



A Diversified Technology Company

Q1 2017 Financial Results

April 28, 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 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 integrate our acquisitions and realize expected synergies. We also face other general risks, including our ability to realize cost savings from our operating initiatives, general economic conditions, unfavorable changes in foreign exchange rates, difficulties associated with exports, risks associated with our international operations, difficulties in making and integrating acquisitions, risks associated with newly acquired businesses, 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 Q1 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 for Reconciliation from GAAP to Adjusted Results

Roper Conference Call

- » Q1 2017 Enterprise Financial Results
- » Segment Detail & Outlook
- » Q2 and FY 2017 Guidance
- » Q&A

Q1 2017 Enterprise Highlights

- » Record Q1 Results: Revenue, Net Earnings, EBITDA, Cash Flow
- » Revenue: +22% to \$1,108M; Organic +5%
 - Broad-Based Growth Across All Four Segments
 - Industrial and Energy End Markets Improving
- » DEPS + 17% to \$2.11
- » EBITDA +18% to \$362M
- » Operating Cash Flow +55% to \$378M
- » Recent Software Acquisitions, Deltek and ConstructConnect, Performing Very Well

Broad-Based Growth; Excellent Start to 2017

Q1 Income Statement Metrics

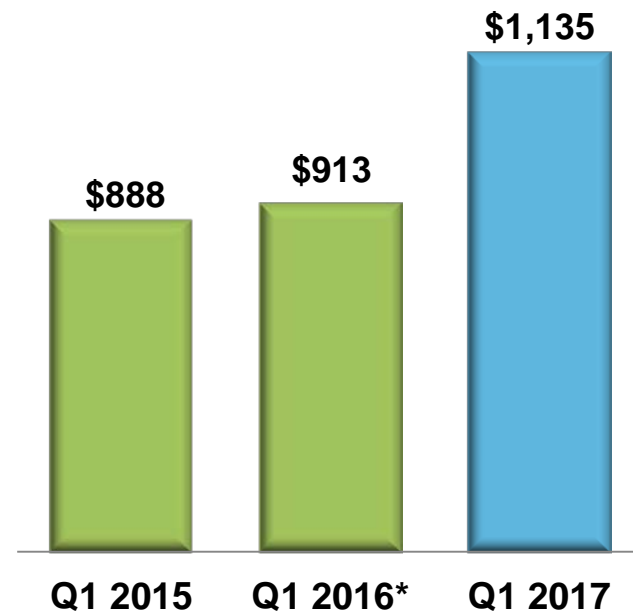
(in \$ millions, except Adjusted DEPS)	Q1'16	Q1'17	
Revenue	\$906	\$1,108	+22%. Organic +5%
Gross Profit	\$563	\$689	+22%
Gross Margin	62.1%	62.2%	
EBITDA	\$307	\$362	+18%
EBITDA Margin	34.0%	32.7%	
Interest Expense	\$27	\$46	
Tax Rate	31.3%	28.2%	Includes \$7M Discrete Item
Net Earnings	\$185	\$218	+17%
Adjusted DEPS	\$1.81	\$2.11	+17%

Compounding Cash Flow

(in \$ millions)

- » Q1 Operating Cash Flow: \$378M
 - Exceptional Start to the Year
- » Q1 Free Cash Flow: \$360M
- » Reduced Debt by \$370M in Quarter
 - Debt to EBITDA: 3.7x (per Credit Facility Definition)

TTM Operating Cash Flow



Free Cash Flow = Operating Cash Flow less Capital Expenditures and Capitalized Software; TTM = Trailing Twelve Months

* Adjusted for Cash Taxes from Abel Sale

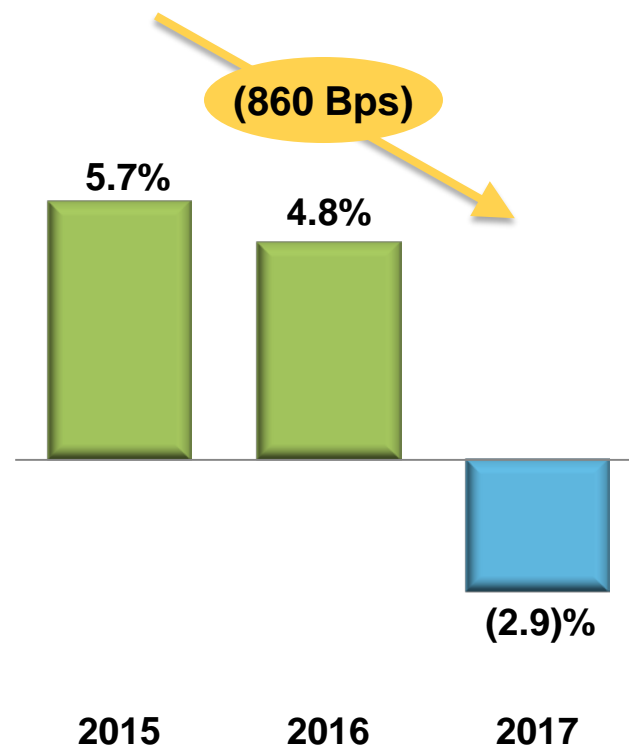
We Believe Cash is the Best Measure of Performance

Asset-Light Business Model

Working Capital* as % of Q1 Annualized Net Sales

	<u>03/31/15</u>	<u>03/31/16</u>	<u>03/31/17</u>
(I) Inventory	5.7%	5.5%	4.4%
(R) Receivables	17.3%	17.4%	16.0%
(P) Payables & Accruals	11.3%	10.6%	11.5%
(D) Deferred Revenue	5.9%	7.5%	11.8%
Total (I+R-P-D)	5.7%	4.8%	(2.9)%

(\$ Millions)			
<i>Deferred Revenue</i>	\$237	\$275	\$514



*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

Net Working Capital Reflects Enterprise Transformation

Segment Detail & Outlook

Energy Systems / Industrial Technology

Energy Systems and Controls

(in \$ millions)	Q1'17	V to PY
Revenue	\$125	+5%
Op Profit	\$30	+25%
OP Margin	24.2%	+380 bps

Segment EBITDA Margin: 27.6%

Industrial Technology

(in \$ millions)	Q1'17	V to PY
Revenue	\$183	+7%
Op Profit	\$54	+15%
OP Margin	29.2%	+190 bps

Segment EBITDA Margin: 31.6%

Energy Segment Q1 Highlights

- » Organic Revenue +7%
- » Oil & Gas Markets Improved
 - Mid Single Digit Growth with Excellent Operating Leverage
- » Industrial Businesses Grew High Single Digits
- » **Q2-Q4 2017:** Improved Outlook; Expect Mid Single Digit Growth

Industrial Segment Q1 Highlights

- » Organic Revenue +8%
- » Mid Single Digit Growth at Neptune
- » Material Analysis Grew Double Digits
- » Upstream Oil & Gas Business Improved; Outstanding Leverage
- » **Q2-Q4 2017:** Improved Outlook; Expect Mid Single Digit Growth

Medical & Scientific Imaging

Medical & Scientific Imaging

(in \$ millions)	Q1'17	V to PY
Revenue	\$348	+4%
Op Profit	\$120	+4%
OP Margin	34.4%	(30 bps)

Segment EBITDA Margin: 43.0%

Q1 2017

- » Organic Revenue +5%
- » All Medical Groups Grew Mid Single Digits:
 - Acute Care Software Growth From Decision Support SaaS, Diagnostic Connectivity and International Solutions
 - Alternate Site Healthcare Led by Increases in Pharmacy GPO and Software Businesses
 - Medical Products Led by Continued Adoption of Northern Digital Technologies
- » Imaging Growth Led by Gatan's Life Science Applications

Q2-Q4 2017

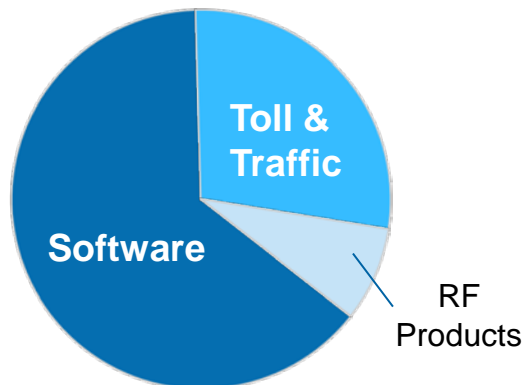
- » Broad-Based Medical Growth Continues
- » Imaging Aided by Market Adoption of Technologies
- » Mid Single Digit Organic Growth for Segment

RF Technology & Software

RF Technology & Software

(in \$ millions)	Q1'17	V to PY
Revenue	\$451	+60%
Op Profit	\$109	+20%
OP Margin	24.1%	Core: (210 bps) Acq.: (600 bps)

Segment EBITDA Margin: 34.5%



Q1 2017

- » Total Revenue +60%, Organic Revenue +4%
- » Strong Earnings and Cash Flow Contributions from Deltek and ConstructConnect; Both Businesses Off to a Great Start
- » Mid Single Digit Organic Growth for Other Software and SaaS Businesses
- » Toll and Traffic Project Activity Remains Strong; MTA and Riyadh Projects On Schedule
- » Tag Shipments Soft as Expected; Impacted Segment Margins

Q2-Q4 2017

- » Software Businesses Continue Growth with Strong Margins and Cash Performance
- » Segment Revenue Expected to Grow ~60%; Driven by Deltek and ConstructConnect
- » Mid Single Digit Organic Growth for Segment

Guidance Update

Guidance Update

» Raising Full Year 2017 Guidance:

- Adjusted DEPS: \$8.98 - \$9.28
 - Previously: \$8.82 - \$9.22
- Revenue: +21 - 22%, Organic: +4 - 5%

» FY 2017 Operating Cash Flow: ~\$1.15B

» Establishing Q2 2017 Guidance:

- Adjusted DEPS: \$2.16 - \$2.24

Q1 2017 Summary

- » Record Q1 Results: Revenue, Net Earnings, EBITDA, Cash Flow
- » Broad-Based Organic Growth Across All Four Segments
- » Software and Medical Businesses Remain Strong: Industrial and Energy Markets Improving
- » DEPS + 17% to \$2.11
- » EBITDA +18% to \$362M
- » Operating Cash Flow +55% to \$378M
- » Reduced Debt \$370M in the Quarter
- » Recent Software Acquisitions, Deltek and ConstructConnect, Performing Very Well

Excellent Start to 2017

Q1 2017 Summary (Continued)

- » Benefiting from 2015 - 2016 Transformation of the Enterprise
- » 50% of EBITDA from Software and Network Businesses
- » Deferred Revenue Increasing our Ability to Compound Cash Flow
- » Net Working Capital Now in Negative Territory
- » Cash Return on Investment Rapidly Improving
- » Newly Elected Officers, Effective May 15th
 - All Appointments Made From Within Roper
 - Demonstrates the Depth of Our Organization and Strength of Our Leadership Development Process

Well Positioned for Continued Execution of Our Strategy

Appendix

Reconciliations I

Revenue Detail

Q1 2017 Revenue Growth	Industrial Technology	Energy Systems & Controls	Medical & Scientific Imaging	RF Technology	Roper
Organic Growth	8%	7%	5%	4%	5%
Acquisitions/Divestitures	-	-	-	57%	18%
Foreign Exchange	(1)%	(1)%	(1)%	(1)%	(1)%
Rounding	-	(1)%	-	-	-
Total Revenue Growth	7%	5%	4%	60%	22%

Reconciliations II

(in \$ thousands)	Q1 2017			
Margin Reconciliation	Industrial Technology	Energy Systems and Controls	Medical and Scientific Imaging	RF Technology
GAAP Revenue	\$183,404	\$125,047	\$348,235	\$429,619
Add: CliniSys	0	0	49	0
Add: Construct Connect / Deltek	0	0	0	21,658
Adjusted Revenue	183,404	125,047	348,284	451,277
GAAP Gross Profit	93,151	71,055	251,930	251,478
Add: CliniSys	0	0	49	0
Add: Construct Connect / Deltek	0	0	0	21,658
Less: Deltek Prepaid Commissions Adj	0	0	0	(49)
Adjusted Gross Profit	93,151	71,055	251,979	273,087
GAAP Operating Profit	53,613	30,236	119,793	88,984
Add: CliniSys	0	0	49	0
Add: Construct Connect / Deltek	0	0	0	21,658
Less: Deltek Prepaid Commissions Adj	0	0	0	(1,815)
Adjusted Operating Profit	53,613	30,236	119,842	108,827
Add Amortization	<u>2,211</u>	<u>3,408</u>	<u>26,504</u>	<u>40,875</u>
EBITA	55,824	33,644	146,346	149,702
Add Depreciation	<u>2,165</u>	<u>900</u>	<u>3,300</u>	<u>5,905</u>
EBITDA	57,989	34,544	149,646	155,607
EBITDA Margin	31.6%	27.6%	43.0%	34.5%

* Excludes Corporate Expenses

Reconciliations III

(in \$ thousands)	Q1 2016			
Margin Reconciliation	Industrial Technology	Energy Systems & Controls	Medical & Scientific Imaging	RF Technology
GAAP Revenue	\$171,235	\$118,764	\$332,214	\$280,210
Add: DI / SWI / Strata / Atlas / CliniSys / PCI Adj	0	0	1,124	0
Add: On Center / Aderant Adj	0	0	0	2,170
Adjusted Revenue	171,235	118,764	333,338	282,380
GAAP Gross Profit	86,020	66,237	246,897	160,365
Add: DI / SWI / Strata / Atlas / CliniSys / PCI Adj	0	0	1,210	0
Add: On Center / Aderant Adj	0	0	0	2,170
Adjusted Gross Profit	86,020	66,237	248,107	162,535
GAAP Operating Profit	46,759	24,182	114,456	88,766
Add: DI / SWI / Strata / Atlas / CliniSys / PCI Adj	0	0	1,210	0
Add: On Center / Aderant Adj	0	0	0	2,170
Adjusted Operating Profit	46,759	24,182	115,666	90,936
Add Amortization	<u>2,237</u>	<u>3,849</u>	<u>26,336</u>	<u>17,127</u>
EBITA	48,996	28,031	142,002	108,063
Add Depreciation	<u>2,481</u>	<u>1,513</u>	<u>3,065</u>	<u>2,595</u>
EBITDA	51,477	29,544	145,067	110,658

Reconciliations IV

Cash Flow Reconciliation (in \$ thousands)	Q1 2016	Q1 2017	TTM Q1 2015	TTM Q1 2016	TTM Q1 2017
Operating Cash Flow	\$207,072	\$378,217	\$888,212	\$875,498	\$1,134,932
Cash Paid for Taxes on Sale of ABEL	37,429	-	-	37,429	-
Adjusted Operating Cash Flow	244,501	378,217	888,212	912,927	1,134,932
Capital Expenditures	(9,489)	(14,930)	(37,116)	(35,799)	(42,746)
Capitalized Software Expenditures	(892)	(3,169)	(2,591)	(3,095)	(5,078)
Free Cash Flow	\$234,120	\$360,118	\$848,505	\$874,033	\$1,087,108



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