ModernGraham Valuation

Company Name:

Roper Technologies Inc.



3.35 Fail

Company Ticker Date of Analysis

1/26/2016

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.

5. Earnings Growth

6. Moderate PEmg Ratio

7. Moderate Price to Assets

ROP

 Adequate Size of the Enterprise 	Market Cap > \$2Bil	\$16,758,570,236 Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	2.51 Pass
3. Earnings Stability	Positive EPS for 10 years prior	Pass
4. Dividend Record	Dividend Payments for 10 years prior	Pass
	Increase of 33% in EPS in past 10	

Increase of 33% in EPS in past 10
years using 3 year averages at
beginning and end 135.55% Pass
PEmg < 20 28.52 Fail

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	2.51 Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	2.82 Fail
3. Earnings Stability	Positive EPS for 5 years prior	Pass
4. Dividend Record	Currently Pays Dividend	Pass
5. Earnings Growth	EPSmg greater than 5 years ago	Pass

PB Ratio < 2.5 OR PB*PEmg < 50

Suitability

Defensive No Enterprising Yes

Stage 2: Determination of Intrinsic Value

EPSmg	\$5.93
MG Growth Estimate	10.93%
MG Value	\$180.15
MG Value based on 3% Growth	\$86.05
MG Value based on 0% Growth	\$50.44
Market Implied Growth Rate	10.01%

MG Opinion

Current Price \$169.28 % of Intrinsic Value 93.96% Opinion Fairly Valued

Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$26.14
Graham Number	\$87.25
PEmg	28.52
Current Ratio	2.51
PB Ratio	3.35
Dividend Yield	0.71%
Number of Consecutive Years of Dividend Growth	2

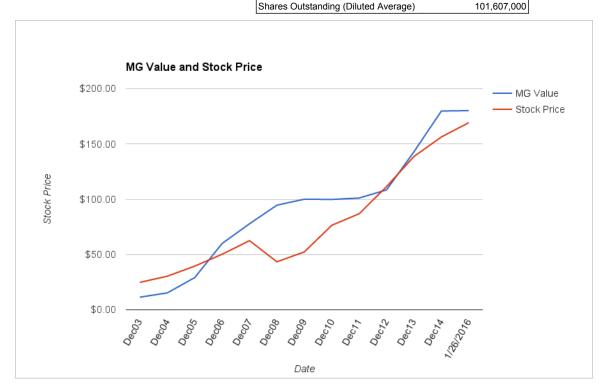
Useful Links: ModernGraham tagged articles Morningstar

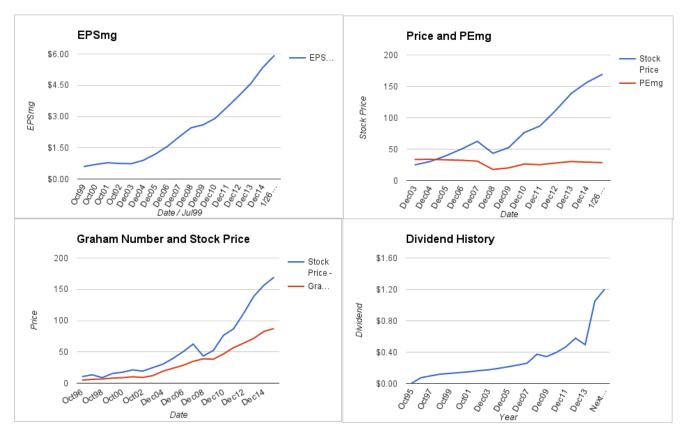
 Google Finance
 MSN Money

 Yahoo Finance
 Seeking Alpha

 GuruFocus
 SEC Filings

EPS History		EPSmg History		
Next Fiscal Year Estimate	\$6.65	Next Fiscal Year Estimate		\$5.93
Dec14	\$6.40	Dec14		\$5.34
Dec13	\$5.37	Dec13		\$4.57
Dec12	\$4.86	Dec12		\$3.99
Dec11	\$4.34	Dec11		\$3.43
Dec10	\$3.34	Dec10		\$2.90
Dec09	\$2.58	Dec09		\$2.60
Dec08	\$3.01	Dec08		\$2.46
Dec07	\$2.68	Dec07		\$2.02
Dec06	\$2.13	Dec06		\$1.56
Dec05	\$1.74	Dec05		\$1.20
Dec04	\$1.24	Dec04		\$0.90
Dec03	\$0.71	Dec03		\$0.74
Oct02	\$0.63	Oct02		\$0.75
Oct01	\$0.89	Oct01		\$0.78
Oct00	\$0.79	Oct00		\$0.70
Oct99	\$0.77	Oct99		\$0.60
Oct98	\$0.62	Balance Sheet Information	Sep15	
Oct97	\$0.58	Total Current Assets		\$1,647,879,000
Oct96	\$0.47	Total Current Liabilities		\$657,032,000
Oct95	\$0.00	Long-Term Debt		\$2,792,067,000
		Total Assets		\$9,432,999,000
		Intangible Assets		\$7,572,554,000
		Total Liabilities		\$4,304,094,000
		Shares Outstanding (Diluted Average)		101,607,000





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 15 Best Stocks For Value Investors This Week – 9/4/15

Roper Technologies Inc. Analysis – September 2015 Update \$ROP

The Best Companies of the Machinery Industry – August 2015

Roper Industries Analysis – June 2015 Quarterly Update \$ROP

34 Companies in the Spotlight This Week – 2/7/15

Other ModernGraham posts about related companies

W W Grainger Inc Valuation – January 2016 Update \$GWW

Deere & Company Valuation – January 2016 Update \$DE

Cummins Inc Valuation – December 2015 Update \$CMI

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Fastenal Co Valuation - November 2015 Update \$FAST

Pentair PLC Valuation – November 2015 Update \$PNR

A.O. Smith Corp Valuation – November 2015 Update \$AOS

Danaher Corporation Valuation – November 2015 Update \$DHR

AGCO Corporation Valuation – November 2015 Update \$AGCO

Snap-on Inc. Valuation - November 2015 Update \$SNA