

ModernGraham Valuation

Roper Technologies
Inc



Company Name:

Company Ticker ROP

Date of Analysis

2/13/2019

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	\$31,900,190,408	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.11	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	142.74%	Pass
6. Moderate PEmg Ratio	PEmg < 20	32.11	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	4.16	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	1.11	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	30.40	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

Defensive	No
Enterprising	No

Stage 2: Determination of Intrinsic Value

EPSmg	\$9.61
MG Growth Estimate	9.01%
MG Value	\$254.69
MG Value based on 3% Growth	\$139.28
MG Value based on 0% Growth	\$81.65
Market Implied Growth Rate	11.80%

MG Opinion

Current Price	\$308.42
% of Intrinsic Value	121.09%
Opinion	Overvalued
MG Grade	F

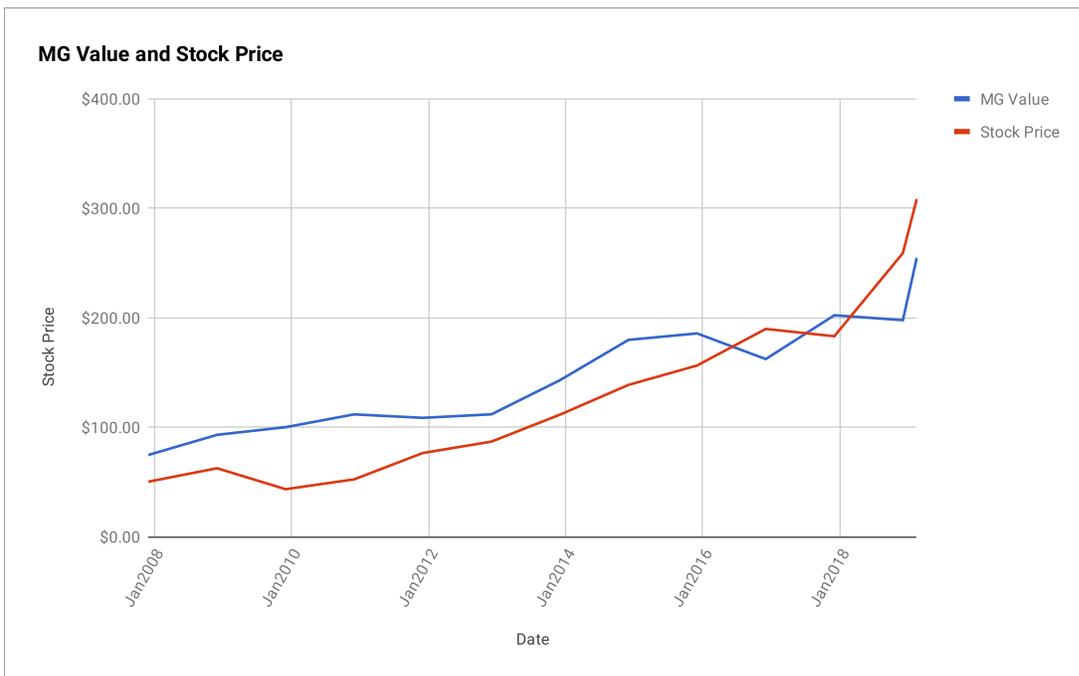
Stage 3: Information for Further Research

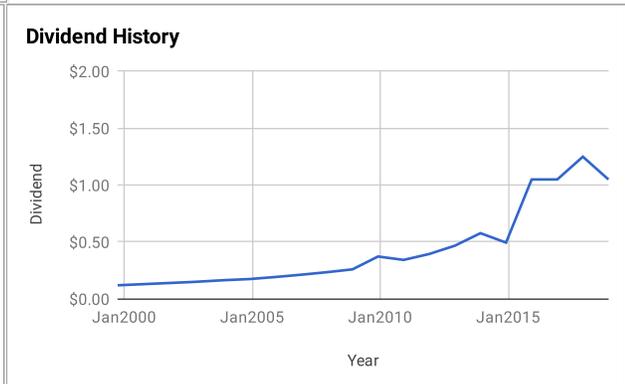
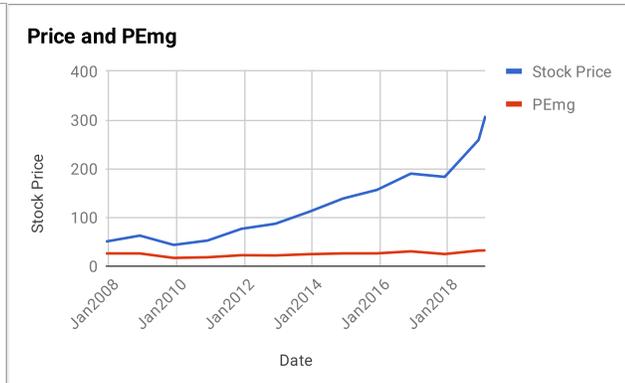
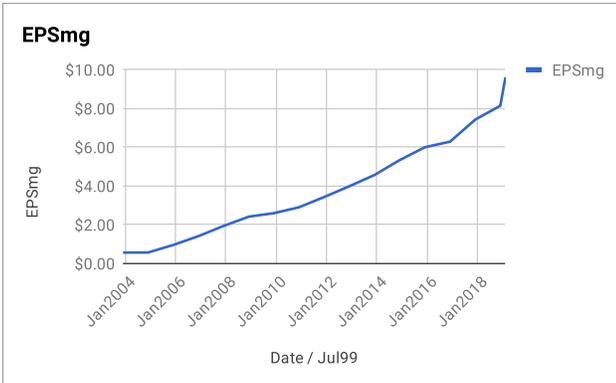
Net Current Asset Value (NCAV)	-\$56.46
Graham Number	\$142.13
PEmg	32.11
Current Ratio	1.11
PB Ratio	4.16
Current Dividend	\$1.65
Dividend Yield	0.53%
Number of Consecutive Years of Dividend Growth	1

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	\$12.00	Next Fiscal Year Estimate	\$9.61
Dec2018	\$9.05	Dec2018	\$8.15
Dec2017	\$9.39	Dec2017	\$7.43
Dec2016	\$6.43	Dec2016	\$6.29
Dec2015	\$6.85	Dec2015	\$6.00
Dec2014	\$6.40	Dec2014	\$5.34
Dec2013	\$5.37	Dec2013	\$4.57
Dec2012	\$4.86	Dec2012	\$3.99
Dec2011	\$4.34	Dec2011	\$3.43
Dec2010	\$3.34	Dec2010	\$2.90
Dec2009	\$2.58	Dec2009	\$2.60
Dec2008	\$3.01	Dec2008	\$2.42
Dec2007	\$2.68	Dec2007	\$1.94
Dec2006	\$2.13	Dec2006	\$1.41
Dec2005	\$1.74	Dec2005	\$0.96
Dec2004	\$0.62	Dec2004	\$0.57
Dec2003	\$0.71	Dec2003	\$0.56
Oct2002	\$0.32	Balance Sheet Information 12/1/2018	
Oct2001	\$0.45	Total Current Assets	\$1,610,700,000
Oct2000	\$0.79	Total Current Liabilities	\$1,448,200,000
Oct1999	\$0.77	Long-Term Debt	\$4,940,200,000
		Total Assets	\$15,249,500,000
		Intangible Assets	\$13,188,900,000
		Total Liabilities	\$7,511,000,000
		Shares Outstanding (Diluted Average)	104,500,000





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**
- [Roper Technologies Inc Valuation – April 2018 \\$ROP](#)
 - [14 Best Undervalued Stocks of the Week – 8/6/16](#)
 - [Roper Technologies Inc Valuation – July 2016 \\$ROP](#)
 - [18 Best Stocks For Value Investors This Week – 1/30/16](#)
 - [Roper Technologies Inc Valuation – January 2016 Update \\$ROP](#)

- Other ModernGraham posts about related companies**
- [Rockwell Automation Inc Valuation – February 2019 \\$ROK](#)
 - [Eaton Corp PLC Valuation – January 2019 \\$ETN](#)
 - [Fastenal Co Valuation – January 2019 \\$FAST](#)
 - [Deere & Co Valuation – January 2019 \\$DE](#)
 - [A.O. Smith Corp Valuation – January 2019 \\$AOS](#)
 - [Parker-Hannifin Corp Valuation – January 2019 \\$PH](#)
 - [Dover Corp Valuation – January 2019 \\$DOV](#)
 - [Caterpillar Inc Valuation – November 2018 \\$CAT](#)
 - [Lindsay Corp Valuation – October 2018 \\$LNN](#)
 - [Lennox International Inc Valuation – October 2018 \\$LII](#)