

ModernGraham Valuation

Company Name:

AMETEK, Inc.

Company Ticker AME

Date of Analysis

2/3/2016



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.

1. Adequate Size of the Enterprise	Market Cap > \$2Bil	\$11,077,479,624 Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.72 Fail
3. Earnings Stability	Positive EPS for 10 years prior	Pass
4. Dividend Record	Dividend Payments for 10 years prior	Pass
5. Earnings Growth	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	156.24% Pass
6. Moderate PEmg Ratio	PEmg < 20	20.19 Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	3.30 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	1.72 Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	2.44 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

Suitability

Defensive	No
Enterprising	Yes

Stage 2: Determination of Intrinsic Value

EPSmg	\$2.24
MG Growth Estimate	12.83%
MG Value	\$76.68
MG Value based on 3% Growth	\$32.55
MG Value based on 0% Growth	\$19.08
Market Implied Growth Rate	5.85%

MG Opinion

Current Price	\$45.33
% of Intrinsic Value	59.11%
Opinion	Undervalued

Stage 3: Information for Further Research

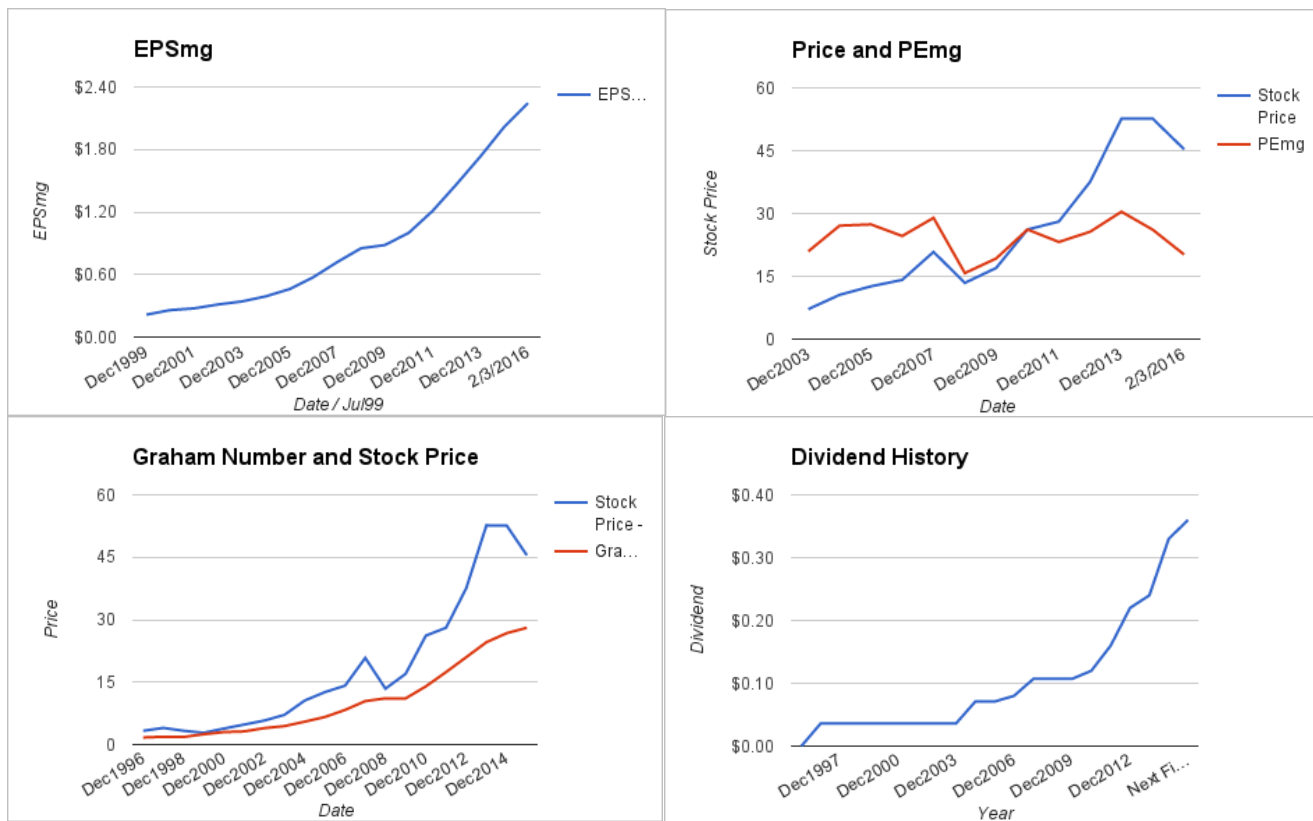
Net Current Asset Value (NCAV)	-\$7.20
Graham Number	\$28.06
PEmg	20.19
Current Ratio	1.72
PB Ratio	3.30
Dividend Yield	0.79%
Number of Consecutive Years of Dividend Growth	6

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Google Finance	MSN Money
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EPS History		EPSmg History	
Next Fiscal Year Estimate	\$2.51	Next Fiscal Year Estimate	\$2.24
Dec2014	\$2.37	Dec2014	\$2.02
Dec2013	\$2.10	Dec2013	\$1.73
Dec2012	\$1.88	Dec2012	\$1.47
Dec2011	\$1.58	Dec2011	\$1.21
Dec2010	\$1.18	Dec2010	\$1.00
Dec2009	\$0.85	Dec2009	\$0.88
Dec2008	\$1.02	Dec2008	\$0.85
Dec2007	\$0.94	Dec2007	\$0.72
Dec2006	\$0.76	Dec2006	\$0.57
Dec2005	\$0.57	Dec2005	\$0.46
Dec2004	\$0.47	Dec2004	\$0.39
Dec2003	\$0.37	Dec2003	\$0.34
Dec2002	\$0.37	Dec2002	\$0.31
Dec2001	\$0.29	Dec2001	\$0.28
Dec2000	\$0.31	Dec2000	\$0.26
Dec1999	\$0.27	Dec1999	\$0.21
Dec1998	\$0.18	<div><div>Balance Sheet Information</div><div>Sep2015</div></div>	
Dec1997	\$0.22	Total Current Assets	\$1,590,740,000
Dec1996	\$0.23	Total Current Liabilities	\$925,477,000
Dec1995	\$0.00	Long-Term Debt	\$1,621,812,000
		Total Assets	\$6,644,024,000
		Intangible Assets	\$4,422,123,000
		Total Liabilities	\$3,328,755,000
		Shares Outstanding (Diluted Average)	241,238,000





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.

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