

# ModernGraham Valuation

Company Name:

AMETEK, Inc.

Company Ticker AME

Date of Analysis

4/23/2018



## 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	\$17,326,052,345	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.70	Fail
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 years using 3 year averages at beginning and end	123.45%	Pass
5. Earnings Growth			
6. Moderate PEmg Ratio	PEmg < 20	27.89	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	4.32	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	1.70	Pass
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	2.34	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 Score		Pass

### Suitability

<b>Defensive</b>	<b>No</b>
<b>Enterprising</b>	<b>Yes</b>

## Stage 2: Determination of Intrinsic Value

EPSmg	\$2.68
MG Growth Estimate	4.97%
<b>MG Value</b>	<b>\$49.49</b>
MG Value based on 3% Growth	\$38.91
MG Value based on 0% Growth	\$22.81
Market Implied Growth Rate	9.69%

### MG Opinion

Current Price	\$74.83
% of Intrinsic Value	151.20%
<b>Opinion</b>	<b>Overvalued</b>
<b>MG Grade</b>	<b>C</b>

## Stage 3: Information for Further Research

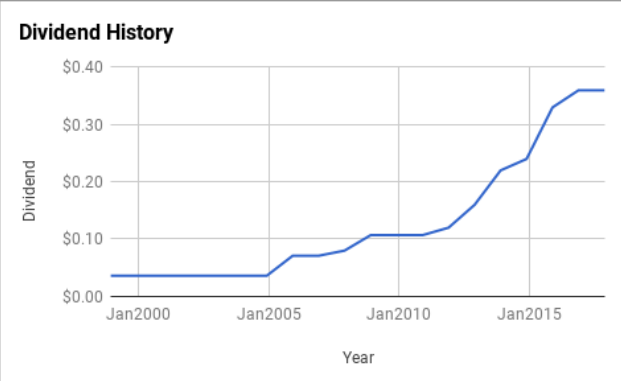
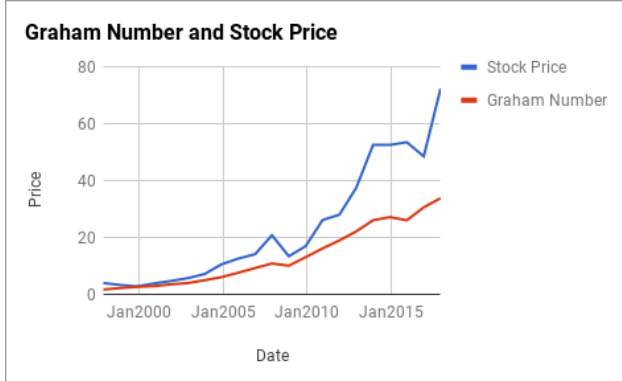
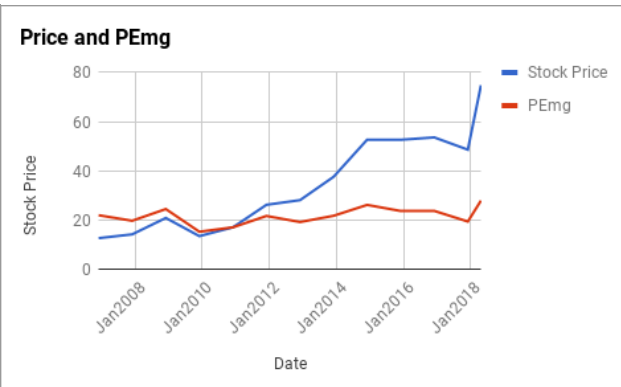
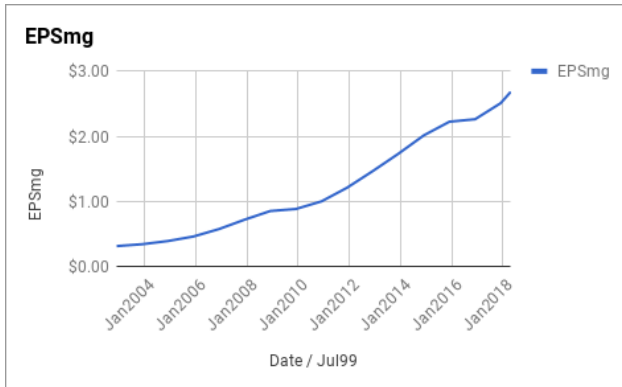
Net Current Asset Value (NCAV)	-\$7.89
Graham Number	\$33.89
PEmg	27.89
Current Ratio	1.70
PB Ratio	4.32
Current Dividend	\$0.36
Dividend Yield	0.48%
Number of Consecutive Years of Dividend Growth	0

### Useful Links:

<a href="#">ModernGraham tagged articles</a>	<a href="#">Morningstar</a>
<a href="#">Google Finance</a>	<a href="#">MSN Money</a>
<a href="#">Yahoo Finance</a>	<a href="#">Seeking Alpha</a>
<a href="#">GuruFocus</a>	<a href="#">SEC Filings</a>

EPS History		EPSmg History	
Next Fiscal Year Estimate	\$2.93	Next Fiscal Year Estimate	\$2.68
Dec2017	\$2.94	Dec2017	\$2.51
Dec2016	\$2.19	Dec2016	\$2.26
Dec2015	\$2.45	Dec2015	\$2.22
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	<b>Balance Sheet Information 12/1/2017</b>	
Dec2000	\$0.31	Total Current Assets	\$1,934,655,000
Dec1999	\$0.27	Total Current Liabilities	\$1,138,663,000
Dec1998	\$0.18	Long-Term Debt	\$1,866,166,000
		Total Assets	\$7,796,064,000
		Intangible Assets	\$5,128,984,000
		Total Liabilities	\$3,768,431,000
		Shares Outstanding (Diluted Average)	232,535,000





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

- [AMETEK Inc Valuation – December 2016 \\$AME](#)
- [Ametek Inc Valuation – August 2016 \\$AME](#)
- [5 Undervalued Stocks Near Lows for Enterprising Value Investors – Aug 2016](#)
- [5 Companies for Enterprising Investors Near 52 Week Lows – June 2016](#)
- [26 Best Stocks For Value Investors This Week – 2/6/16](#)

Other ModernGraham posts about related companies

- [FLIR Systems Inc Valuation – April 2018 \\$FLIR](#)
- [NetApp Inc Valuation – April 2018 \\$NTAP](#)
- [Applied Materials Inc Valuation – April 2018 \\$AMAT](#)
- [Broadcom Inc Valuation – April 2018 \\$AVGO](#)
- [Microchip Technology Inc Valuation – April 2018 \\$MCHP](#)
- [KLA-Tencor Corp Valuation – March 2018 \\$KLAC](#)
- [TE Connectivity Ltd Valuation – March 2018 \\$TEL](#)
- [Juniper Networks Inc Valuation – March 2018 \\$JNPR](#)
- [NVIDIA Corp Valuation – March 2018 \\$NVDA](#)
- [Seagate Technology PLC Valuation – March 2018 \\$STX](#)