

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 8-K

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

April 28, 2014

DATE OF REPORT (DATE OF EARLIEST EVENT REPORTED)

ROPER INDUSTRIES, INC.

(EXACT NAME OF REGISTRANT AS SPECIFIED IN ITS CHARTER)

DELAWARE

(STATE OR OTHER JURISDICTION OF INCORPORATION)

1-12273

51-0263969

(COMMISSION FILE NUMBER)

(IRS EMPLOYER IDENTIFICATION NO.)

**6901 PROFESSIONAL PKWY. EAST, SUITE 200, SARASOTA,
FLORIDA**

34240

(ADDRESS OF PRINCIPAL EXECUTIVE OFFICES)

(ZIP CODE)

(941) 556-2601

(REGISTRANT'S TELEPHONE NUMBER, INCLUDING AREA CODE)

(FORMER NAME OR ADDRESS, IF CHANGED SINCE LAST REPORT)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communication pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.02. Results of Operations and Financial Condition.

On April 28, 2014, Roper Industries, Inc. (the "Company") issued a press release containing information about the Company's results of operations for the quarter ended March 31, 2014. A copy of the press release is furnished as Exhibit 99.1.

In the press release, the Company uses several non-GAAP financial measures: non-GAAP Revenue, non-GAAP Operating Margin, non-GAAP Diluted Earnings per Share, EBITDA and Free Cash Flow.

In the first quarter of 2013, business combination accounting rules required Roper to account for the fair value of deferred revenue assumed in connection with the Sunquest Information Systems, Inc. ("Sunquest") acquisition. The fair value is based on the assumed cost of having a third-party provide the relevant support services rather than the contracted amount under the contracts. Because the fair value is less than the contracted amount, Roper's GAAP revenues for the one year period subsequent to the acquisition did not reflect the full amount of revenue that would have otherwise been recorded by Sunquest had they remained an independent company. The non-GAAP Revenue measure is intended to reflect the full amount that Sunquest would have recognized as revenue, absent the fair value adjustment. The non-GAAP Operating Margin reflects this fair value adjustment as well as the exclusion of expenses related to the Sunquest acquisition. The non-GAAP Diluted Earnings per Share also excludes a debt extinguishment charge incurred in refinancing the existing credit facility, which is recorded as other expense. The Company believes these non-GAAP measures are useful to investors as a measure of the ongoing performance of its business giving effect to the Sunquest transaction.

EBITDA as shown in the press release is defined as net earnings plus (a) interest expense, (b) income taxes and (c) depreciation and amortization. The Company believes EBITDA is an important indicator of operational performance of the Company's business because it provides a link between profitability and operating cash flow. EBITDA as calculated by the Company is not necessarily comparable to similarly titled measures reported by other companies. In addition, EBITDA: (a) does not represent net income or cash flows from operations as defined by GAAP; (b) is not necessarily indicative of cash available to fund the Company's cash flow needs; and (c) should not be considered as an alternative to net earnings, operating income, cash flows from operating activities or the Company's other financial information determined under GAAP. The Company believes that the line on the Company's consolidated statement of operations entitled net earnings is the most directly comparable GAAP measure to EBITDA.

Free Cash Flow is defined as "Cash Provided by Operating Activities" ("Operating Cash Flow") as stated in Roper's Consolidated Statements of Cash Flows, reduced by capital expenditures. The Company believes that Free Cash Flow is useful to investors as a basis for comparing its performance with other companies. Roper's measure of Free Cash Flow may not be comparable to similar measures used by other companies.

Item 9.01. Financial Statements and Exhibits.

(d) *Exhibits.*

99.1 Press Release of the Company dated March 31, 2014.

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 hereunto duly authorized.

Roper Industries, Inc.
(Registrant)

BY: /s/ John Humphrey
John Humphrey,
Vice President and Chief Financial Officer

Date: April 28, 2014

EXHIBIT INDEX

| Exhibit No. | Description |
|--------------------|---|
| 99.1 | Press Release of the Company dated March 31, 2014 |



Roper Industries, Inc.

Roper Industries Announces Record First Quarter Results

**Revenue Increased 13% to \$834 Million
Operating Cash Flow Increased 24% to \$213 Million**

Sarasota, Florida, April 28, 2014 ... Roper Industries, Inc. (NYSE: ROP), a diversified technology company, reported financial results for the first quarter ended March 31, 2014.

Roper reports results, including revenue, operating margin, net income and diluted earnings per share, on a GAAP and adjusted basis. Adjusted measures are reconciled to the corresponding GAAP measures at the end of this release.

First quarter revenue increased 13% to \$834 million. Net earnings for the first quarter were \$147 million, or \$1.46 per diluted share. Operating profit was \$223 million, an increase of 21% over last year's GAAP operating profit and 18% over last year's adjusted operating profit. Orders increased to \$846 million and represented a book-to-bill ratio of 1.01. Operating cash flow in the quarter increased 24% to \$213 million and represented 25% of revenue.

"Our businesses performed exceptionally well in the quarter, with record first quarter performance for orders, revenue, margins and cash flow," said Brian Jellison, Roper's Chairman, President and CEO. "Revenue increased 13%, including 7% organic growth in the quarter. This performance was broad-based, with all four operating segments increasing organic revenue at least 5%."

"Our continued expansion into asset-light medical, technology and service businesses, combined with outstanding execution across the enterprise, resulted in free cash flow of \$202 million, 26% higher than last year's first quarter," continued Mr. Jellison. "EBITDA reached \$274 million and represented 32.8% of revenue. In addition, our balance sheet and financial capacity are in the best shape in our history, and we are encouraged about our prospects for the remainder of the year."

2014 Guidance Update

As a result of its first quarter performance, Roper is increasing its full year diluted earnings per share guidance from \$6.05 - \$6.25 to \$6.22 - \$6.36. Second quarter diluted earnings per share is expected to be \$1.46 - \$1.51. The company's guidance excludes the impact of any future acquisitions.

Use of Non-GAAP Financial Information

The company supplements its consolidated financial statements presented on a GAAP basis with certain non-GAAP financial information to provide investors with greater insight, increase transparency and allow for a more comprehensive understanding of the information used by management in its financial and operational decision-making. Reconciliation of non-GAAP measures to their most directly comparable GAAP measures are included in the accompanying financial schedules or tables. The non-GAAP financial measures disclosed by the company should not be considered a substitute for, or superior to, financial measures prepared in accordance with GAAP, and the financial results prepared in accordance with GAAP and reconciliations from these results should be carefully evaluated.

Table 1: Q1 Revenue Growth Detail

| | Revenue | V% |
|--|---------|------------|
| Q1 2014 GAAP Revenue (A) | \$834 | |
| Q1 2013 GAAP Revenue | \$737 | 13% |
| Sunquest Adjustment to Acquired Deferred Revenue | 4 | |
| Q1 2013 Adjusted Revenue (B) | \$741 | |
| Increase (B)/(A) | | 13% |
| Components of Growth | | |
| Organic | | 7% |
| Acquisitions | | 5% |
| Foreign Exchange | | -- |
| Rounding | | 1% |
| Total Growth | | <u>13%</u> |

Table 2: Free Cash Flow Reconciliation

Q1 2013 Q1 2014 V%

| | | | |
|----------------------------|----------------|----------------|-----|
| Operating Cash Flow | \$171.3 | \$212.6 | 24% |
| Less: Capital Expenditures | (11.2) | (10.5) | |
| Rounding | --- | 0.1 | |
| Free Cash Flow | <u>\$160.1</u> | <u>\$202.2</u> | 26% |

Table 3: EBITDA Reconciliation

| | |
|----------------------------------|----------------|
| | Q1 |
| | <u>2014</u> |
| Revenue (B) | \$834.1 |
| Net Earnings | \$147.2 |
| Add: Interest Expense | 19.8 |
| Add: Income Taxes | 57.8 |
| Add: Depreciation & Amortization | <u>48.7</u> |
| EBITDA (A) | <u>\$273.5</u> |
| | |
| % of Revenue (A) / (B) | 32.8% |

Table 4: Reconciliation of Q1 2013 GAAP Operating Profit to Adjusted Operating Profit

| | <u>Operating Profit</u> | <u>V%</u> |
|--|-------------------------|-----------|
| Q1 2014 GAAP Operating Profit (A) | \$223 | |
| Q1 2013 GAAP Operating Profit | 185 | 21% |
| Sunquest Adjustment to Acquired Deferred Revenue | <u>4</u> | |
| Q1 2013 Adjusted Revenue (B) | \$189 | |
| Increase (B)/(A) | | 18% |

Conference Call to be Held at 8:30 AM (ET) Today

A conference call to discuss these results has been scheduled for 8:30 AM ET on Monday, April 28, 2014. The call can be accessed via webcast or by dialing +1 888-510-1786 (US/Canada) or +1 719-457-2661, using confirmation code 2783016. Webcast information and conference call materials will be made available in the Investors section of Roper's website (www.roperind.com) prior to the start of the call. Telephonic replays will be available for up to two weeks by calling +1 719-457-0820 and using the access code 2783016.

About Roper Industries

Roper Industries is a diversified technology company and is a constituent of the S&P 500, Fortune 1000, and the Russell 1000 indices. Roper provides engineered products and solutions for global niche markets, including software information networks, medical, water, energy, and transportation. Additional information about Roper is available on the company's website at www.roperind.com.

The information provided in this press release contains forward-looking statements within the meaning of the federal securities laws. These forward-looking statements include, among others, statements regarding operating results, the success of our internal operating plans, and the prospects for newly acquired businesses to be integrated and contribute to future growth, profit and cash flow expectations. Forward-looking statements may be indicated by words or phrases such as "anticipate," "estimate," "plans," "expects," "projects," "should," "will," "believes" or "intends" and similar words and phrases. These statements reflect management's current beliefs and are not guarantees of future performance. They involve risks and uncertainties that could cause actual results to differ materially from those contained in any forward-looking statement. Such risks and uncertainties include our ability to integrate acquisitions and realize expected synergies. We also face other general risks, including our ability to realize cost savings from our operating initiatives, general economic conditions, unfavorable changes in foreign exchange rates, difficulties associated with exports, risks associated with our international operations, difficulties in making and integrating acquisitions, risks associated with newly acquired businesses, increased product liability and insurance costs, increased warranty exposure, future competition, changes in the supply of, or price for, parts and components, environmental compliance costs and liabilities, risks and cost associated with asbestos related litigation and potential write-offs of our substantial intangible assets, and risks associated with obtaining governmental approvals and maintaining regulatory compliance for new and existing products. Important risks may be discussed in current and subsequent filings with the SEC. You should not place undue reliance on any forward-looking statements. These statements speak only as of the date they are made, and we undertake no obligation to update publicly any of them in light of new information or future events.

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

| ASSETS | March 31, 2014 | December 31, 2013 |
|---|---------------------------|------------------------------|
| CURRENT ASSETS: | | |
| Cash and cash equivalents | \$ 502,885 | \$ 459,720 |
| Accounts receivable | 514,081 | 519,075 |
| Inventories | 209,383 | 204,923 |
| Unbilled receivable | 95,274 | 86,945 |
| Deferred taxes | 70,069 | 64,464 |
| Other current assets | 40,478 | 38,210 |
| Total current assets | <u>1,432,170</u> | <u>1,373,337</u> |
| PROPERTY, PLANT AND EQUIPMENT, NET | <u>116,590</u> | <u>117,310</u> |
| OTHER ASSETS: | | |
| Goodwill | 4,540,022 | 4,549,998 |
| Other intangible assets, net | 1,997,924 | 2,039,136 |
| Deferred taxes | 27,196 | 28,773 |
| Other assets | 75,801 | 76,427 |
| Total other assets | <u>6,640,943</u> | <u>6,694,334</u> |
| TOTAL ASSETS | <u>\$ 8,189,703</u> | <u>\$ 8,184,981</u> |
| LIABILITIES AND STOCKHOLDERS' EQUITY | | |
| CURRENT LIABILITIES: | | |
| Accounts payable | \$ 144,168 | \$ 150,313 |
| Accrued compensation | 92,820 | 107,953 |
| Deferred revenue | 207,957 | 209,332 |
| Other accrued liabilities | 162,559 | 153,712 |
| Income taxes payable | 43,035 | 4,275 |
| Deferred taxes | 6,511 | 6,490 |
| Current portion of long-term debt | 10,923 | 11,016 |
| Total current liabilities | <u>667,973</u> | <u>643,091</u> |
| NONCURRENT LIABILITIES: | | |
| Long-term debt | 2,304,143 | 2,453,836 |
| Deferred taxes | 771,243 | 783,805 |
| Other liabilities | 89,099 | 91,199 |
| Total liabilities | <u>3,832,458</u> | <u>3,971,931</u> |
| STOCKHOLDERS' EQUITY: | | |
| Common stock | 1,017 | 1,013 |
| Additional paid-in capital | 1,258,910 | 1,229,233 |
| Retained earnings | 3,086,465 | 2,959,196 |
| Accumulated other comprehensive earnings | 30,272 | 43,083 |
| Treasury stock | (19,419) | (19,475) |
| Total stockholders' equity | <u>4,357,245</u> | <u>4,213,050</u> |
| TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY | <u>\$ 8,189,703</u> | <u>\$ 8,184,981</u> |

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

| | Three months ended | |
|--|--------------------|-------------------|
| | March 31, | |
| | <u>2014</u> | <u>2013</u> |
| Net sales | \$ 834,052 | \$ 737,135 |
| Cost of sales | <u>345,116</u> | <u>315,559</u> |
| Gross profit | 488,936 | 421,576 |
| Selling, general and administrative expenses | <u>265,536</u> | <u>236,399</u> |
| Income from operations | 223,400 | 185,177 |
| Interest expense | 19,827 | 20,858 |
| Other income/(expense) | <u>1,420</u> | <u>(2,492)</u> |
| Earnings from continuing operations before income taxes | 204,993 | 161,827 |
| Income taxes | <u>57,767</u> | <u>36,913</u> |
| Net Earnings | <u>\$ 147,226</u> | <u>\$ 124,914</u> |
| Earnings per share: | | |
| Basic | \$ 1.48 | \$ 1.26 |
| Diluted | \$ 1.46 | \$ 1.25 |
| Weighted average common and common equivalent shares outstanding: | | |
| Basic | 99,557 | 98,876 |
| Diluted | <u>100,572</u> | <u>99,986</u> |

Roper Industries, Inc. and Subsidiaries
Selected Segment Financial Data (unaudited)

(Amounts in thousands and percents of net sales)

| | Three months ended March 31, | | | |
|------------------------------|------------------------------|--------------|-------------------|--------------|
| | 2014 | | 2013 | |
| | Amount | % | Amount | % |
| Net sales: | | | | |
| Industrial Technology | \$ 197,001 | | \$ 182,239 | |
| Energy Systems & Controls | 155,171 | | 145,642 | |
| Medical & Scientific Imaging | 256,199 | | 200,444 | |
| RF Technology | 225,681 | | 208,810 | |
| Total | <u>\$ 834,052</u> | | <u>\$ 737,135</u> | |
| Gross profit: | | | | |
| Industrial Technology | \$ 98,470 | 50.0% | \$ 93,311 | 51.2% |
| Energy Systems & Controls | 85,965 | 55.4% | 80,906 | 55.6% |
| Medical & Scientific Imaging | 184,850 | 72.2% | 134,869 | 67.3% |
| RF Technology | 119,651 | 53.0% | 112,490 | 53.9% |
| Total | <u>\$ 488,936</u> | <u>58.6%</u> | <u>\$ 421,576</u> | <u>57.2%</u> |
| Operating profit*: | | | | |
| Industrial Technology | \$ 56,056 | 28.5% | \$ 52,945 | 29.1% |
| Energy Systems & Controls | 37,025 | 23.9% | 35,722 | 24.5% |
| Medical & Scientific Imaging | 89,771 | 35.0% | 59,928 | 29.9% |
| RF Technology | 62,560 | 27.7% | 56,630 | 27.1% |
| Total | <u>\$ 245,412</u> | <u>29.4%</u> | <u>\$ 205,225</u> | <u>27.8%</u> |
| Net Orders: | | | | |
| Industrial Technology | \$ 204,881 | | \$ 179,807 | |
| Energy Systems & Controls | 150,915 | | 157,537 | |
| Medical & Scientific Imaging | 256,340 | | 216,121 | |
| RF Technology | 234,345 | | 240,118 | |
| Total | <u>\$ 846,481</u> | | <u>\$ 793,583</u> | |

* Operating profit is before unallocated corporate general and administrative expenses. These expenses were \$22,012 and \$20,048 for the three months ended March 31, 2014 and 2013, respectively.

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

| | Three months ended | |
|---|---------------------------|-------------------|
| | March 31, | |
| | <u>2014</u> | <u>2013</u> |
| Net earnings | \$ 147,226 | \$ 124,914 |
| Non-cash items: | | |
| Depreciation | 9,666 | 9,342 |
| Amortization | 39,037 | 34,099 |
| Stock-based compensation expense | 14,571 | 12,969 |
| Income taxes | 24,829 | 16,348 |
| Changes in assets and liabilities: | | |
| Receivables | (3,764) | 14,454 |
| Inventory | (4,712) | (11,687) |
| Accounts payable | (5,914) | 1,760 |
| Accrued liabilities | (6,973) | (27,262) |
| Other, net | (1,338) | (3,669) |
| Cash provided by operating activities | <u>212,628</u> | <u>171,268</u> |
| Business acquisitions, net of cash acquired | (2,146) | (2,240) |
| Capital expenditures | (10,478) | (11,205) |
| Other, net | 108 | 235 |
| Cash used by investing activities | <u>(12,516)</u> | <u>(13,210)</u> |
| Principal debt payments | (433) | (52) |
| Revolver payments, net | (150,000) | (100,000) |
| Dividends | (19,863) | - |
| Excess tax benefit from share-based payment | 7,511 | 4,364 |
| Proceeds from stock-based compensation, net | 8,026 | 6,229 |
| Premium on convertible debt conversions | (1,174) | (109) |
| Other, net | 1,302 | 764 |
| Cash used by financing activities | <u>(154,631)</u> | <u>(88,804)</u> |
| Effect of exchange rate changes on cash | <u>(2,316)</u> | <u>(9,822)</u> |
| Net increase in cash and equivalents | 43,165 | 59,432 |
| Cash and equivalents, beginning of period | <u>459,720</u> | <u>370,590</u> |
| Cash and equivalents, end of period | <u>\$ 502,885</u> | <u>\$ 430,022</u> |