

ModernGraham Valuation

Company Name:

ANSYS, Inc.

Company Ticker ANSS

Date of Analysis

8/19/2015



Stage 1: Is this company suitable for the Defensive Investor or the Enterprising Investor?

Defensive Investor; must pass 6 out of the following 7 tests.

1. Adequate Size of the Enterprise	Market Cap > \$2Bil	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	Pass
3. Earnings Stability	Positive EPS for 10 years prior	Pass
4. Dividend Record	Dividend Payments for 10 years prior	Fail
	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	Pass
5. Earnings Growth	PEmg < 20	Fail
6. Moderate PEmg Ratio	PB Ratio < 2.5 OR PB*PEmg < 50	Fail
7. Moderate Price to Assets		

Enterprising Investor; must pass 4 out of the following 5 tests, or be suitable for the Defensive Investor.

1. Sufficiently Strong Financial Condition	Current Ratio > 1.5	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	Pass
3. Earnings Stability	Positive EPS for 5 years prior	Pass
4. Dividend Record	Currently Pays Dividend	Fail
5. Earnings Growth	EPSmg greater than 5 years ago	Pass

Suitability

Defensive	No
Enterprising	Yes

Stage 2: Determination of Intrinsic Value

EPSmg	2.67
MG Growth Estimate	10.50%
MG Value	\$78.61
MG Value based on 3% Growth	\$38.65
MG Value based on 0% Growth	\$22.66
Market Implied Growth Rate	13.75%

MG Opinion

Current Price	\$95.96
% of Intrinsic Value	122.07%
Opinion	Overvalued

Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	\$6.60
PEmg	36.00
Current Ratio	2.58
PB Ratio	3.93
Dividend Yield	0.00%
Number of Consecutive Years of Dividend Growth	0

Useful Links:

ModernGraham tagged articles	Morningstar
Google Finance	MSN Money
Yahoo Finance	Seeking Alpha
GuruFocus	SEC Filings

EPS History		EPSmg History	
Next Fiscal Year Estimate	\$3.05	Next Fiscal Year Estimate	\$2.67
Dec14	\$2.70	Dec14	\$2.38
Dec13	\$2.58	Dec13	\$2.12
Dec12	\$2.14	Dec12	\$1.81
Dec11	\$1.91	Dec11	\$1.57
Dec10	\$1.64	Dec10	\$1.29
Dec09	\$1.27	Dec09	\$1.04
Dec08	\$1.29	Dec08	\$0.86
Dec07	\$1.02	Dec07	\$0.61
Dec06	\$0.19	Dec06	\$0.41
Dec05	\$0.65	Dec05	\$0.48
Dec04	\$0.53	Dec04	\$0.37
Dec03	\$0.34	Dec03	\$0.29
Dec02	\$0.31	Dec02	\$0.25
Dec01	\$0.22	Dec01	\$0.22
Dec00	\$0.25	Dec00	\$0.19
Dec99	\$0.22	Dec99	\$0.14
Dec98	\$0.17	Balance Sheet Information Jun15	
Dec97	\$0.11	Total Current Assets	\$1,110,355,000
Dec96	\$0.02	Total Current Liabilities	\$430,310,000
Dec95	\$0.00	Long-Term Debt	\$0
		Total Assets	\$2,746,030,000
		Intangible Assets	\$1,544,970,000
		Total Liabilities	\$504,725,000
		Shares Outstanding (Diluted Average)	91,726,000



Disclaimer:

This valuation is not investment advice. Anyone who is considering making an investment decision should speak to a registered investment advisor.

The author did not hold a position in any company mentioned in this article at the time of publication and had no intention of changing those holdings within the next 72 hours.

Recommended Reading:

Other
ModernGraham
posts about the
company

#N/A

Other
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companies

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[Yahoo Inc. Quarterly Valuation – May 2015 \\$YHOO](#)