

ModernGraham Valuation

Company Name:

ANSYS, Inc.

Company Ticker ANSS

Date of Analysis

1/11/2019



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	\$12,930,910,000	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	2.71	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	117.84%	Pass
5. Earnings Growth			
6. Moderate PEmg Ratio	PEmg < 20	44.85	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	5.22	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	2.71	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
	Score		

Suitability

Defensive	No
Enterprising	Yes

Stage 2: Determination of Intrinsic Value

EPSmg	\$3.45
MG Growth Estimate	6.75%
MG Value	\$75.90
MG Value based on 3% Growth	\$50.03
MG Value based on 0% Growth	\$29.33
Market Implied Growth Rate	18.17%

MG Opinion

Current Price	\$154.75
% of Intrinsic Value	203.89%
Opinion	Overvalued
MG Grade	C

Stage 3: Information for Further Research

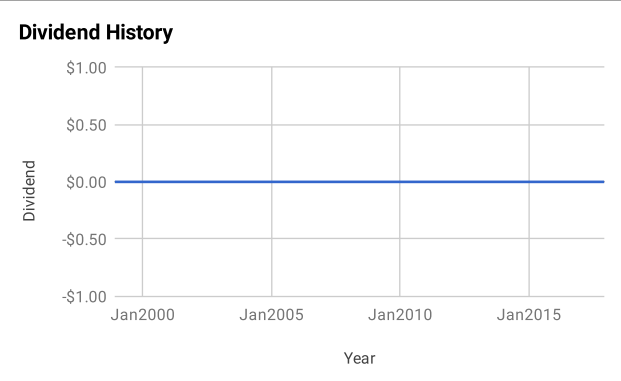
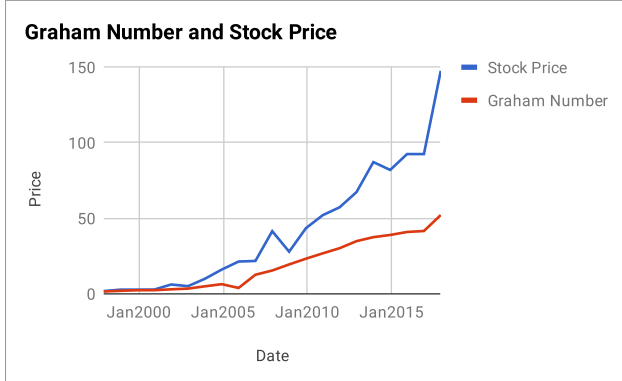
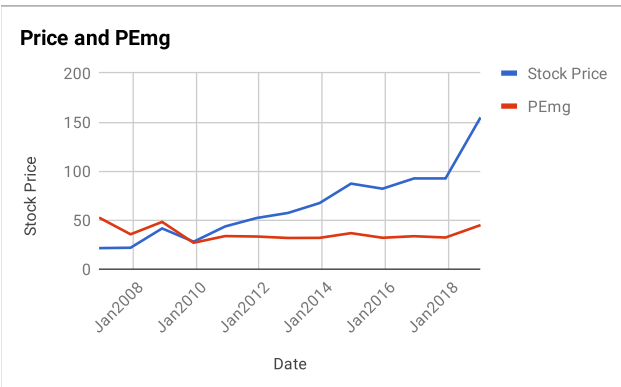
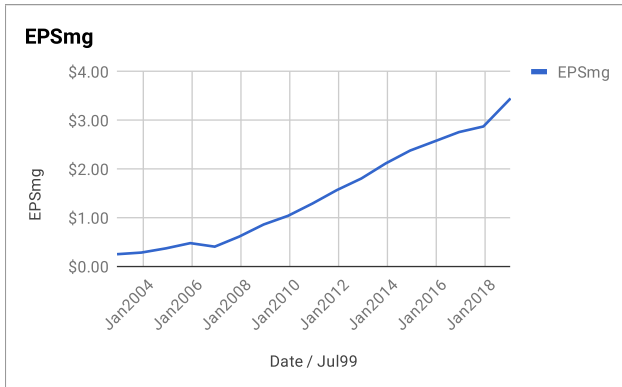
Net Current Asset Value (NCAV)	\$7.21
Graham Number	\$52.14
PEmg	44.85
Current Ratio	2.71
PB Ratio	5.22
Current Dividend	\$0.00
Dividend Yield	0.00%
Number of Consecutive Years of Dividend Growth	0

Useful Links:

ModernGraham tagged articles	Morningstar
Google Finance	MSN Money
Yahoo Finance	Seeking Alpha
GuruFocus	SEC Filings

EPS History		EPSmg History	
Next Fiscal Year Estimate	\$4.53	Next Fiscal Year Estimate	\$3.45
Dec2017	\$2.98	Dec2017	\$2.87
Dec2016	\$2.99	Dec2016	\$2.76
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	Balance Sheet Information 9/1/2018	
Dec2000	\$0.25	Total Current Assets	\$1,127,567,000
Dec1999	\$0.22	Total Current Liabilities	\$415,439,000
Dec1998	\$0.17	Long-Term Debt	\$0
		Total Assets	\$3,056,111,000
		Intangible Assets	\$1,795,131,000
		Total Liabilities	\$507,565,000
		Shares Outstanding (Diluted Average)	86,043,000





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**
- [Ansys Inc Valuation – March 2018 \\$ANSS](#)
 - [Ansys Inc Valuation – June 2016 \\$ANSS](#)
 - [Ansys Inc. Valuation – November 2015 Update \\$ANSS](#)
 - [The Best Companies of the Software Industry – August 2015](#)
 - [Ansys Inc. Analysis – Initial Coverage \\$ANSS](#)

- Other ModernGraham posts about related companies**
- [Citrix Systems Inc Valuation – January 2019 \\$CTXS](#)
 - [Microsoft Corporation Valuation – November 2018 \\$MSFT](#)
 - [Cisco Systems Inc Valuation – November 2018 \\$CSCO](#)
 - [Kinaxis Inc Valuation – August 2018 \\$TSE:KXS](#)
 - [CSG Systems International Inc Valuation – August 2018 \\$CSGS](#)
 - [SPS Commerce Inc Valuation – August 2018 \\$SPSC](#)
 - [Synchronoss Technologies Inc Valuation – August 2018 \\$SNCR](#)
 - [ACI Worldwide Inc Valuation – July 2018 \\$ACIW](#)
 - [Akamai Technologies Inc Valuation – May 2018 \\$AKAM](#)
 - [Symantec Corp Valuation – April 2018 \\$SYMC](#)