

ModernGraham Valuation

Company Name:

AMETEK, Inc.

Company Ticker AME

Date of Analysis

3/3/2019



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	\$18,072,893,170	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	1.46	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	121.55%	Pass
6. Moderate PEmg Ratio	PEmg < 20	24.35	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	4.34	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	1.46	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	3.94	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
	Score		

Suitability

Defensive	No
Enterprising	No

Stage 2: Determination of Intrinsic Value

EPSmg	\$3.27
MG Growth Estimate	7.03%
MG Value	\$73.71
MG Value based on 3% Growth	\$47.38
MG Value based on 0% Growth	\$27.77
Market Implied Growth Rate	7.93%

MG Opinion

Current Price	\$79.57
% of Intrinsic Value	107.95%
Opinion	Fairly Valued
MG Grade	D+

Stage 3: Information for Further Research

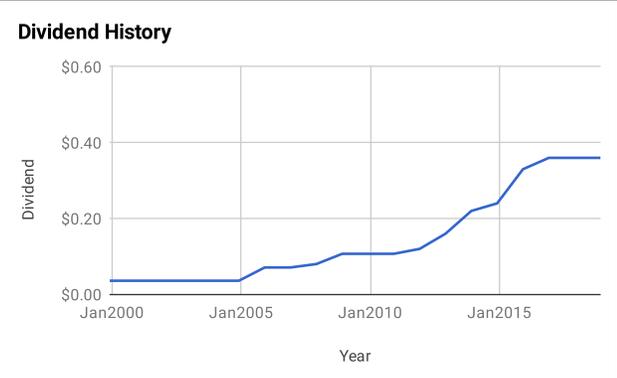
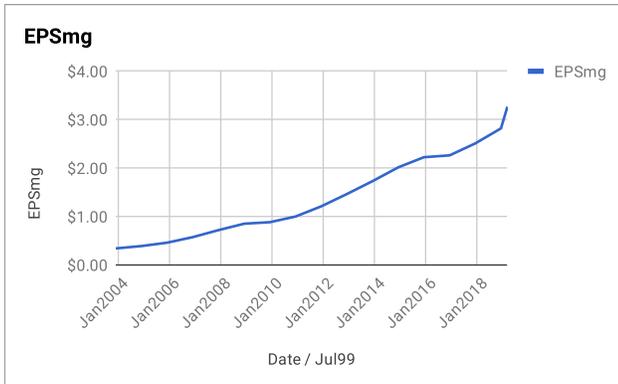
Net Current Asset Value (NCAV)	-\$11.17
Graham Number	\$40.56
PEmg	24.35
Current Ratio	1.46
PB Ratio	4.34
Current Dividend	\$0.56
Dividend Yield	0.70%
Number of Consecutive Years of Dividend Growth	1

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	\$4.00	Next Fiscal Year Estimate	\$3.27
Dec2018	\$3.34	Dec2018	\$2.82
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	Balance Sheet Information 12/1/2018	
Dec2001	\$0.29	Total Current Assets	\$1,836,144,000
Dec2000	\$0.31	Total Current Liabilities	\$1,258,704,000
Dec1999	\$0.27	Long-Term Debt	\$2,273,837,000
		Total Assets	\$8,662,288,000
		Intangible Assets	\$6,015,804,000
		Total Liabilities	\$4,420,366,000
		Shares Outstanding (Diluted Average)	231,335,000





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 – April 2018 \\$AME](#)
 - [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](#)

- Other ModernGraham posts about related companies**
- [Advanced Micro Devices Inc Valuation – February 2019 \\$AMD](#)
 - [Qorvo Inc Valuation – February 2019 \\$QRVO](#)
 - [FLIR Systems Inc Valuation – February 2019 \\$FLIR](#)
 - [NetApp Inc Valuation – February 2019 \\$NTAP](#)
 - [Applied Materials Inc Valuation – February 2019 \\$AMAT](#)
 - [Microchip Technology Inc Valuation – February 2019 \\$MCHP](#)
 - [Broadcom Inc Valuation – February 2019 \\$AVGO](#)
 - [KLA-Tencor Corp Valuation – January 2019 \\$KLAC](#)
 - [TE Connectivity Ltd Valuation – January 2019 \\$TEL](#)
 - [NVIDIA Corp Valuation – January 2019 \\$NVDA](#)