



A Diversified Technology Company

Q3 2016 Financial Results

October 31, 2016

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 Q3'16 Adjusted Results Exclude the Following Items:

- (1) Purchase Accounting Adjustment to Acquired Deferred Revenue
- (2) Debt Extinguishment Charge

See Appendix for Reconciliation from GAAP to Adjusted Results

Roper Conference Call

- » Q3'16 Enterprise Financial Results
- » Segment Detail & Outlook
- » Q4 and FY 2016 Guidance
- » Q&A

Q3 Enterprise Results

Q3 2016 Enterprise Highlights

- » Record Results: Orders, Revenue, Net Earnings, EBITDA, Cash Flow
- » Revenue: +7% to \$947M; Organic +2%
 - Organic +2%, FX Headwind (1%), Acquisitions/Divestiture +6%
 - Growth Led by Medical and RF Technology/Software
 - Declines in Oil & Gas Continued as Expected
- » Gross Margin +60 Bps to 61.3%
- » EBITDA +8% to \$328M
- » Net Earnings +4% to \$169M; DEPS \$1.65
- » Free Cash Flow +40% to \$308M; +11% YTD
- » ConstructConnect Acquisition, SaaS Network for Commercial Construction; Expected to Close This Week

Record Quarter: Strong Cash Performance, Exciting Acquisition

Q3 Income Statement

(in \$ millions)

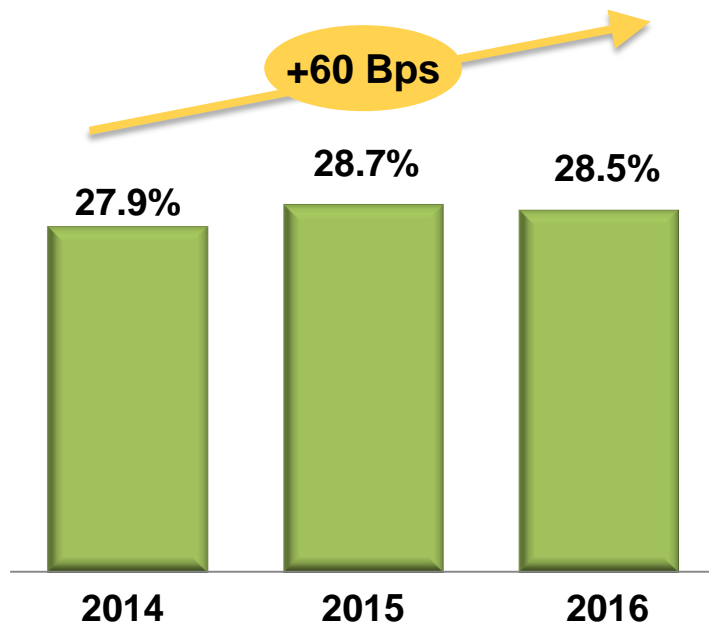
Note: Amounts may not total due to rounding

	Q3'15	Q3'16	
Orders	\$894	\$929	+4%, Book-to-Bill: 0.98x
Revenue	\$886	\$947	+7%
Gross Profit	\$538	\$581	+8%
Gross Margin	60.7%	61.3%	+60 Bps
Operating Income	\$255	\$270	+6%
Operating Margin	28.7%	28.5%	
Interest Expense	\$20	\$27	
Other Income/(Expense)	\$0	\$0	
Earnings Before Tax	\$234	\$243	
Tax Rate	30.4%	30.5%	
Net Earnings	\$163	\$169	+4%
DEPS	\$1.61	\$1.65	

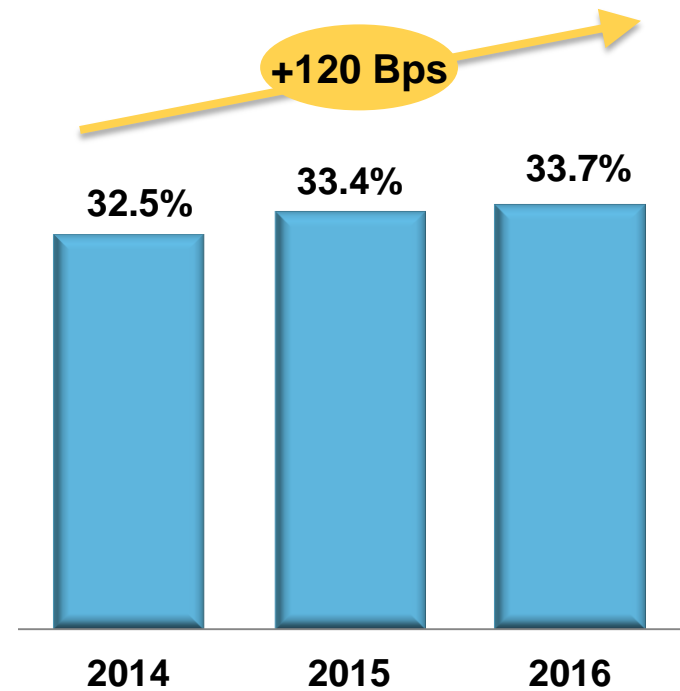
Operating and EBITA Margins

(in \$ millions)

Q3 Operating Margin



Q3 EBITA Margin



Outstanding Margin Performance

Compounding Cash Flow

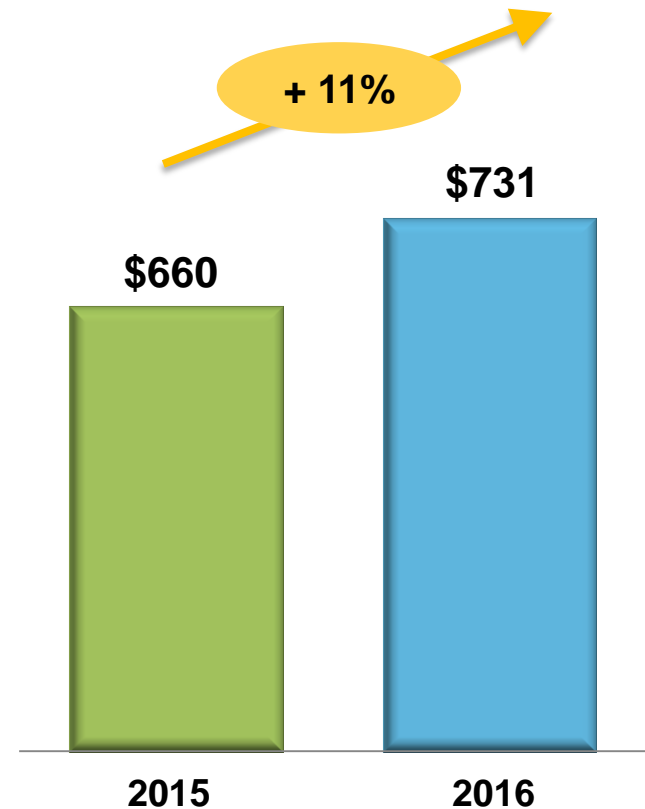
(in \$ millions)

- » Q3 Operating Cash Flow: \$317M
 - 40% Increase vs Last Year

- » Q3 Free Cash Flow: \$308M
 - 33% of Revenue

- » YTD Operating Cash Flow: \$731M
 - 11% Increase
 - 146% Conversion

YTD Operating Cash Flow



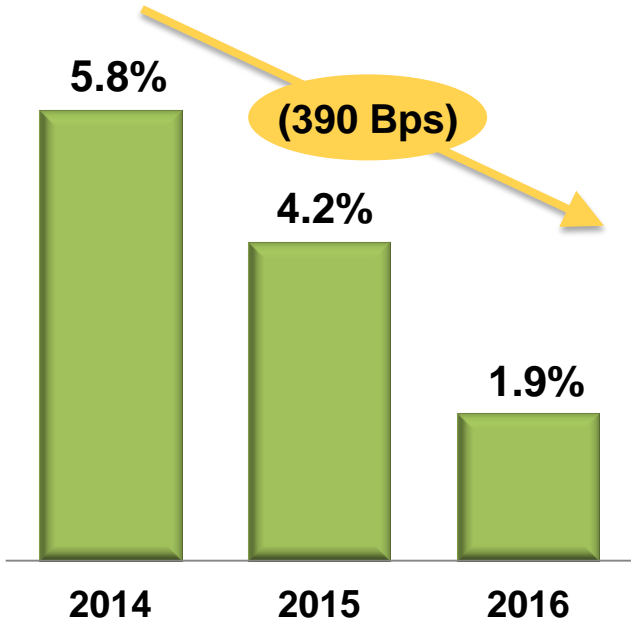
Note: Free Cash Flow = Operating Cash Flow – Capital Expenditures

Excellent Cash Performance

Asset-Light Business Model

Working Capital* as % of Q3 Annualized Net Sales

	<u>09/30/14</u>	<u>09/30/15</u>	<u>09/30/16</u>
(I) Inventory	6.0%	5.6%	5.2%
(R) Receivables	17.8%	16.9%	16.3%
(P) Payables & Accruals	18.0%	18.3%	19.6%
Total (I+R-P)	5.8%	4.2%	1.9%



Notes: Percentages may not sum correctly due to rounding

Quality of Asset Light Acquisitions Reflected in Results

* Defined as Inventory + A/R + Unbilled Receivables – A/P – Accrued Liabilities; Sales and Working Capital Related to Acquisitions Completed in Each Quarter Removed from Calculation

Strong Financial Position

(in \$ millions)

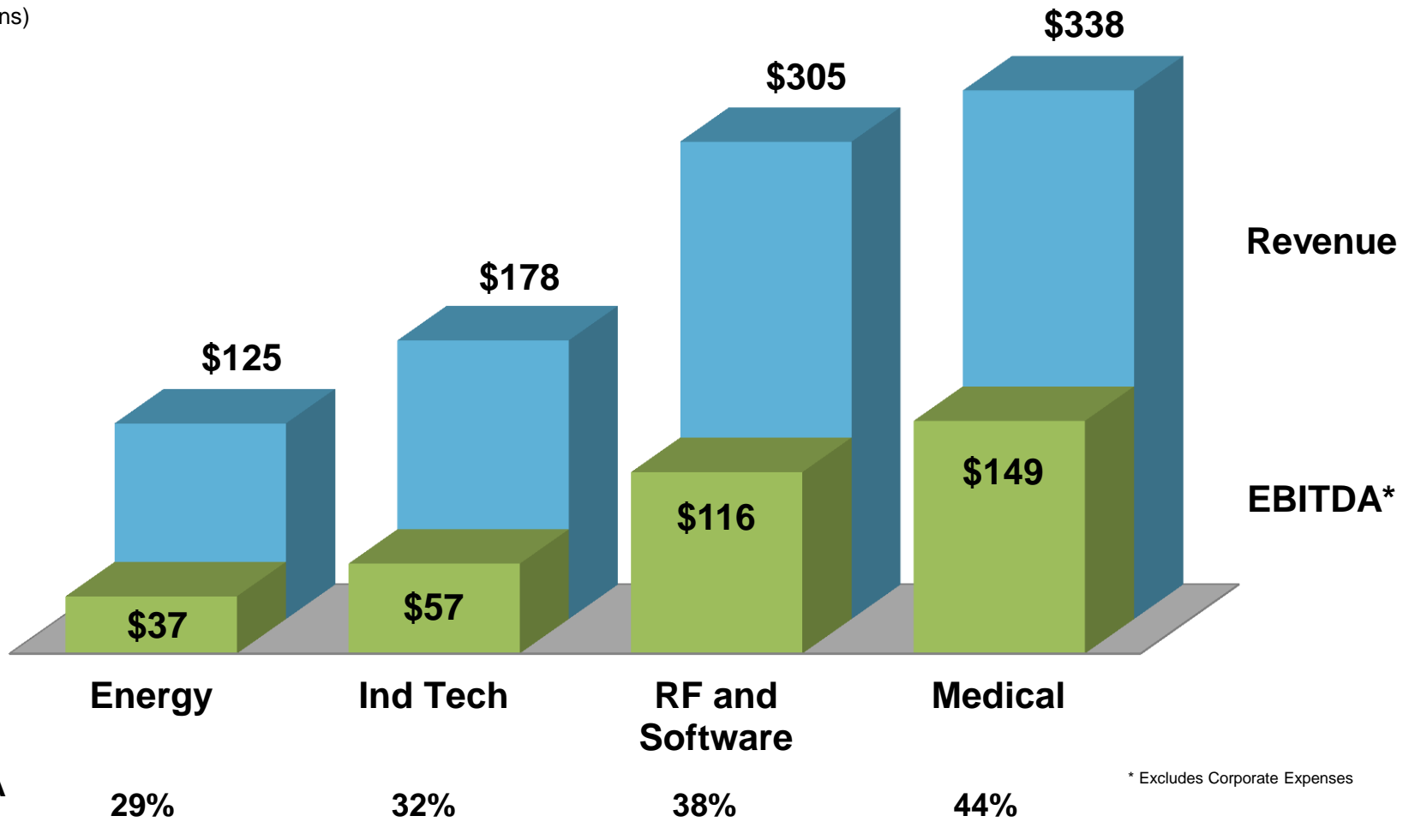
	<u>9/30/15</u>	<u>9/30/16</u>
Cash	\$701	\$882
Undrawn Revolver	\$910	\$2,500
Gross Debt	\$2,799	\$3,089
Net Debt	\$2,098	\$2,207
Shareholders' Equity	\$5,129	\$5,713
TTM EBITDA	\$1,239	\$1,290
Net Debt-to-EBITDA (TTM)	1.7x	1.7x

New \$2.5 Billion Credit Facility Established; Active Acquisition Pipeline

Segment Detail & Outlook

Q3 2016 Segment Performance

(in \$ millions)



~75% of EBITDA from RF/Software and Medical Segments

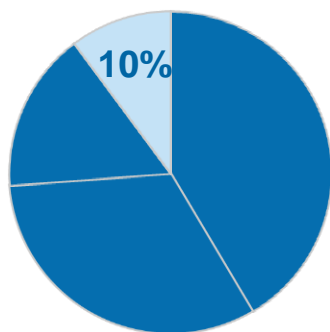
Energy Systems and Controls

(in \$ millions)	Q3'16	V to PY
Revenue	\$125	(13%)
Op Profit	\$32	(25%)
OP Margin	25.4%	(390 bps)

Q3 2016

- » Organic (13%); FX (1%)
- » Oil & Gas Down ~(20%); Modestly Better than the Previous Quarter
- » Strong Profitability Despite Difficult Environment
- » Industrial Test and Measurement Flat

Energy % of Roper Q3'16 EBITDA*



Q4 2016

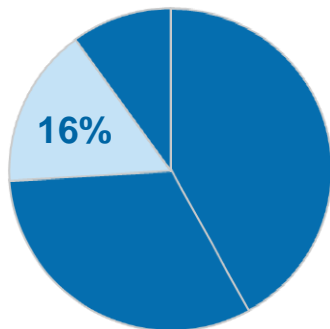
- » Oil & Gas Down ~(20%); Same as Q3
 - Expect Muted Fourth Quarter with Seasonality Similar to Last Year
- » Margins Continue to Improve Sequentially

* Excludes Corporate Expenses

Industrial Technology

(in \$ millions)	Q3'16	V to PY
Revenue	\$178	(4%)
Op Profit	\$53	+1%
OP Margin	29.6%	+150 bps

**Ind. Tech % of Roper
Q3'16 EBITDA***



* Excludes Corporate Expenses

Q3 2016

- » Organic Flat, Divestiture (4%)
- » Double Digit Growth at Neptune on Market Share Gains and Demand for R900 AMR/AMI Technology and Upgrades
- » Oil & Gas Down (35%+); Sequential Improvement at Roper Pumps
- » Other Business Up Modestly Led By Material Analysis

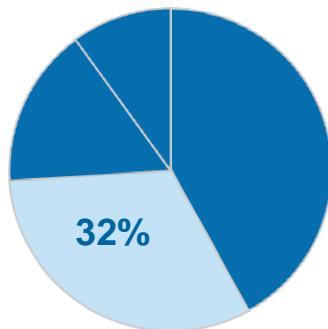
Q4 2016

- » Similar Revenue and Margin Performance to Q3
- » Upstream Markets Sequentially Flat

RF Technology & Software

(in \$ millions)	Q3'16	V to PY
Revenue	\$305	+20%
Op Profit	\$97	+26%
OP Margin	31.7%	+140 bps

**RF Tech % of Roper
Q3'16 EBITDA***



* Excludes Corporate Expenses

Q3 2016

- » Organic +7%, FX (1%), Acquisitions +14%
- » Strong Growth at Toll and Traffic on Project Activity in Florida, Texas and Pennsylvania
- » Continued High Single Digit Growth in Software Led by Freight Matching and CBORD
- » Double Digit Growth in RF Products for Senior Living Market

Q4 2016

- » TransCore Awarded \$70M+ MTA Project to Convert Nine NYC Bridges and Tunnels to All Electronic Tolling; Late 2017 Completion Expected
- » Continued Growth in Toll & Traffic
- » Software Businesses Remain Strong
- » Mid Single Digit Organic Growth for the Segment; Building Strong Momentum for 2017
- » Acquiring ConstructConnect for \$632M; Collaborative SaaS Network for Construction

ConstructConnect Acquisition



- » Leading Provider of Cloud-Based Data, Collaboration and Automation Solutions to the Commercial Construction Industry
- » Collaborative Network Empowers Users to be More Successful with Access to Relevant Information Through Easy to Use Technology
- » 800,000 Users Spanning General Contractors, Subcontractors and Building Product Manufacturers
- » Headquartered in Cincinnati, OH
- » Purchase Price: \$632 Million
- » 2017E Revenue of ~\$150 million

Meets All Acquisition Criteria

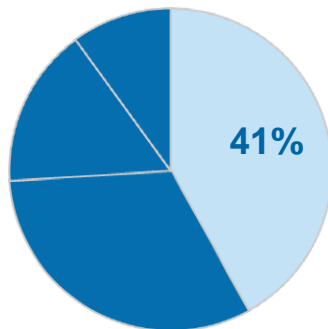
- ✓ Excellent Management Team
- ✓ High Recurring Revenue
- ✓ Strong Cash Flow Characteristics
- ✓ Asset Light (*Negative Working Capital*)
- ✓ Deep Domain Expertise
- ✓ Multiple Growth Opportunities

Another Great Software Network Business

Medical & Scientific Imaging

(in \$ millions)	Q3'16	V to PY
Revenue	\$338	+12%
Op Profit	\$119	+8%
OP Margin	35.3%	(130 bps)

**Med. & S.I. % of Roper
Q3'16 EBITDA***



* Excludes Corporate Expenses

Q3 2016

- » Organic +4%, Acquisitions +8%
- » Medical Businesses (~85% of Segment):
 - Organic Revenue +5%; YTD +5%
 - All Medical Groups Grew Organically: Hospital Software, Alternate Site Solutions and Medical Products
 - Sunquest Orders Increased on Demand for New Software Products and Upgrades
- » Scientific Imaging (~15% of Segment)
 - Modest Growth Driven by New Applications

Q4 2016

- » Continued Mid Single Digit Growth for Medical Businesses, led by Alternate Site Solutions
- » Scientific Imaging: Strong Demand for New Products with Early 2017 Deliveries

Guidance Update

Guidance Outlook

» Establishing Q4 Guidance:

- Adjusted DEPS: \$1.77 – \$1.89
- Tax Rate: ~30%

» Full Year Guidance Update:

- Adjusted DEPS: \$6.48 - \$6.60
- Full Year Free Cash Flow Conversion: ~ 140%
- Full Year Revenue and EBITDA Growth: 5 – 6%

Q3 2016 Summary

- » Record Q3 Results; Orders, Revenue, Net Earnings, EBITDA, Cash Flow
- » Growth Led by Medical, Software, Tolling and Neptune
- » EBITDA +8% to \$328M; 34.6% of Revenue
- » Free Cash Flow +40%; YTD +11%
- » NYC MTA Bridge & Tunnel All Electronic Tolling Project
 - Q4 Kickoff, Majority of Work in 2017
- » Acquired Great SaaS Network Business, ConstructConnect
- » Cash Performance, Balance Sheet and New Credit Facility Supports Continued Capital Deployment

Outstanding Results; Well Positioned for the Future

Appendix

Reconciliations I

Q3 2016 Revenue Growth Reconciliation	Industrial Technology	Energy Systems & Controls	Medical & Scientific Imaging	RF Technology	Roper
Organic Growth	0.3%	(12.6)%	4.5%	7.4%	1.6%
Acquisitions/Divestitures	(4.3)%	-	8.2%	13.8%	5.9%
Foreign Exchange	(0.2)%	(0.8)%	(0.5)%	(0.8)%	(0.6)%
Rounding	-	-	-	-	-
Total Revenue Growth	(4.2)%	(13.4)%	12.2%	20.4%	6.9%

Q3 2016 Orders Growth Reconciliation	Industrial Technology	Energy Systems & Controls	Medical & Scientific Imaging	RF Technology	Roper
Organic Growth	(2.3)%	(15.5)%	(1.6)%	10.5%	(0.8)%
Acquisitions/Divestitures	(3.4)%	-	6.7%	12.5%	5.3%
Foreign Exchange	(0.3)%	(0.7)%	(0.4)%	(0.8)%	(0.6)%
Rounding	-	(0.1)%	-	-	-
Total Orders Growth	(6.0)%	(16.3)%	4.7%	22.2%	3.9%

Reconciliations II

(in \$ thousands)	Q3 2016			
	Industrial Technology	Energy Systems & Controls	Medical & Scientific Imaging	RF Technology
Margin Reconciliation				
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 III

(in Thousands)	Q3 2015			
Margin Reconciliation	Industrial Technology	Energy Systems & Controls	Medical & Scientific Imaging	RF Technology
GAAP Revenue	\$186,147	\$144,609	\$299,621	\$253,556
Add: DI / SHP / SoftWriters / Strata Adj	0	0	1,956	0
Add: On Center, RF IDEas Adj	0	0	0	256
Adjusted Revenue	186,147	144,609	301,577	253,812
GAAP Gross Profit	92,245	84,891	222,655	133,692
Add: DI / SHP / SoftWriters / Strata Adj	0	0	1,956	0
Add: On Center, RF IDEas Adj	0	0	0	2,219
Adjusted Gross Profit	92,245	84,891	224,611	135,911
GAAP Operating Profit	52,298	42,300	108,399	74,604
Add: DI / SHP / SoftWriters / Strata Adj	0	0	1,956	0
Add: On Center, RF IDEas Adj	0	0	0	2,219
Adjusted Operating Profit	52,298	42,300	110,355	76,823
Add Amortization	<u>2,260</u>	<u>3,956</u>	<u>23,496</u>	<u>11,296</u>
EBITA	54,558	46,256	133,851	88,119
Add Depreciation	<u>2,718</u>	<u>1,172</u>	<u>2,568</u>	<u>2,522</u>
EBITDA	57,276	47,428	136,419	90,641
EBITDA Margin	30.8%	32.8%	45.2%	35.7%

* Excludes Corporate Expenses

Reconciliations IV

Q3'16 TTM Reconciliation of GAAP to Adjusted; Revenue, Gross Profit, and EBITDA

(All Numbers are In Thousands)	Q3'16 TTM GAAP	Adjustments							Q3'16 TTM Adjusted
		RF Ideas Acquisition Related Inventory Step-up Charge	PCI Medical Acquisition Related Inventory Step-up Charge	Medical Segment Purchase Accounting Adjustment to Acquired Deferred Revenue	RF Segment Purchase Accounting Adjustment to Acquired Deferred Revenue	ABEL Gain on Sale	IDT Write-down on Investment	Debt Extinguishment	
Net Sales	\$3,722,765	-	-	\$3,505	\$8,423	-	-	-	\$3,734,693
Gross Profit	\$2,284,623	\$2,597	\$257	\$3,505	\$8,423	-	-	-	\$2,299,405
Operating Profit	\$1,044,136	\$2,597	\$257	\$3,505	\$8,423	-	-	-	\$1,058,918
Net Earnings	\$685,161	\$1,688	\$167	\$2,278	\$5,475	(\$33,431)	\$6,193	\$566	\$668,098
Taxes	312,659	909	90	1,227	2,948	(37,429)	3,335	305	284,043
Interest	104,919	-	-	-	-	-	-	-	104,919
Depreciation	37,685	-	-	-	-	-	-	-	37,685
Amortization	195,459	-	-	-	-	-	-	-	195,459
EBITDA	\$1,335,883	\$2,597	\$257	\$3,505	\$8,423	(\$70,860)	\$9,528	\$871	\$1,290,204

(1) For the adjustments, the company used a 35% tax rate as these adjustments are US-based items and 35% is the statutory tax rate in the United States.

(2) Abel gain on sale used a 52.8% tax rate.

(3) Medical Segment includes Strata, SoftWriters, Data Innovations, Atlas and CliniSys.

(4) RF Technology Segment includes On Center and Aderant.

Reconciliations V

Q3'15 TTM Reconciliation of GAAP to Adjusted; Revenue, Gross Profit, and EBITDA

	Q3'15 TTM GAAP	Adjustments					Q3'15 TTM Adjusted
		SHP / FoodLink Purchase Accounting Adjustment to Acquired Deferred Revenue	IPA Acquisition Related Inventory Step- up Charge	DI / SWI / Strata Purchase Accounting Adjustment to Acquired Deferred Revenue	On Center Purchase Accounting Adjustment to Acquired Deferred Revenue	RF Ideas Acquisition Related Inventory Step- up Charge	
<small>(All Numbers are In Thousands)</small>							
Net Sales	\$3,584,900	\$3,398	-	\$4,356	\$256	-	\$3,592,910
Gross Profit	\$2,151,296	\$3,398	\$425	\$4,356	\$256	\$1,963	\$2,161,694
Operating Profit	\$1,032,990	\$3,398	\$425	\$4,356	\$256	\$1,963	\$1,043,388
Net Earnings	\$673,406	\$2,209	\$276	\$2,831	\$166	\$1,276	\$680,164
Taxes	277,547	1,189	149	1,525	90	687	281,187
Interest	79,667	-	-	-	-	-	79,667
Depreciation	38,902	-	-	-	-	-	38,902
Amortization	158,981	-	-	-	-	-	158,981
EBITDA	\$1,228,503	\$3,398	\$425	\$4,356	\$256	\$1,963	\$1,238,901

(1) For the six adjustments, the company used a 35% tax rate as these adjustments are US-based items and 35% is the statutory tax rate in the United States.

Reconciliations VI

Cash Flow Reconciliation (in \$ thousands)	YTD 2016
Operating Cash Flow	\$693,373
Add: Cash Paid for Taxes on Sale of ABEL	37,429
Adjusted Operating Cash Flow (A)	730,802
Capital Expenditures	(26,933)
Free Cash Flow (B)	703,869
GAAP Net Income	476,564
Add: Purchase Accounting Adjustment to Acquired Deferred Revenue	5,159
Add: Acquisition Related Inventory Step-Up Charge	167
Add: Debt Extinguishment	566
Adjusted Net Income (C)	482,456
Operating Cash Flow Conversion (A / C)	151%
Free Cash Flow Conversion (B / C)	146%

Reconciliations VII

(in \$ thousands)	Roper Total		
Margin Reconciliation	Q3'14	Q3'15	Q3'16
GAAP Revenue	\$884,122	\$883,933	\$945,144
Add: Adjustments	946	2,212	2,186
Adjusted Revenue	885,068	886,145	947,330
GAAP Gross Profit	524,040	533,483	578,493
Add: Adjustments	1,370	4,175	2,186
Adjusted Gross Profit	525,410	537,658	580,679
GAAP Operating Profit	245,658	250,371	267,390
Add: Adjustments	1,370	4,175	2,186
Adjusted Operating Profit	247,028	254,546	269,576
Operating Margin	27.9%	28.7%	28.5%
Add Amortization	<u>39,684</u>	<u>41,008</u>	<u>49,430</u>
Other Income / (Expense)	552	251	337
EBITA	287,264	295,805	319,343
EBITA Margin	32.5%	33.4%	33.7%



A Diversified Technology Company