

ModernGraham Valuation

Company Name:

ANSYS, Inc.

Company Ticker ANSS

Date of Analysis

11/19/2015



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	\$8,045,179,731	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	2.54	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	226.00%	Pass
5. Earnings Growth	PEmg < 20	35.04	Fail
6. Moderate PEmg Ratio	PB Ratio < 2.5 OR PB*PEmg < 50	3.78	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	2.54	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	0.00	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	\$2.61
MG Growth Estimate	9.92%
MG Value	\$73.85
MG Value based on 3% Growth	\$37.78
MG Value based on 0% Growth	\$22.15
Market Implied Growth Rate	13.27%

MG Opinion

Current Price	\$91.29
% of Intrinsic Value	123.61%
Opinion	Overvalued

Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	\$6.06
Graham Number	\$40.06
PEmg	35.04
Current Ratio	2.54
PB Ratio	3.78
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	\$2.87	Next Fiscal Year Estimate	\$2.61
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 Sep15	
Dec97	\$0.11	Total Current Assets	\$1,045,264,000
Dec96	\$0.02	Total Current Liabilities	\$411,957,000
Dec95	\$0.00	Long-Term Debt	\$0
		Total Assets	\$2,701,566,000
		Intangible Assets	\$1,567,771,000
		Total Liabilities	\$489,970,000
		Shares Outstanding (Diluted Average)	91,593,000





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:

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posts about the
company

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[Ansys Inc. Analysis – Initial Coverage \\$ANSS](#)

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