

ModernGraham Valuation

Company Name:

ANSYS, Inc.

Company Ticker ANSS

Date of Analysis

6/12/2016



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	\$7,569,394,819	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	2.36	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	150.56%	Pass
5. Earnings Growth	PEmg < 20	29.83	Fail
6. Moderate PEmg Ratio	PB Ratio < 2.5 OR PB*PEmg < 50	3.53	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	2.36	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	\$2.93
MG Growth Estimate	9.36%
MG Value	\$79.81
MG Value based on 3% Growth	\$42.52
MG Value based on 0% Growth	\$24.93
Market Implied Growth Rate	10.66%

MG Opinion

Current Price	\$87.47
% of Intrinsic Value	109.59%
Opinion	Fairly Valued
MG Grade	C+

Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	\$6.59
Graham Number	\$44.78
PEmg	29.83
Current Ratio	2.36
PB Ratio	3.53
Current Dividend	\$0.00
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

EPS History		EPSmg History	
Next Fiscal Year Estimate	\$3.51	Next Fiscal Year Estimate	\$2.93
Dec2015	\$2.76	Dec2015	\$2.57
Dec2014	\$2.70	Dec2014	\$2.38
Dec2013	\$2.58	Dec2013	\$2.12
Dec2012	\$2.14	Dec2012	\$1.81
Dec2011	\$1.91	Dec2011	\$1.57
Dec2010	\$1.64	Dec2010	\$1.29
Dec2009	\$1.27	Dec2009	\$1.04
Dec2008	\$1.29	Dec2008	\$0.86
Dec2007	\$1.02	Dec2007	\$0.61
Dec2006	\$0.19	Dec2006	\$0.41
Dec2005	\$0.65	Dec2005	\$0.48
Dec2004	\$0.53	Dec2004	\$0.37
Dec2003	\$0.34	Dec2003	\$0.29
Dec2002	\$0.31	Dec2002	\$0.25
Dec2001	\$0.22	Dec2001	\$0.22
Dec2000	\$0.25	Dec2000	\$0.19
Dec1999	\$0.22	Balance Sheet Information 3/1/2016	
Dec1998	\$0.17	Total Current Assets	\$1,118,679,000
Dec1997	\$0.11	Total Current Liabilities	\$474,824,000
Dec1996	\$0.02	Long-Term Debt	\$0
		Total Assets	\$2,758,828,000
		Intangible Assets	\$1,543,806,000
		Total Liabilities	\$524,925,000
		Shares Outstanding (Diluted Average)	90,084,000





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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