

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

July 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 July 28, 2014, Roper Industries, Inc. (the "Company") issued a press release containing information about the Company's results of operations for the quarter ended June 30, 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 Diluted Earnings per Share, EBITDA and Free Cash Flow.

In the second 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 Adjusted Revenue measure is intended to reflect the full amount that Sunquest would have recognized as revenue, absent the fair value adjustment.

In the second quarter of 2013, business combination accounting rules required Roper to account for the fair value of accounts receivable at acquisition date for revenue that was "earned but not recognized" at the date of purchase of Managed Healthcare Associates, Inc. ("MHA"). 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 MHA had they remained an independent company. The Adjusted Revenue measure is intended to reflect the full amount that MHA would have recognized as revenue, absent the fair value adjustment.

The non-GAAP Diluted Earnings per Share reflects both of these fair value adjustments and also excludes a special charge related to a vendor supplied component, which is recorded as operating expense. The Company believes these non-GAAP measures are useful to investors as a measure of the ongoing performance of its business.

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 July 28, 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: July 28, 2014

EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press Release of the Company dated July 28, 2014

Contact Information:

Investor Relations
941-556-2601
investor-relations@roperind.com



Roper Industries, Inc.

Roper Industries Announces Record Second Quarter Results

Diluted Earnings Per Share of \$1.56 Strong Organic Revenue Growth and Margin Performance

Sarasota, Florida, July 28, 2014 ... Roper Industries, Inc. (NYSE: ROP), a diversified technology company, reported financial results for the second quarter ended June 30, 2014.

Roper reports results, including revenue, operating profit, 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.

Second quarter diluted earnings per share (DEPS) were \$1.56, a 41% increase over last year's GAAP DEPS and a 19% increase over last year's adjusted DEPS. Net earnings for the second quarter were \$157 million. Second quarter revenue was \$885 million, a 13% increase over last year's GAAP revenue and 10% higher than last year's adjusted revenue. Operating profit was \$247 million and represented 27.9% of revenue. Orders increased 5% to \$874 million.

Operating cash flow in the quarter was \$141 million. Year-to-date operating cash flow was \$353 million, an increase of 14% over the prior year and represented 21% of revenue. Year-to-date free cash flow was \$333 million, a 15% increase over the prior year.

"Our businesses performed exceptionally well in the quarter, with record second quarter performance for orders, revenue, operating profit and EBITDA," said Brian Jellison, Roper's Chairman, President and CEO. "We generated 8% organic growth in the quarter and all segments grew organically, led by double-digit growth in both our Medical and RF segments. Our continued growth in high margin businesses resulted in exceptional margin performance, as gross margin reached 59.1% and EBITDA margin was 33.3%."

On July 2nd, Roper completed a small acquisition, FoodLink®, a provider of traceability and commerce solutions to the fresh food industry. This acquisition expands and builds upon Roper's leading position providing collaborative trading and web solutions to the food industry.

2014 Guidance Update

As a result of its second quarter performance, Roper is increasing its full year diluted earnings per share guidance from \$6.22 - \$6.36 to \$6.27 - \$6.37. Third quarter diluted earnings per share is expected to be \$1.49 - \$1.53. The company's guidance excludes the impact of 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: Q2 Revenue Growth Detail

	<u>Revenue</u>	<u>V%</u>
Q2 2014 GAAP Revenue	\$885	
Q2 2013 GAAP Revenue	\$784	13%
Purchase Accounting Adjustment for Acquired Revenue (MHA and Sunquest)	<u>21</u>	
Q2 2013 Adjusted Revenue	\$805	10%

Organic	8%
Acquisitions	2%
Foreign Exchange	-%
Total Growth	<u>10%</u>

Table 2: Free Cash Flow Reconciliation

	Q1 2014	Q2 2014	YTD 2014	YTD 2013	YTD V%
Operating Cash Flow	\$212.6	\$140.5	\$353.1	\$311.0	14%
Less: Capital Expenditures	(10.5)	(10.1)	(20.6)	(21.9)	
Rounding	0.1	---	0.1	---	
Free Cash Flow	<u>\$202.2</u>	<u>\$130.4</u>	<u>\$332.6</u>	<u>\$289.1</u>	15%

Table 3: EBITDA Reconciliation

	Q2 2014
Revenue (A)	<u>\$885</u>
Net Earnings	\$157
Add: Interest Expense	\$20
Add: Income Taxes	\$69
Add: Depreciation	\$10
Add: Amortization	\$38
Rounding	<u>\$ 1</u>
EBITDA (B)	<u>\$295</u>
% of Revenue (B) / (A)	33.3%

Table 4: Reconciliation of Q2 2013 GAAP DEPS to Adjusted DEPS

	Diluted Earnings Per Share	V%
Q2 2014 GAAP DEPS	<u>\$1.56</u>	
Q2 2013 GAAP DEPS	\$1.11	41%
Add: Purchase Accounting Adjustment for Acquired Revenue (Sunquest, MHA)	\$0.14	
Add: Special Charge for Vendor-Supplied Component Quality Issue	<u>\$0.06</u>	
Q2 2013 Adjusted DEPS	<u>\$1.31</u>	19%

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, July 28, 2014. The call can be accessed via webcast or by dialing +1 888-539-3612 (US/Canada) or +1 719-325-2454, using confirmation code 5365091. 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 5365091.

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	June 30, 2014	December 31, 2013
CURRENT ASSETS:		
Cash and cash equivalents	\$ 565,282	\$ 459,720
Accounts receivable	518,378	519,075
Inventories	212,050	204,923
Unbilled receivable	106,788	86,945
Deferred taxes	63,804	64,464
Other current assets	58,223	38,210
Total current assets	<u>1,524,525</u>	<u>1,373,337</u>
PROPERTY, PLANT AND EQUIPMENT, NET	<u>116,394</u>	<u>117,310</u>
OTHER ASSETS:		
Goodwill	4,551,535	4,549,998
Other intangible assets, net	1,966,143	2,039,136
Deferred taxes	25,639	28,773
Other assets	77,910	76,427
Total other assets	<u>6,621,227</u>	<u>6,694,334</u>
TOTAL ASSETS	<u>\$ 8,262,146</u>	<u>\$ 8,184,981</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts payable	\$ 147,661	\$ 150,313
Accrued compensation	97,847	107,953
Deferred revenue	216,106	209,332
Other accrued liabilities	154,910	153,712
Income taxes payable	-	4,275
Deferred taxes	7,764	6,490
Current portion of long-term debt	10,984	11,016
Total current liabilities	<u>635,272</u>	<u>643,091</u>
NONCURRENT LIABILITIES:		
Long-term debt	2,233,809	2,453,836
Deferred taxes	755,842	783,805
Other liabilities	89,208	91,199
Total liabilities	<u>3,714,131</u>	<u>3,971,931</u>
STOCKHOLDERS' EQUITY:		
Common stock	1,020	1,013
Additional paid-in capital	1,292,466	1,229,233
Retained earnings	3,223,818	2,959,196
Accumulated other comprehensive earnings	50,075	43,083
Treasury stock	(19,364)	(19,475)
Total stockholders' equity	<u>4,548,015</u>	<u>4,213,050</u>
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	<u>\$ 8,262,146</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		Six months ended	
	June 30,		June 30,	
	2014	2013	2014	2013
Net sales	\$ 885,175	\$ 784,010	\$ 1,719,227	\$ 1,521,145
Cost of sales	<u>361,993</u>	<u>338,503</u>	<u>707,109</u>	<u>654,062</u>
Gross profit	523,182	445,507	1,012,118	867,083
Selling, general and administrative expenses	<u>276,516</u>	<u>265,761</u>	<u>542,052</u>	<u>502,160</u>
Income from operations	246,666	179,746	470,066	364,923
Interest expense	19,512	22,361	39,339	43,219
Other income/(expense)	<u>(930)</u>	<u>2,536</u>	<u>490</u>	<u>44</u>
Earnings from continuing operations before income taxes	226,224	159,921	431,217	321,748
Income taxes	<u>68,863</u>	<u>48,568</u>	<u>126,630</u>	<u>85,481</u>
Net Earnings	<u>\$ 157,361</u>	<u>\$ 111,353</u>	<u>\$ 304,587</u>	<u>\$ 236,267</u>
Earnings per share:				
Basic	\$ 1.58	\$ 1.12	\$ 3.05	\$ 2.39
Diluted	\$ 1.56	\$ 1.11	\$ 3.02	\$ 2.36
Weighted average common and common equivalent shares outstanding:				
Basic	99,881	99,089	99,720	98,983
Diluted	<u>100,823</u>	<u>100,162</u>	<u>100,696</u>	<u>100,071</u>

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

	Six months ended	
	June 30,	
	2014	2013
Net earnings	\$ 304,587	\$ 236,267
Non-cash items:		
Depreciation	20,089	18,742
Amortization	77,495	71,794
Stock-based compensation expense	30,013	26,284
Income taxes	(42,664)	(17,925)
Changes in assets and liabilities:		
Receivables	(19,675)	(1,847)
Inventory	(6,515)	(10,362)
Accounts payable	(2,871)	1,012
Accrued liabilities	(4,045)	(10,103)
Other, net	(3,284)	(2,855)
Cash provided by operating activities	<u>353,130</u>	<u>311,007</u>
Business acquisitions, net of cash acquired	(2,726)	(1,007,513)
Capital expenditures	(20,560)	(21,889)
Other, net	526	1,314
Cash used by investing activities	<u>(22,760)</u>	<u>(1,028,088)</u>
Principal debt borrowings	-	800,000
Principal debt payments	(561)	(1,671)
Revolver payments, net	(220,000)	(58,000)
Debt issuance costs	-	(7,517)
Dividends	(39,821)	(16,338)
Excess tax benefit from share-based payment	12,058	5,654
Proceeds from stock-based compensation, net	21,686	10,998
Premium on convertible debt conversions	(1,518)	(4,040)
Other, net	1,811	1,826
Cash provided by/(used by) financing activities	<u>(226,345)</u>	<u>730,912</u>
Effect of exchange rate changes on cash	<u>1,537</u>	<u>(9,850)</u>
Net increase in cash and equivalents	105,562	3,981
Cash and equivalents, beginning of period	<u>459,720</u>	<u>370,590</u>
Cash and equivalents, end of period	<u>\$ 565,282</u>	<u>\$ 374,571</u>

Roper Industries, Inc. and Subsidiaries
Selected Segment Financial Data (unaudited)
(Amounts in thousands and percents of net sales)

	Three months ended June 30,				Six months ended June 30,			
	2014		2013		2014		2013	
	Amount	%	Amount	%	Amount	%	Amount	%
Net sales:								
Industrial Technology	\$ 204,814		\$ 197,543		\$ 401,815		\$ 379,782	
Energy Systems & Controls	165,868		155,331		321,039		300,973	
Medical & Scientific Imaging	268,891		207,957		525,090		408,401	
RF Technology	245,602		223,179		471,283		431,989	
Total	<u>\$ 885,175</u>		<u>\$ 784,010</u>		<u>\$ 1,719,227</u>		<u>\$ 1,521,145</u>	
Gross profit:								
Industrial Technology	\$ 103,982	50.8%	\$ 101,844	51.6%	\$ 202,452	50.4%	\$ 195,155	51.4%
Energy Systems & Controls	95,857	57.8%	87,421	56.3%	181,822	56.6%	168,327	55.9%
Medical & Scientific Imaging	194,756	72.4%	138,416	66.6%	379,606	72.3%	273,285	66.9%
RF Technology	128,587	52.4%	117,826	52.8%	248,238	52.7%	230,316	53.3%
Total	<u>\$ 523,182</u>	<u>59.1%</u>	<u>\$ 445,507</u>	<u>56.8%</u>	<u>\$ 1,012,118</u>	<u>58.9%</u>	<u>\$ 867,083</u>	<u>57.0%</u>
Operating profit*:								
Industrial Technology	\$ 60,438	29.5%	\$ 50,580	25.6%	\$ 116,494	29.0%	\$ 103,525	27.3%
Energy Systems & Controls	44,786	27.0%	41,634	26.8%	81,811	25.5%	77,356	25.7%
Medical & Scientific Imaging	94,381	35.1%	47,537	22.9%	184,152	35.1%	107,465	26.3%
RF Technology	71,272	29.0%	60,729	27.2%	133,832	28.4%	117,359	27.2%
Total	<u>\$ 270,877</u>	<u>30.6%</u>	<u>\$ 200,480</u>	<u>25.6%</u>	<u>\$ 516,289</u>	<u>30.0%</u>	<u>\$ 405,705</u>	<u>26.7%</u>
Net Orders:								
Industrial Technology	\$ 200,248		\$ 204,506		\$ 405,129		\$ 384,313	
Energy Systems & Controls	166,041		159,955		316,934		317,492	
Medical & Scientific Imaging	271,800		210,233		528,140		426,353	
RF Technology	235,828		241,817		470,173		481,935	
Total	<u>\$ 873,917</u>		<u>\$ 816,511</u>		<u>\$ 1,720,376</u>		<u>\$ 1,610,093</u>	

* Operating profit is before unallocated corporate general and administrative expenses. These expenses were \$24,211 and \$20,734 for the three months ended June 30, 2014 and 2013, respectively and \$46,223 and \$40,782 for the six months ended June 30, 2014 and 2013, respectively.