



A Diversified Technology Company

Q3 2017 Financial Results

October 30, 2017

Simple Ideas.
Powerful **Results.**

Safe Harbor Statement

The information provided in this presentation contains forward-looking statements within the meaning of the federal securities laws. These forward-looking statements may include, among others, statements regarding operating results, the success of our internal operating plans, and the prospects for newly acquired businesses to be integrated and contribute to future growth, profit and cash flow expectations. Forward-looking statements may be indicated by words or phrases such as "anticipate," "estimate," "plans," "expects," "projects," "should," "will," "believes" or "intends" and similar words and phrases. These statements reflect management's current beliefs and are not guarantees of future performance. They involve risks and uncertainties that could cause actual results to differ materially from those contained in any forward-looking statement. Such risks and uncertainties include our ability to identify and complete acquisitions consistent with our business strategies, integrate acquisitions that have been completed, realize expected benefits and synergies from, and manage other risks associated with, the newly acquired businesses. We also face general risks, including our ability to realize cost savings from our operating initiatives, general economic conditions and the conditions of the specific markets in which we operate, changes in foreign exchange rates, difficulties associated with exports, risks associated with our international operations, increased product liability and insurance costs, increased warranty exposure, future competition, changes in the supply of, or price for, parts and components, environmental compliance costs and liabilities, risks and cost associated with asbestos related litigation and potential write-offs of our substantial intangible assets, and risks associated with obtaining governmental approvals and maintaining regulatory compliance for new and existing products. Important risks may be discussed in current and subsequent filings with the SEC. You should not place undue reliance on any forward-looking statements. These statements speak only as of the date they are made, and we undertake no obligation to update publicly any of them in light of new information or future events.

We refer to certain non-GAAP financial measures in this presentation. Reconciliations of these non-GAAP financial measures to the most directly comparable GAAP financial measures can be found within this presentation.

Reg. G Disclosure

Today's Conference Call Will Discuss Results Primarily on an Adjusted (Non-GAAP) Basis. The Q3 2017 Results are Adjusted for the Following Items:

- (1) Purchase Accounting Adjustment to Acquired Deferred Revenue and Related Commission Expense
- (2) Acquisition-Related Intangible Amortization Expense

See Appendix and Press Release for Reconciliation from GAAP to Adjusted Results

Roper Conference Call

- » Q3 2017 Enterprise Financial Results
- » Segment Detail & Outlook
- » Q4 and FY 2017 Guidance
- » Q&A

Q3 2017 Enterprise Highlights

- » Record Third Quarter Results
- » Revenue +24% to \$1,171M; Organic +5%
- » Gross Margin +170 Bps to 63.0%
- » DEPS + 20% to \$2.36
- » EBITDA +24% to \$407M; EBITDA Margin Expanded to 34.8%
- » YTD Operating Cash Flow: \$866M, 25% of Revenue
- » Reduced Debt by \$880 Million YTD; Deleveraging Rapidly

Great Quarter; Strengthened Balance Sheet

Q3 Income Statement Metrics

(in \$ millions, except Adjusted DEPS)	Q3'16	Q3'17	
Revenue	\$947	\$1,171	+24%, Organic +5%
Gross Profit	\$581	\$738	
Gross Margin	61.3%	63.0%	+170 bps
EBITDA	\$328	\$407	+24%
EBITDA Margin	34.6%	34.8%	
Interest Expense	\$27	\$46	
Tax Rate	31.2%	29.7%	Q3'17 GAAP Tax Rate: 28.1%; Adjustments Taxed @ 35%
Net Earnings	\$201	\$245	
Adjusted DEPS	\$1.96	\$2.36	+20%

Compounding Cash Flow

- » YTD Operating Cash Flow: \$866M
 - 25% of Revenue

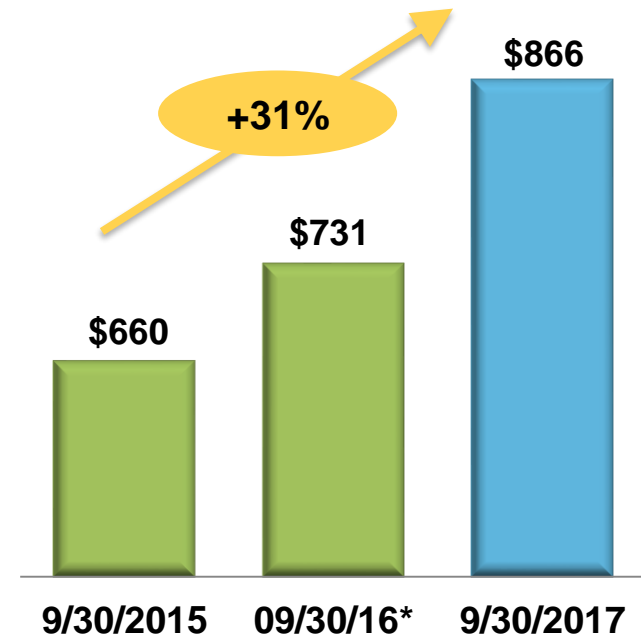
- » YTD Free Cash Flow: \$822M
 - 24% of Revenue

- » YTD Free Cash Conversion
 - 156% of GAAP Net Earnings
 - 118% of Adjusted Net Earnings

- » Reduced Debt by \$880M
 - Deleveraging Rapidly

YTD Operating Cash Flow

(in \$ millions)



Free Cash Flow = Operating Cash Flow less Capital Expenditures and Capitalized Software

* Adjusted for Cash Taxes from ABEL Sale, See Reconciliation in Appendix

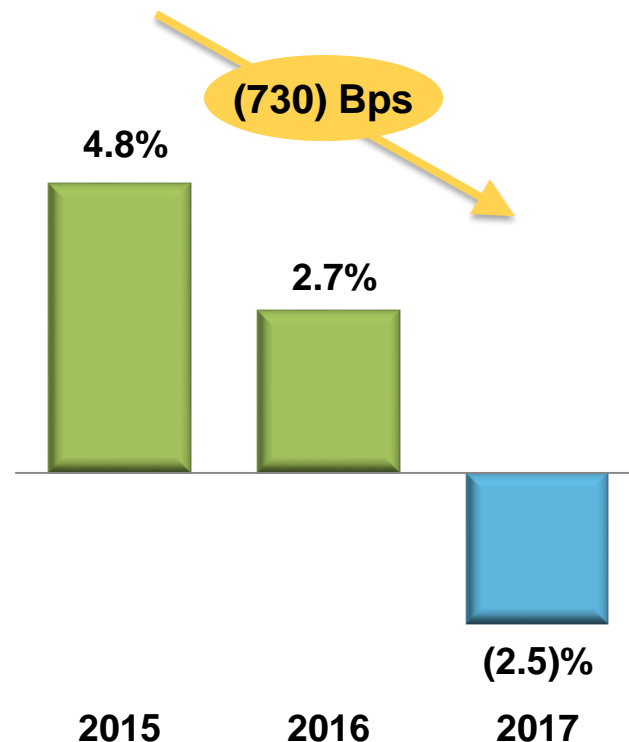
We Believe Cash is the Best Measure of Performance

Asset-Light Business Model

Working Capital* as % of Q3 Annualized Net Sales

	<u>09/30/15</u>	<u>09/30/16</u>	<u>09/30/17</u>
(I) Inventory	5.6%	5.2%	4.5%
(R) Receivables	16.9%	16.3%	16.4%
(P) Payables & Accruals	10.9%	11.1%	12.0%
(D) Deferred Revenue	6.7%	7.7%	11.5%
Total (I+R-P-D)	4.8%	2.7%	(2.5)%

(\$ Millions)			
<i>Deferred Revenue</i>	\$237	\$290	\$535



* Defined as Inventory + A/R + Unbilled Receivables – A/P – Accrued Liabilities – Deferred Revenue; Sales and Working Capital Related to Acquisitions Completed in Each Quarter Removed from Calculation; Dividend accrual excluded from Payable & Accruals

Negative Net Working Capital Reflects Enterprise Transformation

Segment Detail & Outlook

Selected Awards and Milestones

- » Gatan Technology Enabled Technical Breakthrough for Development of Cryo-Electron Microscopy (Leading to Nobel Prize in Chemistry)
- » Deltek Recognized as a Cloud-Based Professional Services Automation ERP Leader by IDC MarketScape
- » Sunquest Named Clinical Diagnostic Laboratory IT Company of the Year by Frost & Sullivan
- » Strata Named #1 by KLAS for Hospital Decision Support Software
- » Aderant Expert Has Become #1 Enterprise Practice Management System among Am Law 200 Firms
- » TransCore Successfully Converted New York MTA Bridges and Tunnels to Electronic Tolling

A Culture of Innovation in Niche Markets

RF Technology & Software

Q3 Highlights

- » Total Revenue +61%, Organic +4%
- » Excellent Performance from Recent Acquisitions
 - Deltek Growth Driven by GovCon Wins; WorkBook Acquisition (Denmark) Enhances Professional Services Platform
 - ConstructConnect Network Growth Driving Recurring Revenue Increases
- » Mid Single Digit Growth Across Other Software Businesses
 - Aderant Continued to Gain Share; Handshake Acquisition Adds Knowledge Management Software Solution for Law Firms
 - Freight Matching Network Expanded Due to Net Subscriber Growth
- » Excellent Execution of Toll and Traffic Projects

(42% of Roper Revenue)

(in \$ millions)	Q3'17	V to PY
Revenue	\$492	+61%
Op Profit	\$144	+49%
OP Margin	29.4%	Core: +280 bps Acq.: (510) bps
EBITDA Margin	39.2%	+120 bps

Q4 2017

- » Software Businesses Grow with Strong Margins and Cash Performance
- » Continued Momentum at Deltek and ConstructConnect
- » LSD Organic Growth for Segment; Difficult Comp from MTA Start-up and Riyadh Project
- » Opportunities for New TransCore Projects Expanding

Medical & Scientific Imaging

Q3 Highlights

- » Organic Revenue +1%; Margins In-Line with Expectations
- » MSD Growth in Medical Businesses Excluding Unusual Verathon Weakness
- » Revenue Grew Across all Three Medical Platforms (85% of Segment)
 - Medical Products Growth Led by Northern Digital and IPA
 - Acute Care Software Continued Growth From Decision Support SaaS, Diagnostic Connectivity and International Solutions
 - Alternate Site Healthcare Continued Growth from Long Term Care GPO and Software Businesses
- » Scientific Imaging Revenue Declined as Expected (15% of Segment)
 - Strong Backlog for Gatan Products Driven by Cryo-EM Adoption

(29% of Revenue)

(in \$ millions)	Q3'17	V to PY
Revenue	\$344	+2%
Op Profit	\$116	(3)%
OP Margin	33.6%	(170) bps
EBITDA Margin	42.3%	(160) bps

Q4 2017

- » Strategic Growth Investments (R&D and Channel) Across all Three Medical Platforms
- » Revenue Growth Across all Three Medical Platforms
- » Imaging Better on Timing of Shipments
- » Sequential Margin Improvement for Segment
- » 2 - 3% Organic Growth for Segment

Industrial Technology / Energy Systems

Industrial Segment Q3 Highlights

- » Organic Revenue +12%, FX +1%
- » Neptune Delivered Another Record Quarter; Double Digit Earnings Growth
- » Fluid Handling Growth From Continued Share Gains and Improved Upstream O&G Environment
- » **Q4 2017**: Expect Growth Similar to Q3 with Continued > 40% Leverage

Industrial Technology

(17% of Revenue)

(in \$ millions)	Q3'17	V to PY
Revenue	\$200	+12%
Op Profit	\$62	+18%
OP Margin	31.1%	+150 bps
EBITDA Margin	33.2%	+100 bps

Energy Segment Q3 Highlights

- » Organic Revenue +6%, FX +1%
- » Double Digit Growth in O&G Partially Offset by Expected CCC Declines
- » Broad-based Growth in Sensor Businesses Serving Industrial Markets
- » **Q4 2017**: Expect Growth Similar to Q3 with Continued > 40% Leverage

Energy Systems and Controls

(12% of Revenue)

(in \$ millions)	Q3'17	V to PY
Revenue	\$135	+8%
Op Profit	\$36	+14%
OP Margin	26.9%	+150 bps
EBITDA Margin	30.0%	+80 bps

Guidance Update

Guidance Update

- » Raising Full Year 2017 Guidance
 - Adjusted DEPS: \$9.27 - \$9.33
 - Previously: \$9.12 - \$9.30
 - Full Year Revenue: +22%, Organic: +5%

- » FY 2017 Operating Cash Flow: > \$1.15B

- » Establishing Q4 2017 Guidance
 - Adjusted DEPS: \$2.56 - \$2.62

Guidance excludes the impact of future acquisitions and divestitures.

Results are presented on an Adjusted (Non-GAAP) basis. See appendix of this presentation and press release for reconciliations from GAAP to Adjusted results.

Q3 2017 Summary

- » Record Third Quarter Results
- » Revenue +24% to \$1,171M; Organic +5%
- » Gross Margin +170 Bps to 63.0%
- » DEPS \$2.36; EBITDA +24% to \$407M
- » YTD Operating Cash Flow: \$866M, 25% of Revenue
- » Reduced Debt \$880M Year to Date; Rapidly Deleveraging
- » Proven CRI Principles Drive Our Ability to Compound Cash Flow
- » Expect to Deploy \$6+ Billion in Acquisitions Over the Next Four Years

Field Operating Leaders Projecting 2018 Confidence

Appendix

Reconciliations I

Revenue Detail

Q3 2017 Revenue Growth	Industrial Technology	Energy Systems & Controls	Medical & Scientific Imaging	RF Technology	Roper
Organic Growth	12%	6%	1%	4%	5%
Acquisitions/Divestitures	-	1%	-	57%	19%
Foreign Exchange	1%	1%	-	-	1%
Rounding	(1)%	-	1%	-	(1)%
Total Revenue Growth	12%	8%	2%	61%	24%

Reconciliations II

(in \$ thousands)	Q3 2017			
Margin Reconciliation	Industrial Technology	Energy Systems & Controls	Medical & Scientific Imaging	RF Technology
GAAP Revenue	\$200,442	\$135,259	\$343,639	\$480,572
Add: Construct Connect / Deltek	0	0	0	11,573
Adjusted Revenue	200,442	135,259	343,639	492,145
GAAP Gross Profit	102,092	78,307	247,138	298,883
Add: Construct Connect / Deltek	0	0	0	11,573
Less: Deltek Prepaid Commissions Adj	0	0	0	(26)
Adjusted Gross Profit	102,092	78,307	247,138	310,430
GAAP Operating Profit	62,255	36,351	115,506	134,148
Add: Construct Connect / Deltek	0	0	0	11,573
Less: Deltek Prepaid Commissions Adj	0	0	0	(1,230)
Adjusted Operating Profit	62,255	36,351	115,506	144,491
Add Amortization	<u>2,213</u>	<u>3,472</u>	<u>26,384</u>	<u>42,263</u>
EBITA	64,468	39,823	141,890	186,754
Add Depreciation	<u>2,044</u>	<u>804</u>	<u>3,440</u>	<u>6,029</u>
EBITDA	66,512	40,627	145,330	192,783
EBITDA Margin	33.2%	30.0%	42.3%	39.2%

* Excludes Corporate Expenses

Reconciliations III

(in \$ thousands)	Q3 2016			
Margin Reconciliation	Industrial Technology	Energy Systems & Controls	Medical & Scientific Imaging	RF Technology
GAAP Revenue	\$178,317	\$125,235	\$338,027	\$303,565
Add: Atlas / CliniSys	0	0	272	0
Add: On Center / Aderant Adj	0	0	0	1,914
Adjusted Revenue	178,317	125,235	338,299	305,479
GAAP Gross Profit	90,950	70,988	247,432	169,123
Add: Atlas / CliniSys	0	0	272	0
Add: On Center / Aderant Adj	0	0	0	1,914
Adjusted Gross Profit	90,950	70,988	247,704	171,037
GAAP Operating Profit	52,800	31,777	118,979	94,785
Add: Atlas / CliniSys	0	0	272	0
Add: On Center / Aderant Adj	0	0	0	1,914
Adjusted Operating Profit	52,800	31,777	119,251	96,699
Add Amortization	<u>2,242</u>	<u>3,812</u>	<u>26,564</u>	<u>16,812</u>
EBITA	55,042	35,589	145,815	113,511
Add Depreciation	<u>2,385</u>	<u>1,012</u>	<u>2,858</u>	<u>2,594</u>
EBITDA	57,427	36,601	148,673	116,105
EBITDA Margin	32.2%	29.2%	43.9%	38.0%

* Excludes Corporate Expenses

Reconciliations IV

Cash Flow Reconciliation (in \$ thousands)	YTD 2015	YTD 2016	YTD 2017
Operating Cash Flow	\$659,561	\$693,373	\$865,733
Cash Paid for Taxes on Sale of ABEL	-	37,429	-
Adjusted Operating Cash Flow	659,561	730,802	865,733
Capital Expenditures	(27,503)	(26,933)	(35,898)
Capitalized Software Expenditures	(1,593)	(1,964)	(8,043)
Free Cash Flow	\$630,465	\$701,905	\$821,792



A Diversified Technology Company