the business of the corporation and the purposes to be conducted or promoted by it are as follows:

(a) To design, manufacture, purchase, lease, distribute, install, repair, service, sell, import, export and otherwise deal in or with any and all kinds of positive displacement rotary and centrifugal pumps and industrial machinery, and all related supplies, components, equipment and products;

(b) To acquire all or any part of the stock or other securities, goodwill, rights, property or assets of any kind and to undertake or assume all or any part of the obligations or liabilities of any corporation, association, partnership, syndicate, entity, or person located

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in or organized under the laws of any state, territory or possession of the United States of America or any foreign country, and to pay for the same in cash, stock, bonds, debentures, notes, or other securities, secured or unsecured, of this or any other corporation or otherwise in any manner permitted by law, and to conduct in any lawful manner all or any part of any business so acquired; and

(c) To engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of the State of Delaware. In addition to the general powers conferred by the laws of the State of Delaware and the purposes hereinbefore set forth, the corporation shall also have the following powers:

(d) To issue any of the shares of its capital stock of any class or series thereof now or hereafter authorized for such consideration as may be permitted by law and upon such terms and conditions as the Board of Directors may deem proper in its absolute discretion, and the stock so issued shall be fully paid and not liable to any further call or payment thereof; in the absence of actual fraud in the transaction, the judgment of the Board of Directors as to the value of the property or other consideration received for the shares of capital stock shall be conclusive; and

(e) To borrow money, make, issue and sell, pledge, or otherwise dispose of checks, drafts, bills of exchange, documents of title, bonds, debentures, notes and other evidence of indebtedness of all kinds, whether unsecured or secured by

mortgage, pledge or otherwise of any or all of the assets of the corporation, and without limit as to amount; and generally to mortgage, pledge or sell any stock or other securities or other property held by it, all on such terms and conditions as the Board of Directors;

4. A. The total number of shares of stock which the corporation shall have authority to issue is eighty-one million (81,000,000) shares, divided into two (2) classes as follows:

(i) eighty million (80,000,000) shares, each to be of the par value of one cent ($.01), and to be designated as Common Stock; and

(ii) one million (1,000,000) shares, each to be of the par value of one cent ($.01), and to be designated as Preferred Stock.

B. (i) Each outstanding share of Common Stock shall entitle the holder thereof to five (5) votes on each matter properly submitted to the stockholders of the corporation for their vote, waiver, release or other action; except that no holder of outstanding shares of Common Stock shall be entitled to exercise more than one (1) vote on any such matter in respect of any share of Common Stock with respect to which there has been change in beneficial ownership during the four (4) years immediately preceding the date on which a determination is made of the stockholders of the corporation who are entitled to vote or to take any other action.

(ii) A change in beneficial ownership of an outstanding share of Common Stock shall be deemed to have occurred whenever a change occurs in any person or persons who, directly or indirectly, through any contract,

agreement, arrangement, understanding, relationship or otherwise has or shares any of the following: (a) voting power, which includes, without limitation, the power to vote or to direct the voting power of such share of Common Stock; (b) investment power, which includes, without limitation, the power to direct the sale or other disposition of such shares of Common Stock; (c) the right to receive or to retain the proceeds of any sale or other disposition of such share of Common Stock; or (d) the right to receive or to retain any distributions, including, without limitation, cash dividends, in respect of such share of Common Stock. (iii) Without limiting the generality of the foregoing section (ii) of this subparagraph B, the following events or conditions shall be deemed to involve a change in beneficial ownership of a share of Common Stock: (a) in the absence of proof to the contrary provided in accordance with the procedures set forth in section (v) of this subparagraph B, a change in beneficial ownership shall be deemed to have occurred (1) whenever an outstanding share of Common Stock is transferred of record into the name of any other person and (2) upon the issuance of shares in a public offering;

(b) in the case of an outstanding share of Common Stock held of record in the name of a corporation, general partnership, limited partnership, voting trustee, bank, trust company, broker, nominee or clearing agency, if it has not been established pursuant to the procedures set forth in section (v) of this subparagraph B that there has been no change in the person or persons who or that direct the exercise of the rights referred to in clauses (ii)(a) through (ii)(d), inclusive, of this subparagraph B with respect to such outstanding share of Common Stock during the period of four (4) years immediately preceding the date on which a determination is made of the stockholders of the corporation entitled to vote or to take any other action (or since February 12, 1992 for any period ending on or before February 12, 1992), then a change in beneficial ownership of such share of Common Stock shall be deemed to have occurred during such period; (c) in the case of an outstanding share of Common Stock held of record in the name of any person as a trustee, agent, guardian or custodian under the Uniform Gifts to Minors Act as in effect in any jurisdiction, a change in beneficial ownership shall be deemed to have occurred whenever there is a change in the beneficiary of such trust, the principal of such agent, the ward of such guardian, the minor for whom such custodian is acting or in such trustee, agent, guardian or custodian; or

(d) in the case of outstanding shares of Common Stock beneficially owned by a person or group of persons who, after acquiring, directly or indirectly, the beneficial ownership of five percent (5%) of the outstanding shares of Common Stock, fails to notify the corporation of such ownership within ten (10) days after such acquisition, a change in beneficial ownership of such shares of Common Stock shall be deemed to occur on each day while such failure continues. (iv) Notwithstanding any other provision in this subparagraph B to the contrary, no change in beneficial ownership of an outstanding share of Common Stock shall be deemed to have occurred solely as a result of: (a) any event that occurred prior to February 12, 1992 or pursuant to the terms of any contract (other than a contract for the purchase and sale of shares of Common Stock contemplating prompt settlement), including contracts providing for options, rights of first refusal and similar arrangements, in existence on February 12, 1992 and to which any holder of shares of Common Stock is a party; provided, however, that any exercise by an officer or employee of the -------- ------- corporation or any subsidiary of the corporation of an option to purchase Common Stock after February 12, 1992 shall, notwithstanding the foregoing and clause (iv)(f) hereof, be deemed a change in

beneficial ownership irrespective of when that option was granted to said officer or employee; (b) any transfer of any interest in an outstanding share of Common Stock pursuant to a bequest or inheritance, by operation of law upon the death of any individual, or by any other transfer without valuable consideration, including, without limitation, a gift that is made in good faith and not for the purpose of circumventing the provisions of this Article Fourth; (c) any changes in the beneficiary of any trust, or any distribution of an outstanding share of Common Stock from trust, by reason of the birth, death, marriage or divorce of any natural person, the adoption of any natural person prior to age eighteen (18) or the passage of a given period of time or the attainment by any natural person of a specific age, or the creation or termination of any guardianship or custodial arrangement; (d) any appointment of a successor trustee, agent, guardian or custodian with respect to an outstanding share of Common Stock if neither such successor has nor its predecessor had the power to vote or to dispose of such share of Common Stock without further instructions from others; (e) any change in the person to whom dividends or other distributions in respect of an outstanding share of Common Stock are to be paid pursuant to the issuance or modification of a revocable dividend payment order;

(f) any issuance of a share of Common Stock by the corporation or any transfer by the corporation of a share of Common Stock held in treasury other than in a public offering thereof, unless otherwise determined by the Board of Directors at the time of authorizing such issuance or transfer; (g) any giving of a proxy in connection with a solicitation of proxies subject to the provisions of Section 14 of the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder promulgated; (h) any transfer, whether or not with consideration, among individuals related or formerly related by blood, marriage or adoption ("relatives") or between a relative and any person controlled by one or more relatives where the principal purpose for the transfer is to further the estate tax planning objectives of the transferor or of relatives of the transferor: (i) any appointment of a successor trustee as a result of the death of the predecessor trustee (which predecessor trustee shall have been a natural person); (j) any appointment of a successor trustee who or which was specifically named in a trust instrument prior to February 12, 1992; or

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(k) any appointment of a successor trustee as a result of the resignation, removal or failure to qualify of a predecessor trustee or as a result of mandatory retirement pursuant to the express terms of a trust instrument; provided, that less than fifty percent -------- (50%) of the trustees administering any single trust will have changed (including in such percentage the appointment of the successor trustee) during the four (4) year period preceding the appointment of such successor trustee. (v) For purposes of this subparagraph B, all determinations concerning changes in beneficial ownership, or the absence of any such change, shall be made by the Board of Directors of the corporation or, at any time when the corporation employs a transfer agent with respect to the shares of Common Stock, at the corporation's request, by such transfer agent on the corporation's behalf. Written procedures designed to facilitate such determinations shall be established and may be amended, from time to time, by the Board of Directors. Such procedures shall provide, among other things, the manner of proof of facts that will be accepted and the frequency with which such proof may be required to be renewed. The corporation and any transfer agent shall be entitled to rely on any and all information concerning beneficial ownership of the outstanding shares of Common Stock coming to their attention from any source and in any manner reasonably deemed by them to be reliable, but neither the corporation nor any transfer agent shall be charged with any other knowledge concerning the beneficial ownership of outstanding shares of Common Stock.

(vi) In the event of any stock split or stock dividend with respect to the outstanding shares of Common Stock, each share of Common Stock acquired by reason of such split or dividend shall be deemed to have been beneficially owned by the same person from the same date as that on which beneficial ownership of the outstanding share or shares of Common Stock, with respect to which such share of Common Stock was distributed, was acquired. (vii) Each outstanding share of Common Stock, whether at any particular time the holder thereof is entitled to exercise five (5) votes or one (1) vote, shall be identical to all other shares of Common Stock in all respects, and together the outstanding shares of Common Stock shall constitute a single class of shares of the corporation. C. Authority is hereby granted to the Board of Directors of the corporation to adopt, from time to time, a resolution or resolutions providing for the issuance of shares of Preferred Stock in one or more series; and the Board of Directors is hereby expressly granted and vested with the authority to determine and to fix with respect to each series of Preferred Stock any or all of the designations and the powers, preferences and rights, and the qualifications, limitations or restrictions of such Preferred Stock, including, but not limited to, the determination of the following: (i) the distinctive designation of such series of Preferred Stock and the number of shares which shall constitute such series, which number may be increased (except where otherwise provided by the Board of Directors) or decreased (but not below the number of shares thereof then outstanding) from time to time by the Board of Directors;

(ii) the rate of dividends, if any, payable on the shares of such series of Preferred Stock, the conditions upon which and the dates when such dividends shall be payable, whether such dividends shall be cumulative (and, if so, from which date or dates), and whether payable in preference to dividends payable on any other class or classes of stock or on any other series of Preferred Stock; (iii) whether or not the shares or such series of Preferred Stock shall have voting powers, and, if voting powers are granted, the extent of such voting powers; (iv) whether or not the shares of such series of Preferred Stock shall be redeemable and, if so, the terms and conditions of such redemption, including, but not limited to, the date or dates upon or after which they shall be redeemable and the amount per share payable in case of redemption, which amount may vary under different conditions and at different redemption dates; (v) whether or not the shares of such series of Preferred Stock shall be entitled to the benefit of a retirement fund or sinking fund, and, if so, the terms and conditions of such fund; (vi) whether or not the shares of such series of Preferred Stock shall be convertible into or exchangeable for shares of any other class or classes of stock of the corporation or of any other series of Preferred Stock and, if made so convertible or exchangeable, the time or times, the conversion price or prices, or the rate or

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rates of exchange, and the adjustments thereof, it any, at which such conversion or exchange may be made, and any other terms and conditions of such conversion or exchange; (vii) the rights of the holders of the shares of such series of Preferred Stock upon the voluntary or involuntary liquidation, dissolution or winding-up, or merger, consolidation or distribution or sales of assets of the corporation; (viii) the conditions and restrictions, if any, on the payment of dividends or on the making of other distributions on, or the purchase, redemption or other acquisition by the corporation of the Roper Industries, Inc. Common Stock or of any other class of stock or other series of Preferred Stock of the corporation ranking junior to the shares of such series of Preferred Stock as to dividends or on liquidation; (ix) the conditions and restrictions, if any, on the creation of indebtedness of the corporation or any subsidiary or on the authorization or issue of any additional stock of the corporation ranking on a parity with or prior to the shares of such series of Preferred Stock as to dividends or on liquidation; and, (x) any other preferences and relative, participating, optional or other special rights, and qualifications, limitations or restrictions thereof. D. Subject to the foregoing, the authorized shares of stock of any class of the corporation may be issued by the corporation from time to time and for such consideration, not less than the par value thereof, and upon such terms as may be fixed from time to time by the Board of Directors, and any and all shares so issued, the full consideration for which shall have been paid or delivered, shall be deemed fully-paid and non-assessable stock and shall not be liable to any further call or assessment thereon. E. The holders of stock, as such, of any class of the corporation shall have no preemptive or preferential right to purchase or subscribe for any part of the unissued capital stock of the corporation of any class or for any new issue of stock of any class, whether now or hereafter authorized or issued, or to purchase or subscribe for any bonds or other obligations, whether or not convertible into stock of any class of the corporation, now or hereafter authorized or issued other than such, if any, as the Board of Directors of the corporation from time to time may fix pursuant to the authority hereby conferred by the Certificate of Incorporation of the corporation; and the Board of Directors may issue stock of the corporation, or securities or obligations convertible into stock, without offering such issue of stock or such securities or obligations, either in whole or in part, to the stockholders of the corporation. F. Subject to any limitations contained in the resolution or resolutions providing for the issue of any series of Preferred Stock, the holders of Common Stock shall be entitled to receive, when and as declared by the Board of Directors out of the assets of the corporation which are by law available therefor, dividends payable in cash, in property or in shares of Common Stock. No dividends, other than dividends payable only in shares of Common Stock of the corporation, shall be paid on Common Stock if cash dividends in full to which all outstanding shares of Preferred Stock of all series shall then be entitled for the then current dividend period and (where such dividends are cumulative) for all past dividend periods shall not have been paid or declared and set apart in full.

G. In the event of any voluntary or involuntary liquidation, dissolution or winding-up of the corporation, the holders of Common Stock shall be entitled, after payment or provision for payment of the debts and other liabilities of the corporation and of the amounts to which the holders of the Preferred Stock shall be entitled, to share ratably in the remaining net assets of the corporation. Neither a consolidation nor a merger of the corporation with or into any other corporation; nor a merger of any other corporation with or into the corporation; nor a reorganization of the corporation; nor the purchase or redemption of all or part of the outstanding shares of stock of any class or classes of the corporation; nor the sale or transfer of the property and business of the corporation as, or substantially as, an entity shall be considered a liquidation, dissolution or winding-up of the corporation for purposes of the preceding sentence. Pursuant to the authority conferred upon the Board of Directors by this Article 4, the Certificate of Designation, Preferences and Rights of Series A Preferred Stock set forth as Exhibit A hereto was duly adopted by said Board of Directors on January 8, 1996 and filed with the Secretary of State of the State of Delaware on January 10, 1996. 5. The Board of Directors shall have the power (i) to make, alter or amend the By-laws, subject only to such limitations, if any, as the By-laws of the corporation may from time to time impose; (ii) from time to time to fix and determine and to vary the amount to be reserved as working capital of the corporation, and, before the payment of any dividends or making any distribution or profits, to set aside out of the surplus or net profits of the corporation such sum or sums as the Board may from time to time in its absolute discretion think proper either as additional working capital or as a reserve fund to meet contingencies, or for the repairing or maintaining of any property of the corporation, or for such other corporate purposes as the Board of Directors shall think conducive to the interests of the corporation, subject only to such

limitations, if any, as the By-laws of the corporation may from time to time impose; (iii) from time to time, to the extent now or hereafter permitted by the laws of Delaware, to sell, lease, exchange or otherwise dispose of any part of the property and assets of the corporation which the Board of Directors deems it expedient and for the best interests of the corporation to dispose of, or disadvantageous to continue to own, without assent of the stockholders by vote or otherwise; (iv) to issue or cause to be issued from time to time all or any part of the authorized capital stock of the corporation on such terms and for such consideration as the Board of Directors may determine in its discretion without obtaining the approval of the holders of any of the then outstanding capital stock; (v) pursuant to the affirmative vote of the holders of a majority of the shares of stock issued and outstanding having voting power given at a stockholders' meeting duly called for that purpose, to sell, lease, exchange, or otherwise dispose of all or substantially all of the property and assets of the corporation, including its goodwill and its corporate franchises, upon such terms and conditions as the Board of Directors deems expedient and for the best interest of the corporation; (vi) from time to time to authorize the corporation to borrow money or to pledge the credit of the corporation by guaranty or otherwise, and to issue, sell, pledge, or otherwise deliver or dispose of stock of this or any other corporation, bonds, debentures, notes or other evidences of indebtedness, whether unsecured or secured by mortgage, pledge or other lien of any or all of the assets of the corporation, all on such terms and conditions as the Board of Directors may determine or authorize in its discretion without obtaining the approval of any of the holders of any of the then outstanding capital stock of the corporation and; (vii) to exercise any and all other powers conferred by law or by this certificate or which may be conferred upon the Board of Directors by the corporation through appropriate By- law provisions or otherwise. 6. The Board of Directors, by resolution or resolutions duly adopted by it, may designate one or more committees, each committee to consist of one or more directors of the corporation, which, to the extent provided in the

resolution or resolutions or in the By-laws of the corporation, but subject to any limitations specifically imposed by the laws of Delaware, shall have and may exercise all the powers and authority of the Board of Directors in the management of the business and affairs of the corporation and may authorize the seal of the corporation to be affixed to all papers which may require it. 7. No contract, act or transaction of the corporation with any person, firm or corporation shall be affected or invalidated by reason of the fact that any director or officer of the corporation is a party to or is interested in such contract, act or transaction, or in any way connected with such person, firm or corporation, provided that such interest or connection shall have been disclosed or known to the corporation. Any director of the corporation having any such interest or connection may, nevertheless, be counted in determining the existence of a quorum at any meeting of the Board of Directors or a committee which shall authorize any such contract, act or transaction and may vote thereon with full force and effect. No such officer or director nor any such person, firm or corporation in or with which such director or officer is connected shall be liable to account to the corporation for any profit realized from or through any such contract, act or transaction. 8. (i) Except as otherwise provided in this Certificate of Incorporation or the General Corporation law of the State of Delaware, the business and affairs of the corporation shall be managed by or under the direction of a Board of Directors consisting of such number of members as may be fixed, subject to the rights of the holders of any series of preferred stock then outstanding, from time to time, by the affirmative vote of the majority of the members of the Board of Directors of the corporation, but not less than the minimum number authorized by the State of Delaware. The directors shall be divided into three classes, as nearly equal in number as possible. The directors serving at such time shall designate individual directors as the initial members of such classes, with the term of office of the first class to expire at the 1997 Annual Meeting of Stockholders, the term of office of the second class to expire at the 1998 Annual Meeting of Stockholders and the

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term of office of the third class to expire at the 1999 Annual Meeting of Stockholders. At each Annual Meeting of Stockholders following the initial classification and election, directors elected to succeed those directors whose terms expire shall be elected for a term of office to expire at the third succeeding Annual Meeting of Stockholders after their election. (ii) Subject to the rights of the holders of any series of preferred stock then outstanding, any director, or the entire Board of Directors, may be removed from office at any time, but only for cause and only by the affirmative vote of the holders of at least a majority of the voting power of all of the shares of the corporation entitled to vote for the election of directors. For purposes of this Article 8, cause for removal shall be construed to exist only if the director whose removal is proposed has been convicted of a felony by a court of competent jurisdiction or has been adjudged by a court of competent jurisdiction to be liable for negligence or misconduct in the performance of his duty to the corporation in a matter of substantial importance to the corporation. (iii) Subject to the rights of the holders of any series of preferred stock then outstanding, newly created directorships resulting from any increase in the authorized number of directors or any vacancies in the Board of Directors resulting from death, resignation, retirement, disqualification, removal from office or other cause shall be filled by a majority vote of the directors then in office, and directors so chosen shall hold office for a term expiring at the Annual Meeting of Stockholders at which the term of the class to which they have been elected expires. 9. The corporation reserves the right to amend, alter, change or repeal any provision contained in this Certificate of Incorporation or any

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amendment thereto in the manner now or hereafter prescribed by the laws of the State of Delaware, and all rights conferred on the stockholders hereunder are granted subject to that reservation. 10. The duration of the corporation shall be perpetual. 11. A director of the corporation shall not be personally liable to the corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, except for liability (i) for any breach of the director’s duty of loyalty to the corporation or its stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) under Section 174 of the Delaware General Corporation Law as the same exists or hereafter may be amended or (iv) for any transaction from which the director derived an improper personal benefit. If the Delaware General Corporation Law hereafter is amended to authorize the further elimination or limitation of the liability of directors, then, in addition to the limitation on personal liability provided herein, the liability of a director of the corporation shall be limited to the fullest extent permitted by the amended Delaware General Corporation Law. Any repeal or modification of this paragraph by the stockholders of the corporation shall be prospective only, and shall not adversely affect any limitation on the personal liability of a director of the corporation existing at the time of such repeal or modification. 12. No action required to be taken or which may be taken at any annual or special meeting of stockholders of the corporation may be taken without a meeting, and the power of stockholders of the corporation to take any such action by means of a consent or consents in writing, without a meeting, is specifically denied.

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IN WITNESS WHEREOF, Roper Industries, Inc. has caused this Restated Certificate of Incorporation to be signed by Derrick N. Key, its President, and Shanler D. Cronk, its Secretary, this 10th day of March 1997.

/s/ DERRICK N. KEY

Derrick N. Key, President

/s/ SHANLER D. CRONK

Shanler D.Cronk, Secretary

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EXHIBIT A CERTIFICATE OF DESIGNATION, PREFERENCES AND RIGHTS OF SERIES A PREFERRED STOCK of ROPER INDUSTRIES, INC. Pursuant to Section 151 of the General Corporation Law of the State of Delaware We, Derrick N. Key, President, and John N. Marden, Secretary, of Roper Industries, Inc., a corporation organized and existing under the General Corporation Law of the State of Delaware, in accordance with the provisions of Section 103 thereof, DO HEREBY CERTIFY: That pursuant to the authority conferred upon the Board of Directors by the Certificate of Incorporation of the said Corporation, the said Board of Directors on January 8, 1996, adopted the following resolution creating a series of twenty five thousand (25,000) shares of Preferred Stock designated as Series A Preferred Stock: RESOLVED, that pursuant to the authority vested in the Board of Directors of the Corporation by the Certificate of Incorporation, the Board of Directors does hereby provide for the issue of a series of Preferred Stock, $.01 par value, of the Corporation, to be designated “Series A Preferred Stock” (hereinafter referred to as the “Series A Preferred Stock”), and does hereby fix and herein state and express the designations, powers, preferences and relative and other special

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rights and the qualifications, limitations and restrictions thereof, as follows: Section 1. Designation and Amount. The shares of such series shall ---------------------- be designated as “Series A Preferred Stock” and the number of shares initially constituting such series shall be twenty five thousand (25,000); provided, however, that, if more than a total of twenty five thousand (25,000) shares of Series A Preferred Stock shall be issuable upon the exercise of the Rights (the “Rights”) issued pursuant to the Rights Agreement dated as of January 8, 1996 between the Corporation and SunTrust Bank, Atlanta, as Rights Agent, the Board of Directors of the Corporation, pursuant to Section 151(g) of the General Corporation Law of the State of Delaware, shall direct by resolution or resolutions that a certificate be properly executed, acknowledged, filed and recorded, in accordance with the provisions of Section 103 thereof, providing for the total number of shares of Series A Preferred Stock authorized to be issued to be increased (to the extent the Certificate of Incorporation then permits) to the largest number of whole shares (rounded up to the nearest whole number) issuable upon exercise of the Rights. Section 2. Dividends and Distributions. -------------------------- (A) Subject to the prior and superior rights of the holders of any shares of any series of Preferred Stock ranking prior and superior to the shares of Series A Preferred Stock with respect to dividends, the holders of shares of Series A Preferred Stock shall be entitled to receive, when, as and if declared by the Board of Directors out of funds legally available for the purpose, quarterly dividends payable in cash on the last day of each fiscal quarter in each year or on such dates as the Board of Directors shall approve (each such date being referred to herein as a "Quarterly Dividend Payment Date"), commencing on the first Quarterly Dividend Payment Date after the first issuance of a share or fraction of a share of Series A Preferred Stock, in an amount per share of Series A Preferred Stock (rounded to the nearest cent) equal to the

greater of (i) $.01 or (ii) subject to the provision for adjustment hereinafter set forth, one thousand (1,000) times the aggregate per share amount of all cash dividends, and one thousand (1,000) times the aggregate per share amount (payable in kind) of all non-cash dividends or other distributions other than a dividend payable in shares of Common Stock or a subdivision of the outstanding shares of Common Stock (by reclassification or otherwise), declared on the Common Stock, par value $.01 per share, of the Corporation (the "Common Stock") since the immediately preceding Quarterly Dividend Payment Date, or, with respect to the first Quarterly Dividend Payment Date, since the first issuance of any share or fraction of a share of Series A Preferred Stock. If the Corporation shall at any time after January 8, 1996 (the "Rights Dividend Declaration Date") (i) declare any dividend on Common Stock payable in shares of Common Stock, (ii) subdivide the outstanding Common Stock into a larger number of shares, or (iii) combine the outstanding Common Stock into a smaller number of shares, then in each such case the amount to which holders of shares of Series A Preferred Stock were entitled immediately prior to such event under clause (b) of the preceding sentence shall be adjusted by multiplying such amount by a fraction, the numerator of which is the number of shares of Common Stock outstanding immediately after such event and the denominator of which is the number of shares of Common Stock that were outstanding immediately prior to such event. (B) The Corporation shall declare a dividend or distribution on the Series A Preferred Stock as provided in paragraph (A) above immediately after it declares a dividend or distribution on the Common Stock (other than a dividend payable in shares of Common Stock); provided that, if no dividend or distribution shall have been declared on the Common Stock during the period between any Quarterly Dividend Payment Date and the next subsequent Quarterly Dividend Payment Date, a dividend of $.01 per share on the Series A Preferred Stock shall nevertheless be payable on such subsequent Quarterly Dividend Payment Date.

(C) Dividends shall begin to accrue and be cumulative on outstanding shares of Series A Preferred Stock from the Quarterly Dividend Payment Date next preceding the date of issue of such shares of Series A Preferred Stock, unless the date of issue of such shares is prior to the record date for the first Quarterly Dividend Payment Date, in which case dividends on such shares shall begin to accrue from the date of issue of such shares, or unless the date of issue is a Quarterly Dividend Payment Date or is a date after the record date for the determination of holders of shares of Series A Preferred Stock entitled to receive a quarterly dividend and before such Quarterly Dividend Payment Date, in either of which events such dividends shall begin to accrue and be cumulative from such Quarterly Dividend Payment Date. Accrued but unpaid dividends shall not bear interest. Dividends paid on the shares of Series A Preferred Stock in an amount less than the total amount of such dividends at the time accrued and payable on such shares shall be allocated pro rata on a share-by-share basis among all such shares at the time outstanding. The Board of Directors may fix a record date for the determination of holders of shares of Series A Preferred Stock entitled to receive payment of a dividend or distribution declared thereon, which record date shall be no more than 30 days prior to the date fixed for the payment thereof. Section 3. Voting Rights. The holders of shares of Series A ------------ Preferred Stock shall have the following voting rights: (A) Subject to the provision for adjustment hereinafter set forth, each share of Series A Preferred Stock shall entitle the holder thereof to one thousand (1000) votes on all matters submitted to a vote of the shareholders of the Corporation. If the Corporation shall at any time after the Rights Dividend Declaration Date (i) declare any dividend on Common Stock payable in shares of Common Stock, (ii) subdivide the outstanding Common Stock into a larger number of shares, or (iii) combine the outstanding Common Stock into a smaller number of shares, then in each such case the number of votes per share to which holders of shares of Series A Preferred Stock were entitled immediately prior to such

event shall be adjusted by multiplying such number by a fraction the numerator of which is the number of shares of Common Stock outstanding immediately after such event and the denominator of which is the number of shares of Common Stock that were outstanding immediately prior to such event. (B) Except as otherwise provided herein or by law, the holders of shares of Series A Preferred Stock and the holders of shares of Common Stock shall vote together as one class on all matters submitted to a vote of shareholders of the Corporation. (C) (i) If at any time dividends on any Series A Preferred Stock shall be in arrears in an amount equal to six (6) quarterly dividends thereon, the occurrence of such contingency shall mark the beginning of a period (herein called a "default period") which shall extend until such time when all accrued and unpaid dividends for all previous quarterly dividend periods and for the current quarterly dividend period on all shares of Series A Preferred Stock then outstanding shall have been declared and paid or set apart for payment. During each default period, all holders of Preferred Stock (including holders of the Series A Preferred Stock) with dividends in arrears in an amount equal to six (6) quarterly dividends thereon, voting as a class, irrespective of series, shall have the right to elect two (2) Directors. (ii) During any default period, such voting right of the holders of Series A Preferred Stock may be exercised initially at a special meeting called pursuant to subparagraph (iii) of this Section 3(C) or at any annual meeting of shareholders, and thereafter at annual meetings of shareholders, provided that neither such voting right nor the right of the holders of any other series of Preferred Stock, if any, to increase, in certain cases, the authorized number of Directors shall be exercised unless the holders of ten percent (10%) in number of shares of Preferred Stock

outstanding shall be present in person or by proxy. The absence of a quorum of the holders of Common Stock shall not affect the exercise by the holders of Preferred Stock of such voting right. At any meeting at which the holders of Preferred Stock shall exercise such voting right initially during an existing default period, they shall have the right, voting as a class, to elect Directors to fill such vacancies, if any, in the Board of Directors as may then exist up to two (2) Directors or, if such right is exercised at an annual meeting, to elect two (2) Directors. If the number which may be so elected at any special meeting does not amount to two (2) Directors, the holders of the Preferred Stock shall have the right to make such increase in the number of Directors as shall be necessary to permit the election by them of the two (2) Directors. After the holders of the Preferred Stock shall have exercised their right to elect Directors in any default period and during the continuance of such period, the number of Directors shall not be increased or decreased except by vote of the holders of Preferred Stock as herein provided or pursuant to the rights of any equity securities ranking senior to or pari passu with the Series A Preferred ---- ----- Stock. (iii) Unless the holders of Preferred Stock shall, during an existing default period, have previously exercised their right to elect Directors, the Board of Directors may order, or any shareholder or shareholders owning in the aggregate not less than ten percent (10%) of the total number of shares of Preferred Stock outstanding, irrespective of series, may request, the calling of special meeting of the holders of Preferred Stock, which meeting shall thereupon be called by the President, a Vice-President or the Secretary of the Corporation. Notice of such meeting and of any annual meeting at which holders of Preferred Stock are entitled to vote pursuant to this paragraph (C)(iii) shall be given to each holder of record of Preferred Stock by mailing a copy of such notice to him at his last address as the same appears on the books of the Corporation. Such meeting shall be called for a time not earlier than twenty (20) days and not later than sixty (60) days after such order or request or in default of the calling of such meeting within sixty (60) days after such order

or request, such meeting may be called on similar notice by any shareholder or shareholders owning in the aggregate not less than ten percent (10%) of the total number of shares of Preferred Stock outstanding. Notwithstanding the provisions of this paragraph (C)(iii), no such special meeting shall be called during the period within sixty (60) days immediately preceding the date fixed for the next annual meeting of the shareholders. (iv) In any default period, the holders of Common Stock, and other classes of stock of the Corporation if applicable, shall continue to be entitled to elect the whole number of Directors until the holders of Preferred Stock shall have exercised their right to elect two (2) Directors voting as a class, after the exercise of which right (x) the Directors so elected by the holders of Preferred Stock shall continue in office until their successors shall have been elected by such holders or until the expiration of the default period, and (y) any vacancy in the Board of Directors may (except as provided in paragraph (C)(ii) of this Section 3) be filled by vote of a majority of the remaining Directors theretofore elected by the holders of the class of stock which elected the Director whose office shall have become vacant. References in this paragraph (C) to Directors elected by the holders of a particular class of stock shall include Directors elected by such Directors to fill vacancies as provided in clause (y) of the foregoing sentence. (v) Immediately upon the expiration of a default period, (x) the right of the holders of Preferred Stock as a class to elect Directors shall cease, (y) the term of any Directors elected by the holders of Preferred Stock as a class shall terminate, and (z) the number of Directors shall be such number as may be provided for in the Certificate of Incorporation or By-laws irrespective of any increase made pursuant to the provisions of paragraph (C)(ii) of this Section 3 (such number being subject, however, to change thereafter in any manner provided by law or in the Certificate of Incorporation or By-laws). Any vacancies in the Board of Directors effected by the provisions of clauses (y) and (z) in the

preceding sentence may be filled by a majority of the remaining Directors, even though less than a quorum. (D) Except as set forth herein, holders of Series A Preferred Stock shall have no special voting rights and their consent shall not be required (except to the extent they are entitled to vote with holders of Common Stock as set forth herein) for taking any corporate action. Section 4. Certain Restrictions. -------------------- (A) Whenever quarterly dividends or other dividends or distributions payable on the Series A Preferred Stock as provided in Section 2 are in arrears, thereafter and until all accrued and unpaid dividends and distributions, whether or not declared, on shares of Series A Preferred Stock outstanding shall have been paid in full, the Corporation shall not (i) declare or pay dividends on, make any other distributions on, or redeem or purchase or otherwise acquire for consideration any shares of stock ranking junior (either as to dividends or upon liquidation, dissolution or winding up) to the Series A Preferred Stock; (ii) declare or pay dividends on or make any other distributions on any shares of stock ranking on a parity (either as to dividends or upon liquidation, dissolution or winding up) with the Series A Preferred Stock, except dividends paid ratably on the Series A Preferred Stock and all such parity stock on which dividends are payable or in arrears in proportion to the total amounts to which the holders of all such shares are then entitled;

(iii) redeem or purchase or otherwise acquire for consideration shares of any stock ranking on a parity (either as to dividends or upon liquidation, dissolution or winding up) with the Series A Preferred Stock, provided that the corporation may at any time redeem, purchase or otherwise acquire shares of any such parity stock in exchange for shares of any stock of the Corporation ranking junior (either as to dividends or upon dissolution, liquidation or winding up) to the Series A Preferred Stock; or (iv) purchase or otherwise acquire for consideration any shares of Series A Preferred Stock, or any shares of stock ranking on a parity with the Series A Preferred Stock, except in accordance with a purchase offer made in writing or by publication (as determined by the Board of Directors) to all holders of such shares upon such terms as the Board of Directors, after consideration of the respective annual dividend rates and other relative rights and preferences of the respective series and classes, shall determine in good faith will result in fair and equitable treatment among the respective series or classes.

(B) The Corporation shall not permit any subsidiary of the Corporation to purchase or otherwise acquire for consideration any shares of stock of the Corporation unless the Corporation could, under paragraph (A) of this Section 4, purchase or otherwise acquire such shares at such time and in such manner. Section 5. Reacquired Shares. Any shares of Series A Preferred Stock ----------------- purchased or otherwise acquired by the Corporation in any manner whatsoever shall be retired and cancelled promptly after the acquisition thereof. All such shares shall upon their cancellation become authorized but unissued shares of Preferred Stock and may be reissued as part of a new series of Preferred Stock to be created by resolution or resolutions of the Board of Directors, subject to the conditions and restrictions on issuance set forth herein. Section 6. Liquidation, Dissolution or Winding Up. -------------------------------------- (A) Upon any liquidation (voluntary or otherwise), dissolution or winding up of the Corporation, no distribution shall be made to the holders of shares of stock ranking junior (either as to dividends or upon liquidation, dissolution or winding up) to the Series A Preferred Stock unless, prior thereto, the holders of shares of Series A Preferred Stock shall have received $10 per share, plus an amount equal to accrued and unpaid dividends and distributions thereon, whether or not declared, to the date of such payment (the “Series A Liquidation Preference”). Following the payment of the full amount of the Series A Liquidation Preference, no additional distributions shall be made to the holders of shares of Series A Preferred Stock unless, prior thereto, the holders of shares of Common Stock shall have received an amount per share (the “Common Adjustment”) equal to the quotient obtained by dividing (i) the Series A Liquidation Preference by (ii) one thousand (1000) (as appropriately adjusted as set forth in subparagraph C below to reflect such events as stock splits, stock dividends and recapitalizations with respect to the

Common Stock) (such number in clause (ii), the “Adjustment Number”). Following the payment of the full amount of the Series A Liquidation Preference and the Common Adjustment in respect of all outstanding shares of Series A Preferred Stock and Common Stock, respectively, holders of Series A Preferred Stock and holders of shares of Common Stock shall receive their ratable and proportionate share of the remaining assets to be distributed in the ratio of the Adjustment Number to 1 with respect to such Preferred Stock and Common Stock, on a per share basis, respectively. (B) In the event, however, that there are not sufficient assets available to permit payment in full of the Series A Liquidation Preference and the liquidation preferences of all other series of preferred stock, if any, which rank on a parity with the Series A Preferred Stock, then such remaining assets shall be distributed ratably to the holders of such parity shares in proportion to their respective liquidation preferences. In the event, however, that there are not sufficient assets available to permit payment in full of the Common Adjustment, then such remaining assets shall be distributed ratably to the holders of Common Stock. (C) If the Corporation shall at any time after the Rights Dividend Declaration Date (i) declare any dividend on Common Stock payable in shares of Common Stock, (ii) subdivide the outstanding Common Stock into a larger number of shares, or (iii) combine the outstanding Common Stock into a smaller number of shares, then in each such case the Adjustment Number in effect immediately prior to such event shall be adjusted by multiplying such Adjustment Number by a fraction the numerator of which is the number of shares of Common Stock outstanding immediately after such event and the denominator of which is the number of shares of Common Stock that were outstanding immediately prior to such event. Section 7. Consolidation, Merger, etc. If the Corporation shall -------------------------- enter into any consolidation, merger, combination or other transaction in which the shares of Common Stock are exchanged for or changed into other stock or

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securities, cash and/or any other property, then in any such case the shares of Series A Preferred Stock shall at the same time be similarly exchanged or changed in an amount per share (subject to the provision for adjustment hereinafter set forth) equal to one thousand (1000) times the aggregate amount of stock, securities, cash and/or any other property (payable in kind), as the case may be, into which or for which each share of Common Stock is changed or exchanged. In the event the Corporation shall at any time

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after the Rights Dividend Declaration Date (i) declare any dividend on Common Stock payable in shares of Common Stock, (ii) subdivide the outstanding Common Stock into a larger number of shares, or (iii) combine the outstanding Common Stock into a smaller number of shares, then in each such case the amount set forth in the preceding sentence with respect to the exchange or change of shares of Series A Preferred Stock shall be adjusted by multiplying such amount by a fraction the numerator of which is the number of shares of Common Stock outstanding immediately after such event and the denominator of which is the number of shares of Common Stock that were outstanding immediately prior to such event. Section 8. No Redemption. The shares of Series A Preferred Stock ------------ shall not be redeemable. Section 9. Ranking. The Series A Preferred Stock shall rank junior - ------- to all other series of the Corporation’s Preferred Stock as to the payment of dividends and the distribution of assets, unless the terms of any such series shall provide otherwise. Section 10. Amendment. The Certificate of Incorporation of the --------- Corporation shall not be further amended in any manner which would materially alter or change the powers, preferences or special rights of the Series A Preferred Stock so as to affect them adversely without the affirmative vote of the holders of a majority or more of the outstanding shares of Series A Preferred Stock, voting separately as a class.

Section 11. Fractional Shares. Series A Preferred Stock may be ---------------- issued in fractions of a share which shall entitle the holder, in proportion to such holder’s fractional shares, to exercise voting rights, receive dividends, participate in distributions and to have the benefit of all other rights of holders of Series A Preferred Stock.

IN WITNESS WHEREOF, we have executed and subscribed this Certificate and do affirm the foregoing as true under the penalties of perjury as of the 8th day of January.

/s/ DERRICK N. KEY

Derrick N. Key,
President

Attest:

/s/ JOHN N. MARDEN

John N. Marden,
Secretary

Exhibit 31.2

I, John Humphrey, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Roper Industries, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 9, 2006

/s/ John Humphrey

John Humphrey
Vice President, Chief Financial Officer

EXHIBIT 32.1

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Roper Industries, Inc. (the “Company”) on Form 10-Q for the period ending June 30, 2006, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Brian D. Jellison, Chief Executive Officer of the Company certify, pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, to the best of my knowledge that:

1. The Report fully complies with the requirements of section 13(a) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

This certificate is being made for the exclusive purpose of compliance by the Chief Executive Officer of the Company with the requirements of Section 906 of the Sarbanes-Oxley Act of 2002, and may not be disclosed, distributed or used by any person or for any reason other than specifically required by law.

Date: August 9, 2006

/s/ Brian D. Jellison

Brian D. Jellison
Chairman of the Board, President
and Chief Executive Officer

EXHIBIT 32.2

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Roper Industries, Inc. (the “Company”) on Form 10-Q for the period ending June 30, 2006, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, John Humphrey, Chief Financial Officer of the Company certify, pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, to the best of my knowledge that:

1. The Report fully complies with the requirements of section 13(a) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

This certificate is being made for the exclusive purpose of compliance by the Chief Financial Officer of the Company with the requirements of Section 906 of the Sarbanes-Oxley Act of 2002, and may not be disclosed, distributed or used by any person or for any reason other than specifically required by law.

Date: August 9, 2006

/s/ John Humphrey

John Humphrey
Vice President, Chief Financial Officer

March 31, 2006

Mr. John Humphrey
7977 E. Camino Real
Scottsdale, Arizona 85255

Re: Offer Letter of Employment

Dear John:

This letter is to confirm our offer of employment to join Roper Industries Inc. (“Roper” or the “Company”) as Vice President and Chief Financial Officer beginning April 24, 2006.

Compensation:

- Your annual base salary will be $415,000. Your performance will be measured and reviewed as of December 31 of each year starting December 31, 2006, at which time you will be eligible for a salary review.
- You will be eligible for a 2006 incentive bonus of up to 100% of your annualized base salary.
- You will be eligible to participate in the Roper Stock Option program. You will receive 60,000 options at time of hire. Such options will vest in equal installments over three years.
- You will be eligible to receive restricted stock awards. You will receive 30,000 restricted shares at time of hire as an initial hiring consideration. The shares will vest on a 3-year cliff vesting schedule.
- If your employment is terminated by Roper without “cause” (as hereinafter defined) or due to your death or permanent disability prior to the 3rd anniversary of your start date, these options and shares will immediately vest on the termination date.

Employee Benefits:

- You will be eligible for all Company employee benefits available to Roper’s corporate officers including disability, health, dental, vision, life insurance, a 401-K Plan (subject to its six-month waiting period) under which the Company would make base and matching contributions of up to 7-1/2% of your salary and a non-qualified deferred compensation plan (no waiting period). Details of these and other benefits will be provided in materials that will be sent to you. Coverage will commence on your start date with Roper to the extent permitted under the applicable plans.
- Customary vacation, holidays and business expense reimbursement.
- An Executive Financial Planning allowance will be provided for an advisor of your choice with accreditations: CPA, CFA or JD.

Auto Car Allowance:

- Roper will lease an automobile of your choice for your use under its corporate officer program.

Relocation:

- Roper will reimburse (and gross up) the customary moving and relocation expenses you incur at the time of your relocation and will provide reasonable temporary accommodations per Roper’s policy for corporate officers until your relocation.

Severance:

- If Roper terminates your employment without cause (as used herein, “cause” shall mean your commission of any crime involving the funds or the assets of the Company, your willful breach of the Company’s ethical and other policies and guidelines of conduct applicable to you, your personal conduct or misbehavior which is substantially detrimental or threatening to the reputation, prospects, welfare or security of the Company, or your continued non-performance of duties in the manner requested by the Chief Executive Officer after written notice thereof), you will be entitled to receive one year’s severance (monthly installments) equal to your then-current monthly base salary plus 1 year of medical benefit coverage.

Change of Control:

- If a “change of control” occurs, all stock options, shares of restricted stock, and any other equity-based awards held by you which are described in this letter will become fully vested on the date of such change of control. As used herein, “change of control” shall mean that the control of the majority interest in Roper’s common stock passes to a single individual or entity (including related parties) or that Roper merges with another unrelated company and the shareholders of that other company control more than 50% of the common stock of the merged entity.

John, we look forward to you joining the Roper team.

Sincerely yours,

	Accepted by:
/s/ Brian D. Jellison	/s/ John Humphrey
Brian D. Jellison	John Humphrey
Chairman, President & CEO	Date:

I, Brian D. Jellison, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Roper Industries, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 9, 2006

/s/ Brian D. Jellison

Brian D. Jellison
Chairman of the Board, President
and Chief Executive Officer