UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2021.

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _________to ________ .

Commission File Number 1-12273

ROPER TECHNOLOGIES, INC.
(Exact name of registrant as specified in its charter)

Delaware	**51-0263969**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
6901 Professional Parkway, Suite 200 **Sarasota, Florida**	**34240**
(Address of principal executive offices)	(Zip Code)

(941) 556-2601
(Registrant’s telephone number, including area code)

(Former name, former address and former fiscal year, if changed since last report)

SECURITIES REGISTERED PURSUANT TO SECTION 12(b) OF THE ACT:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange On Which Registered
Common Stock, $0.01 Par Value	ROP	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. ☒ Yes ☐ No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). ☒ Yes ☐ No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of “large accelerated filer,” “accelerated filer,” “smaller reporting company” and “emerging growth company” in Rule 12b-2 of the Exchange Act.

☒ Large accelerated filer	☐ Accelerated filer
☐ Non-accelerated filer (Do not check if a smaller reporting company)	☐ Smaller reporting company
	☐ Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). ☐ Yes ☒ No

The number of shares outstanding of the registrant’s common stock as of July 30, 2021 was 105,423,844.

ROPER TECHNOLOGIES, INC.

REPORT ON FORM 10-Q FOR THE QUARTERLY PERIOD ENDED JUNE 30, 2021

TABLE OF CONTENTS

PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

Roper Technologies, Inc. and Subsidiaries
Condensed Consolidated Statements of Earnings (unaudited)
(in millions, except per share data)

	Three months ended June 30,		Six months ended June 30,	
	2021	**2020**	**2021**	**2020**
Net revenues	$ 1,587.6	$ 1,305.0	$ 3,116.2	$ 2,655.7
Cost of sales	553.5	461.3	1,088.3	955.2
Gross profit	1,034.1	843.7	2,027.9	1,700.5
Selling, general and administrative expenses	616.1	510.1	1,209.4	1,017.7
Income from operations	418.0	333.6	818.5	682.8
Interest expense, net	59.5	47.5	120.1	92.9
Other income (expense), net	0.9	(2.0)	27.9	(1.2)
Earnings before income taxes	359.4	284.1	726.3	588.7
Income taxes	73.1	64.9	151.0	129.2
Net earnings	$ 286.3	$ 219.2	$ 575.3	$ 459.5
Net earnings per share:				
Basic	$ 2.72	$ 2.10	$ 5.47	$ 4.40
Diluted	$ 2.69	$ 2.08	$ 5.42	$ 4.36
Weighted average common shares outstanding:				
Basic	105.3	104.5	105.1	104.4
Diluted	106.4	105.5	106.2	105.4

See accompanying notes to Condensed Consolidated Financial Statements.

Roper Technologies, Inc. and Subsidiaries
Condensed Consolidated Statements of Comprehensive Income (unaudited)
(in millions)

	Three months ended June 30,		Six months ended June 30,	
	2021	**2020**	**2021**	**2020**
Net earnings	$ 286.3	$ 219.2	$ 575.3	$ 459.5
Other comprehensive income, net of tax:				
Foreign currency translation adjustments	17.3	56.2	31.9	(72.0)
Total other comprehensive income (loss), net of tax	17.3	56.2	31.9	(72.0)
Comprehensive income	$ 303.6	$ 275.4	$ 607.2	$ 387.5

See accompanying notes to Condensed Consolidated Financial Statements.

Roper Technologies, Inc. and Subsidiaries
Condensed Consolidated Balance Sheets (unaudited)
(in millions)

	June 30, 2021	December 31, 2020
ASSETS:		
Cash and cash equivalents	$ 337.8	$ 308.3
Accounts receivable, net	804.2	863.0
Inventories, net	212.7	198.4
Income taxes receivable	28.0	21.9
Unbilled receivables	275.3	241.7
Other current assets	138.7	119.0
Total current assets	1,796.7	1,752.3
Property, plant and equipment, net	125.3	140.6
Goodwill	14,430.0	14,395.2
Other intangible assets, net	6,936.8	7,206.9
Deferred taxes	104.3	104.0
Other assets	440.6	425.8
Total assets	$ 23,833.7	$ 24,024.8
LIABILITIES AND STOCKHOLDERS' EQUITY:		
Accounts payable	$ 209.6	$ 177.8
Accrued compensation	283.4	286.1
Deferred revenue	1,010.6	994.6
Other accrued liabilities	444.6	457.0
Income taxes payable	52.5	26.9
Current portion of long-term debt, net	502.4	502.0
Total current liabilities	2,503.1	2,444.4
Long-term debt, net of current portion	8,199.5	9,064.5
Deferred taxes	1,550.6	1,562.5
Other liabilities	491.3	473.6
Total liabilities	12,744.5	13,545.0
Commitments and contingencies (Note 9)		
Common stock	1.1	1.1
Additional paid-in capital	2,217.9	2,097.5
Retained earnings	9,003.1	8,546.2
Accumulated other comprehensive loss	(115.1)	(147.0)
Treasury stock	(17.8)	(18.0)
Total stockholders' equity	11,089.2	10,479.8
Total liabilities and stockholders' equity	$ 23,833.7	$ 24,024.8

See accompanying notes to Condensed Consolidated Financial Statements.

Roper Technologies, Inc. and Subsidiaries
Condensed Consolidated Statements of Cash Flows (unaudited)
(in millions)

	Six months ended June 30,	
	2021	**2020**
Cash flows from operating activities:		
Net earnings	$ 575.3	$ 459.5
Adjustments to reconcile net earnings to cash flows from operating activities:		
Depreciation and amortization of property, plant and equipment	29.2	25.1
Amortization of intangible assets	293.2	203.0
Amortization of deferred financing costs	6.8	4.3
Non-cash stock compensation	69.3	58.2
Gain on sale of assets, net of tax	(21.6)	—
Income tax provision, excluding tax associated with gain on sale of assets	145.5	129.2
Changes in operating assets and liabilities, net of acquired businesses:		
Accounts receivable	60.7	49.6
Unbilled receivables	(29.4)	(42.3)
Inventories	(14.7)	(19.1)
Accounts payable and accrued liabilities	17.5	18.8
Deferred revenue	40.2	(4.3)
Cash tax paid for gain on disposal of businesses	—	(10.0)
Cash income taxes paid	(151.3)	(52.5)
Other, net	(35.6)	(6.5)
Cash provided by operating activities	985.1	813.0
Cash flows from (used in) investing activities:		
Acquisitions of businesses, net of cash acquired	(15.5)	(153.0)
Capital expenditures	(17.2)	(15.5)
Capitalized software expenditures	(15.3)	(5.2)
Proceeds from (used in) disposal of businesses	(0.1)	(3.8)
Proceeds from sale of assets	27.1	—
Other, net	(1.2)	—
Cash used in investing activities	(22.2)	(177.5)
Cash flows from (used in) financing activities:		
Proceeds from senior notes	—	600.0
Borrowings (payments) under revolving line of credit, net	(870.0)	—
Debt issuance costs	—	(12.0)
Cash dividends to stockholders	(117.8)	(106.6)
Proceeds from stock-based compensation, net	45.2	47.7
Treasury stock sales	8.2	4.5
Other	(0.2)	(0.7)
Cash flows provided by (used in) financing activities	(934.6)	532.9
Effect of foreign currency exchange rate changes on cash	1.2	(7.3)
Net increase in cash and cash equivalents	29.5	1,161.1
Cash and cash equivalents, beginning of period	308.3	709.7
Cash and cash equivalents, end of period	$ 337.8	$ 1,870.8

See accompanying notes to Condensed Consolidated Financial Statements.

Roper Technologies, Inc. and Subsidiaries
Condensed Consolidated Statements of Changes in Stockholders' Equity (unaudited)
(in millions)

	Common stock	Additional paid-in capital	Retained earnings	Accumulated other comprehensive loss	Treasury stock	Total stockholders' equity
Balances at March 31, 2021	$ 1.1	$ 2,138.9	$ 8,776.0	$ (132.4)	$ (17.9)	$ 10,765.7
Net earnings	—	—	286.3	—	—	286.3
Stock option exercises	—	41.9	—	—	—	41.9
Treasury stock sold	—	3.4	—	—	0.1	3.5
Currency translation adjustments	—	—	—	17.3	—	17.3
Stock-based compensation	—	34.8	—	—	—	34.8
Restricted stock activity	—	(1.1)	—	—	—	(1.1)
Dividends declared ($0.5625 per share)	—	—	(59.2)	—	—	(59.2)
Balances at June 30, 2021	$ 1.1	$ 2,217.9	$ 9,003.1	$ (115.1)	$ (17.8)	$ 11,089.2
Balances at December 31, 2020	$ 1.1	$ 2,097.5	$ 8,546.2	$ (147.0)	$ (18.0)	$ 10,479.8
Net earnings	—	—	575.3	—	—	575.3
Stock option exercises	—	61.1	—	—	—	61.1
Treasury stock sold	—	8.0	—	—	0.2	8.2
Currency translation adjustments	—	—	—	31.9	—	31.9
Stock-based compensation	—	67.2	—	—	—	67.2
Restricted stock activity	—	(15.9)	—	—	—	(15.9)
Dividends declared ($1.1250 per share)	—	—	(118.4)	—	—	(118.4)
Balances at June 30, 2021	$ 1.1	$ 2,217.9	$ 9,003.1	$ (115.1)	$ (17.8)	$ 11,089.2
Balances at March 31, 2020	$ 1.1	$ 1,946.3	$ 8,003.1	$ (341.0)	$ (18.2)	$ 9,591.3
Net earnings	—	—	219.2	—	—	219.2
Stock option exercises	—	40.1	—	—	—	40.1
Treasury stock sold	—	1.7	—	—	—	1.7
Currency translation adjustments	—	—	—	56.2	—	56.2
Stock-based compensation	—	29.3	—	—	—	29.3
Restricted stock activity	—	(4.5)	—	—	—	(4.5)
Dividends declared ($0.5125 per share)	—	—	(53.6)	—	—	(53.6)
Balances at June 30, 2020	$ 1.1	$ 2,012.9	$ 8,168.7	$ (284.8)	$ (18.2)	$ 9,879.7
Balances at December 31, 2019	$ 1.1	$ 1,903.9	$ 7,818.0	$ (212.8)	$ (18.3)	$ 9,491.9
Adoption of ASC 326	—	—	(1.7)	—	—	(1.7)
Net earnings	—	—	459.5	—	—	459.5
Stock option exercises	—	63.0	—	—	—	63.0
Treasury stock sold	—	4.4	—	—	0.1	4.5
Currency translation adjustments	—	—	—	(72.0)	—	(72.0)
Stock-based compensation	—	56.9	—	—	—	56.9
Restricted stock activity	—	(15.3)	—	—	—	(15.3)
Dividends declared ($1.0250 per share)	—	—	(107.1)	—	—	(107.1)
Balances at June 30, 2020	$ 1.1	$ 2,012.9	$ 8,168.7	$ (284.8)	$ (18.2)	$ 9,879.7

See accompanying notes to Condensed Consolidated Financial Statements.

Roper Technologies, Inc. and Subsidiaries
Notes to Condensed Consolidated Financial Statements (unaudited)
All currency and share amounts are in millions, except per share data

1. Basis of Presentation

The accompanying Condensed Consolidated Financial Statements for the three and six months ended June 30, 2021 and 2020 are unaudited. In the opinion of management, the accompanying unaudited Condensed Consolidated Financial Statements reflect all adjustments, which include only normal recurring adjustments, necessary to state fairly the financial position, results of operations, comprehensive income and cash flows of Roper Technologies, Inc. and its subsidiaries ("Roper," the "Company," "we," "our" or "us") for all periods presented. The December 31, 2020 financial position data included herein was derived from the audited consolidated financial statements included in the Company's 2020 Annual Report on Form 10-K ("Annual Report") filed on February 22, 2021 with the Securities and Exchange Commission ("SEC") but does not include all disclosures required by U.S. generally accepted accounting principles ("GAAP").

Roper's management has made estimates and assumptions relating to the reporting of assets and liabilities and the disclosure of contingent assets and liabilities to prepare these Condensed Consolidated Financial Statements in conformity with GAAP. Actual results could differ from those estimates.

The results of operations for the three and six months ended June 30, 2021 are not necessarily indicative of the results to be expected for the full year. You should read these unaudited Condensed Consolidated Financial Statements in conjunction with Roper's audited consolidated financial statements and the notes thereto included in its Annual Report. Certain prior period amounts have been reclassified to conform to current period presentation.

2. Recent Accounting Pronouncements

The Financial Accounting Standards Board FASB ("FASB") establishes changes to accounting principles under GAAP in the form of accounting standards updates ("ASUs") to the Accounting Standards Codification ("ASC"). The Company considers the applicability and impact of all ASUs. Any recent ASUs not listed below were assessed and determined to be either not applicable or are expected to have an immaterial impact on the Company's results of operations, financial position or cash flows.

Recently Adopted Accounting Pronouncements

The Company adopted ASC Topic 326, Financial Instruments - Credit Losses ("ASC 326"), as of January 1, 2020 using the modified retrospective transition method. This ASU amends the impairment model to utilize an expected loss methodology in place of the incurred loss methodology for financial instruments, including trade receivables, and unbilled receivables. We recorded a noncash cumulative effect decrease to retained earnings of $1.7, net of income taxes, on our opening consolidated balance sheet as of January 1, 2020.

3. Weighted Average Shares Outstanding

Basic earnings per share were calculated using net earnings and the weighted average number of shares of common stock outstanding during the respective period. Diluted earnings per share were calculated using net earnings and the weighted average number of shares of common stock and potential common stock outstanding during the respective period. Potentially dilutive common stock consisted of stock options based upon the trading price of Roper's common stock. The effects of potential common stock were determined using the treasury stock method. Weighted average shares outstanding are shown below:

	Three months ended June 30,		Six months ended June 30,	
	2021	**2020**	**2021**	**2020**
Basic shares outstanding	105.3	104.5	105.1	104.4
Effect of potential common stock:				
Common stock awards	1.1	1.0	1.1	1.0
Diluted shares outstanding	106.4	105.5	106.2	105.4

For the three and six months ended June 30, 2021, there were 0.525 and 0.531 outstanding stock options, respectively, that were not included in the determination of diluted earnings per share because doing so would have been antidilutive, as compared to 1.322 outstanding stock options that would have been antidilutive in the respective 2020 periods.

4. Business Acquisitions and Disposition

Roper completed two business acquisitions in the six months ended June 30, 2021, with an aggregate purchase price of $15.7, net of cash acquired. Both acquisitions were made in June and are integrated into our Deltek business and its results are reported in the Application Software reportable segment. The results of operations of the acquired businesses are included in Roper's Condensed Consolidated Financial Statements since the date of each acquisition. Pro forma results of operations and the revenue and net income subsequent to the acquisition date for the acquisitions completed during the first six months of fiscal 2021 have not been presented because the effects of the acquisitions, individually and in the aggregate, were not material to our financial results.

The Company recorded $10.7 in goodwill and $6.7 of other identifiable intangibles in connection with these two acquisitions. The amortizable intangible assets include customer relationships of $6.4 (13.8 year weighted average useful life) and technology of $0.3 (5 year weighted average useful life).

Disposition

On March 17, 2021, Roper completed the sale of a minority investment in Sedaru, Inc. for $27.1. The pretax gain on the sale was $27.1, which is reported in Other income/(expense), net in the Condensed Consolidated Statement of Earnings.

5. Stock Based Compensation

The Roper Technologies, Inc. 2021 Incentive Plan ("2021 Plan") is a stock-based compensation plan used to grant incentive stock options, nonqualified stock options, restricted stock, stock appreciation rights or equivalent instruments to Roper's employees, officers, directors and consultants. The 2021 Plan was approved by shareholders at the Annual Meeting of Shareholders on June 14, 2021. The 2021 Plan replaces the Roper Technologies, Inc. Amended and Restated 2016 Incentive Plan ("2016 Plan"), and no additional grants will be made from the 2016 Plan.

The following table provides information regarding the Company's stock-based compensation expense:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2021	**2020**	**2021**	**2020**
Stock-based compensation	$ 36.4	$ 30.5	$ 69.3	$ 58.2
Tax effect recognized in net earnings	7.6	6.4	14.6	12.2

Stock Options - In the six months ended June 30, 2021, 0.504 options were granted with a weighted average fair value of $94.81 per option. During the same period in 2020, 0.735 options were granted with a weighted average fair value of $62.30 per option. All options were issued with an exercise price equal to the closing price of Roper's common stock on the date of grant, as required by the 2021 Plan and 2016 Plan.

Roper records compensation expense for employee stock options based on the estimated fair value of the options on the date of grant using the Black-Scholes option-pricing model. Historical data is used to estimate the expected price volatility, the expected dividend yield, the expected option life and the expected forfeiture rate. The risk-free rate is based on the U.S. Treasury yield curve in effect at the time of grant for the estimated life of the option. The following weighted average assumptions were used to estimate the fair value of options granted during current and prior year periods using the Black-Scholes option-pricing model:

	Six months ended June 30,	
	2021	2020
Risk-free interest rate (%)	0.94	0.83
Expected option life (years)	5.61	5.64
Expected volatility (%)	25.16	20.23
Expected dividend yield (%)	0.56	0.62

Cash received from option exercises for the six months ended June 30, 2021 and 2020 was $61.1 and $63.0, respectively.

Restricted Stock Grants - During the six months ended June 30, 2021, the Company granted 0.216 shares with a weighted average grant date fair value of $406.38 per restricted share. During the same period in 2020, the Company granted 0.191 shares with a weighted average grant date fair value of $344.16 per restricted share. All grants were issued at grant date fair value.

During the six months ended June 30, 2021, 0.133 restricted shares vested with a weighted average grant date fair value of $314.99 per restricted share and a weighted average vest date fair value of $399.74 per restricted share.

Employee Stock Purchase Plan - Roper's employee stock purchase plan ("ESPP") previously allowed employees in the U.S. and Canada to designate up to 10% of eligible earnings to purchase Roper's common stock at a 5% discount to the average closing price of the stock at the beginning and end of a quarterly offering period. Common stock sold to employees pursuant to the stock purchase plan may be either treasury stock, stock purchased on the open market, or newly issued shares.

We amended the ESPP effective July 1, 2020, which allows employees in the U.S. and Canada to designate up to 10% of eligible earnings to purchase Roper's common stock at a 10% discount on the lower of the closing price of the stock on the first and last day of each quarterly offering period. Common stock sold to employees pursuant to the ESPP may be either treasury stock, stock purchased on the open market, or newly issued shares.

During the six months ended June 30, 2021 and 2020, participants in the ESPP purchased 0.022 and 0.014 shares of Roper's common stock for total consideration of $8.2 and $4.5, respectively. All shares were purchased from Roper's treasury shares.

6. Inventories

The components of inventory were as follows:

	June 30, 2021	December 31, 2020
Raw materials and supplies	$ 138.7	$ 128.4
Work in process	31.4	28.2
Finished products	84.4	82.2
Inventory reserves	(41.8)	(40.4)
Inventories, net	$ 212.7	$ 198.4

7. Goodwill and Other Intangible Assets

The carrying value of goodwill by segment was as follows:

	Application Software	Network Software & Systems	Measurement & Analytical Solutions	Process Technologies	Total
Balances at December 31, 2020	$ 8,802.3	$ 4,083.1	$ 1,190.8	$ 319.0	$ 14,395.2
Additions	10.7	—	—	—	10.7
Other	(4.7)	0.9	—	—	(3.8)
Currency translation adjustments	7.8	15.9	2.3	1.9	27.9
Balances at June 30, 2021	$ 8,816.1	$ 4,099.9	$ 1,193.1	$ 320.9	$ 14,430.0

Other relates primarily to purchase accounting adjustments for acquisitions.

Other intangible assets were comprised of:

	Cost	Accumulated amortization	Net book value
Assets subject to amortization:			
Customer related intangibles	$ 7,494.7	$ (1,703.8)	$ 5,790.9
Unpatented technology	942.8	(363.9)	578.9
Software	172.4	(127.4)	45.0
Patents and other protective rights	13.0	(6.7)	6.3
Trade names	7.3	(5.6)	1.7
Assets not subject to amortization:			
Trade names	784.1	—	784.1
Balances at December 31, 2020	$ 9,414.3	$ (2,207.4)	$ 7,206.9
Assets subject to amortization:			
Customer related intangibles	$ 7,508.6	$ (1,927.8)	$ 5,580.8
Unpatented technology	934.7	(411.4)	523.3
Software	172.5	(134.9)	37.6
Patents and other protective rights	13.9	(5.9)	8.0
Trade names	7.4	(6.2)	1.2
Assets not subject to amortization:			
Trade names	785.9	—	785.9
Balances at June 30, 2021	$ 9,423.0	$ (2,486.2)	$ 6,936.8

Amortization expense of other intangible assets was $290.6 and $200.8 during the six months ended June 30, 2021 and 2020, respectively.

An evaluation of the carrying value of goodwill and indefinite-lived intangibles is required to be performed on an annual basis and on an interim basis if an event occurs or circumstances change that would more likely than not reduce the fair value of a reporting unit below its carrying value. There have been no events or changes in circumstances which indicate an interim impairment review is required in 2021. The Company will perform the annual analysis during the fourth quarter of 2021.

8. Fair Value of Financial Instruments

Roper’s debt at June 30, 2021 included $8,000 of fixed-rate senior notes with the following fair values:

$500 2.800% senior notes due 2021	505
$500 3.125% senior notes due 2022	515
$300 0.450% senior notes due 2022	300
$700 3.650% senior notes due 2023	747
$500 2.350% senior notes due 2024	524
$300 3.850% senior notes due 2025	333
$700 1.000% senior notes due 2025	695
$700 3.800% senior notes due 2026	782
$700 1.400% senior notes due 2027	689
$800 4.200% senior notes due 2028	920
$700 2.950% senior notes due 2029	748
$600 2.000% senior notes due 2030	591
$1,000 1.750% senior notes due 2031	960

The fair values of the senior notes are based on the trading prices of each series of notes, which the Company has determined to be Level 2 in the FASB fair value hierarchy.

9. Contingencies

Roper, in the ordinary course of business, is party to various pending or threatened legal actions, including product liability, intellectual property, data privacy and employment practices that, in general, are of a nature consistent with those over the past several years. After analyzing the Company’s contingent liabilities on a gross basis and, based upon past experience with resolution of such legal claims and the availability and limits of the primary, excess, and umbrella liability insurance coverages with respect to pending claims, management believes that adequate provision has been made to cover any potential liability not covered by insurance, and that the ultimate liability, if any, arising from these actions should not have a material adverse effect on Roper’s consolidated financial position, results of operations or cash flows.

Roper’s subsidiary, Vertafore, Inc., was named in three putative class actions, two in the U.S. District Court for the Southern District of Texas (Allen, et al. v. Vertafore, Inc., Case 4:20-cv-4139, filed December 4, 2020 and Masciotra, et al. v. Vertafore, Inc., originally filed on December 8, 2020 as Case 1:20-cv-03603 in the U.S. District Court for the District of Colorado and subsequently transferred), and one in the U.S. District Court for the Northern District of Texas (Mulvey, et al. v. Vertafore, Inc., Case 3:21-cv-00213-E, filed January 31, 2021). In July 2021, the court granted Vertafore’s motion to dismiss the Allend Case. Plantiff has the right to appeal the dismissal of the case. In July 2021, the plaintiff in the Masciotra case voluntarily dismissed his action without prejudice. The one remaining case purports to represent approximately 27.7 million individuals who held Texas driver’s licenses prior to February 2019. In November 2020, Vertafore announced that as a result of human error, three data files were inadvertently stored in an unsecured external storage service that appears to have been accessed without authorization. The files, which included driver information for licenses issued before February 2019, contained Texas driver license numbers, as well as names, dates of birth, addresses and vehicle registration histories. The files did not contain any Social Security numbers or financial account information. The case seeks recovery under the Driver’s Privacy Protection Act, 18 U.S.C. § 2721. Vertafore is vigorously defending the case. In addition, Roper has been advised that the Texas Attorney General is investigating the data event.

Roper or its subsidiaries have been named defendants along with numerous industrial companies in asbestos-related litigation claims in certain U.S. states. No significant resources have been required by Roper to respond to these cases and Roper believes it has valid defenses to such claims and, if required, intends to defend them vigorously. Given the state of these claims, it is not possible to determine the potential liability, if any.

10. Business Segments

Net revenues and operating profit by segment are set forth in the following table:

	Three months ended June 30,			Six months ended June 30,		
	2021	2020	Change %	2021	2020	Change %
Net revenues:						
Application Software	$ 591.6	$ 398.4	48.5 %	$ 1,168.2	$ 803.5	45.4 %
Network Software & Systems	458.7	422.0	8.7 %	898.9	860.2	4.5 %
Measurement & Analytical Solutions	397.0	363.9	9.1 %	778.0	729.1	6.7 %
Process Technologies	140.3	120.7	16.2 %	271.1	262.9	3.1 %
Total	$ 1,587.6	$ 1,305.0	21.7 %	$ 3,116.2	$ 2,655.7	17.3 %
Gross profit:						
Application Software	$ 409.3	$ 273.8	49.5 %	$ 808.0	$ 544.2	48.5 %
Network Software & Systems	318.8	284.8	11.9 %	618.2	578.0	7.0 %
Measurement & Analytical Solutions	230.4	221.5	4.0 %	455.1	436.1	4.4 %
Process Technologies	75.6	63.6	18.9 %	146.6	142.2	3.1 %
Total	$ 1,034.1	$ 843.7	22.6 %	$ 2,027.9	$ 1,700.5	19.3 %
Operating profit*:						
Application Software	$ 154.2	$ 113.4	36.0 %	$ 307.9	$ 211.0	45.9 %
Network Software & Systems	150.5	130.6	15.2 %	286.0	269.3	6.2 %
Measurement & Analytical Solutions	124.0	123.0	0.8 %	248.1	237.0	4.7 %
Process Technologies	43.9	16.9	159.8 %	82.2	60.2	36.5 %
Total	$ 472.6	$ 383.9	23.1 %	$ 924.2	$ 777.5	18.9 %
Long-lived assets:						
Application Software	$ 127.9	$ 88.5	44.5 %			
Network Software & Systems	52.7	46.5	13.3 %			
Measurement & Analytical Solutions	34.3	37.4	(8.3)%			
Process Technologies	16.1	20.6	(21.8)%			
Total	$ 231.0	$ 193.0	19.7 %			

*Segment operating profit is before unallocated corporate general and administrative expenses. These expenses were $54.6 and $50.3 for the three months ended June 30, 2021 and 2020, respectively, and 105.7 and 94.7 for the six months ended June 30, 2021 and 2020, respectively.

11. Revenues from Contracts

Disaggregated Revenue - We disaggregate our revenues into two categories: (i) software and related services; and (ii) engineered products and related services. Software and related services revenues are primarily derived from our Application Software and Network Software & Systems reportable segments. Engineered products and related services revenues are derived from all of our reportable segments except Application Software and comprise substantially all of the revenues generated in our Measurement & Analytical Solutions and Process Technologies reportable segments. See details in the table below.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2021	2020	2021	2020
Software and related services	$ 889.8	$ 655.5	$ 1,754.3	$ 1,324.0
Engineered products and related services	697.8	649.5	1,361.9	1,331.7
Net revenues	$ 1,587.6	$ 1,305.0	$ 3,116.2	$ 2,655.7

Remaining performance obligations - Remaining performance obligations represent the transaction price of firm orders for which work has not been performed and excludes unexercised contract options. As of June 30, 2021, the aggregate amount of the transaction price allocated to remaining performance obligations was $4,574.5. We expect to recognize revenue on approximately 58% of our remaining performance obligations over the next 12 months (“Backlog”), with the remainder to be recognized thereafter.

Contract balances

Balance Sheet Account	**June 30, 2021**		**December 31, 2020**		**Change**	
Unbilled receivables	$	275.3	$	241.7	$	33.6
Contract liabilities - current [1]		(1,018.2)		(1,012.0)		(6.2)
Deferred revenue - non-current [2]		(71.5)		(43.1)		(28.4)
Net contract assets/(liabilities)	$	(814.4)	$	(813.4)	$	(1.0)

[1] Consists of “Deferred revenue,” and billings in-excess of revenues (“BIE”). BIE is reported in “Other accrued liabilities” in our Condensed Consolidated Balance Sheets.
[2] The non-current portion of deferred revenue is included in “Other liabilities” in our Condensed Consolidated Balance Sheets.

The change in our net contract assets/(liabilities) from December 31, 2020 to June 30, 2021 was due primarily to the timing of payments and invoicing relating to Software-as-a-Service (“SaaS”) and post contract support (“PCS”) renewals, partially offset by the increase in unbilled receivables associated with timing of invoicing in our project-based businesses, most notably our Transcore business.

Most of the Company’s project-based contracts where the input method of revenue recognition is utilized are billed as work progresses in accordance with the contract terms and conditions, either at periodic intervals or upon achievement of certain milestones. Often this results in billing occurring after revenue recognition resulting in contract assets. The Company records contract liabilities when cash payments are received or due in advance of the Company’s performance relating primarily to SaaS and PCS renewals. Revenue recognized from the contract liability balance on December 31, 2020 and 2019 was $272.1 and $211.5 for the three months ended June 30, 2021 and 2020, respectively, and $731.2 and $535.0 for the six months ended June 30, 2021 and 2020, respectively.

In order to determine revenues recognized in the period from contract liabilities, we allocate revenue to the individual deferred revenue or billings in-excess of revenues balance outstanding at the beginning of the year until the revenue exceeds that balance.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion in conjunction with Management's Discussion and Analysis of Financial Condition and Results of Operations included in our Annual Report on form 10-K for the year ended December 31, 2020 ("Annual Report") as filed on February 22, 2021 with the U.S. Securities and Exchange Commission ("SEC") and the Notes to Condensed Consolidated Financial Statements included elsewhere in this report.

Information About Forward-Looking Statements

This report includes "forward-looking statements" within the meaning of the federal securities laws. In addition, we, or our executive officers on our behalf, may from time to time make forward-looking statements in reports and other documents we file with the SEC or in connection with oral statements made to the press, potential investors or others. All statements that are not historical facts are "forward-looking statements." 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 expressed or implied in any forward-looking statement. Such risks and uncertainties include any ongoing impacts of the COVID-19 pandemic on our business, operations, financial results and liquidity, which will depend on numerous evolving factors that we cannot accurately predict or assess, including: the duration and scope of the pandemic, new variants of the virus and the distribution and efficacy of vaccines; any negative impact on global and regional markets, economies and economic activity; actions governments, businesses and individuals take in response to the pandemic; the effects of the pandemic, including all of the foregoing, on our employees, customers, suppliers, and business partners, and how quickly economies and demand for our products and services recover following the pandemic.

Additional examples of forward-looking statements in this report include but are not limited to statements regarding operating results, the success of our operating plans, our expectations regarding our ability to generate cash and reduce debt and associated interest expense, profit and cash flow expectations, the prospects for newly acquired businesses to be integrated and contribute to future growth and our expectations regarding growth through acquisitions. Important assumptions relating to the forward-looking statements include, among others, demand for our products, the cost, timing and success of product upgrades and new product introductions, raw material costs, expected pricing levels, expected outcomes of pending litigation, competitive conditions and general economic conditions. These assumptions could prove inaccurate. Although we believe that the estimates and projections reflected in the forward-looking statements are reasonable, our expectations may prove to be incorrect. Important factors that could cause actual results to differ materially from estimates or projections contained in the forward-looking statements include but are not limited to:

- general economic conditions;
- difficulty making acquisitions and successfully integrating acquired businesses;
- any unforeseen liabilities associated with future acquisitions;
- limitations on our business imposed by our indebtedness;
- unfavorable changes in foreign exchange rates;
- failure to effectively mitigate cybersecurity threats, including any litigation arising therefrom;
- failure to comply with new data privacy laws and regulations, including any litigation arising therefrom;
- difficulties associated with exports/imports and risks of changes to tariff rates;
- risks and costs associated with our international sales and operations;
- rising interest rates;
- product liability and insurance risks;
- increased warranty exposure;
- future competition;
- the cyclical nature of some of our markets;
- reduction of business with large customers;
- risks associated with government contracts;
- changes in the supply of, or price for, raw materials, parts and components;
- environmental compliance costs and liabilities;
- risks and costs associated with asbestos-related litigation;
- potential write-offs of our goodwill and other intangible assets;
- our ability to successfully develop new products;
- failure to protect our intellectual property;
- the effect of, or change in, government regulations (including tax);

- economic disruption caused by terrorist attacks, health crises (such as the COVID-19 pandemic) or other unforeseen geopolitical events; and
- the factors discussed in other reports filed with the SEC from time to time.

We believe these forward-looking statements are reasonable. However, you should not place undue reliance on any forward-looking statements, which are based on current expectations. Further, forward-looking statements speak only as of the date they are made, and we undertake no obligation to publicly update any of them in light of new information or future events.

Overview

Roper is a diversified technology company. We operate businesses that design and develop software (both license and SaaS) and engineered products and solutions for a variety of niche end markets.

We pursue consistent and sustainable growth in earnings and cash flow by emphasizing continuous improvement in the operating performance of our existing businesses and by acquiring other businesses that offer high value-added software, services, engineered products and solutions that we believe are capable of achieving growth and maintaining high margins. We compete in many niche markets and believe we are the market leader or a competitive alternative to the market leader in most of these markets.

Critical Accounting Policies

There were no material changes during the six months ended June 30, 2021 to the items that we disclosed as our critical accounting policies and estimates in “Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations” in our Annual Report.

Recently Issued Accounting Standards

Information regarding new accounting pronouncements is included in Note 2 of the Notes to Condensed Consolidated Financial Statements.

Impact of COVID-19 on our Business

The extent to which the COVID-19 pandemic impacts our business, results of operations and financial condition will depend on future developments, which are highly uncertain and are difficult to predict, including, but not limited to, the duration and spread of the outbreak, its severity, the actions to contain the virus and its variants including the distribution, administration and efficacy of available vaccines, and how quickly and to what extent normal economic and operating conditions can resume. As COVID-19 and its variants spread, particularly in countries with low vaccination rates, certain countries may experience more severe and lasting impacts from the pandemic. To the extent we have operations and/or customers in these countries, we may experience adverse impacts on our businesses located in such countries.

Results of Operations
All currency amounts are in millions, percentages are of net revenues

General

Percentages may not sum due to rounding.

The following table sets forth selected information for the periods indicated.

	Three months ended June 30,		Six months ended June 30,	
	2021	2020	2021	2020
Net revenues:				
Application Software	$ 591.6	$ 398.4	$ 1,168.2	$ 803.5
Network Software & Systems	458.7	422.0	898.9	860.2
Measurement & Analytical Solutions	397.0	363.9	778.0	729.1
Process Technologies	140.3	120.7	271.1	262.9
Total	$ 1,587.6	$ 1,305.0	$ 3,116.2	$ 2,655.7
Gross margin:				
Application Software	69.2 %	68.7 %	69.2 %	67.7 %
Network Software & Systems	69.5	67.5	68.8	67.2
Measurement & Analytical Solutions	58.0	60.9	58.5	59.8
Process Technologies	53.9	52.7	54.1	54.1
Total	65.1	64.7	65.1	64.0
Selling, general and administrative expenses:				
Application Software	43.1 %	40.3 %	42.8 %	41.5 %
Network Software & Systems	36.7	36.5	37.0	35.9
Measurement & Analytical Solutions	26.8	27.1	26.6	27.3
Process Technologies	22.5	38.7	23.7	31.2
Total	35.4	35.2	35.4	34.8
Segment operating margin:				
Application Software	26.1 %	28.5 %	26.4 %	26.3 %
Network Software & Systems	32.8	30.9	31.8	31.3
Measurement & Analytical Solutions	31.2	33.8	31.9	32.5
Process Technologies	31.3	14.0	30.3	22.9
Total	29.8	29.4	29.7	29.3
Corporate administrative expenses	(3.4)	(3.9)	(3.4)	(3.6)
Income from operations	26.3	25.6	26.3	25.7
Interest expense, net	(3.7)	(3.6)	(3.9)	(3.5)
Other income (expense), net	0.1	(0.2)	0.9	—
Earnings before income taxes	22.6	21.8	23.3	22.2
Income taxes	(4.6)	(5.0)	(4.8)	(4.9)
Net earnings	18.0 %	16.8 %	18.5 %	17.3 %

Three months ended June 30, 2021 compared to three months ended June 30, 2020

Net revenues for the three months ended June 30, 2021 increased by 22% as compared to the three months ended June 30, 2020. Acquisitions contributed 12%, organic revenues increased 7% and foreign exchange contributed 2%.

In our Application Software segment, revenues were $591.6 in the second quarter of 2021 as compared to $398.4 in the second quarter of 2020, an increase of 48%. Acquisitions contributed 38%, organic revenues increased 9% and foreign exchange contributed 2% to growth in the segment. The increase in organic revenues was due to broad-based revenue growth across the segment led by our businesses serving the government contracting, healthcare and education markets. Gross margin increased to 69.2% in the second quarter of 2021 as compared to 68.7% in the second quarter of 2020 due primarily to the acquisition of Vertafore and operating leverage on higher organic revenues. Selling, general and administrative ("SG&A") expenses as a percentage of revenues increased to 43.1% in the second quarter of 2021 as compared to 40.3% in the second quarter of 2020 due primarily to higher amortization of acquired intangibles from the Vertafore and EPSi acquisitions, partially offset by operating leverage on higher organic revenues. The resulting operating margin was 26.1% in the second quarter of 2021 as compared to 28.5% in the second quarter of 2020.

In our Network Software & Systems segment, revenues were $458.7 in the second quarter of 2021 as compared to $422.0 in the second quarter of 2020, an increase of 9%. Organic revenues increased 6%, acquisitions contributed 2% and foreign exchange contributed 1% to growth in the segment. The increase in organic revenues was primarily due to subscription growth at our SaaS businesses led by our businesses serving the freight match and construction markets, partially offset by lower toll tag volumes in our toll and traffic business. Gross margin increased to 69.5% in the second quarter of 2021 as compared to 67.5% in the second quarter of 2020 due primarily to revenue mix. SG&A expenses as a percentage of revenues increased to 36.7% in the second quarter of 2021 as compared to 36.5% in the second quarter of 2020 due primarily to higher amortization of acquired intangibles from the acquisitions completed in 2020. As a result, operating margin was 32.8% in the second quarter of 2021 as compared to 30.9% in the second quarter of 2020.

Our Measurement & Analytical Solutions segment revenues increased by 9% to $397.0 in the second quarter of 2021 as compared to $363.9 in the second quarter of 2020. Organic revenues increased 7% and foreign exchange contributed 2% to growth in the segment. The growth in organic revenues was primarily due to broad-based growth in our water meter technology business, industrial businesses, and medical products businesses excluding Verathon, which declined due to unprecedented demand for their products used in the treatment of COVID-19 during 2020. Gross margin decreased to 58.0% in the second quarter of 2021 as compared to 60.9% in the second quarter of 2020 due primarily to revenue mix. SG&A expenses as a percentage of revenues decreased to 26.8% in the second quarter of 2021 as compared to 27.1% in the second quarter of 2020 due primarily to higher operating leverage on organic revenue growth. The resulting operating margin was 31.2% in the second quarter of 2021 as compared to 33.8% in the second quarter of 2020.

Our Process Technologies segment revenues increased by 16% to $140.3 in the second quarter of 2021 as compared to $120.7 in the second quarter of 2020. Organic revenues increased 13% and foreign exchange contributed 4%. Organic revenues increased due to broad-based revenue growth across the segment as energy and industrial markets began to recover from the pandemic. Gross margin increased to 53.9% in the second quarter of 2021 as compared to 52.7% in the second quarter of 2020 due primarily to revenue mix. SG&A expenses as a percentage of revenues decreased to 22.5% in the second quarter of 2021 as compared to 38.7% in the second quarter of 2020 due primarily to a $13.6 restructuring charge for structural cost reduction actions taken at certain businesses during the second quarter of 2020 and higher operating leverage on organic revenue growth. As a result, operating margin was 31.3% in the second quarter of 2021 as compared to 14.0% in the second quarter of 2020.

Corporate expenses increased to $54.6, or 3.4% of revenues, in the second quarter of 2021 as compared to $50.3, or 3.9% of revenues, in the second quarter of 2020. The dollar increase was due primarily to higher compensation related expenses, partially offset by lower acquisition related expenses.

Net interest expense was $59.5 for the second quarter of 2021 as compared to $47.5 for the second quarter of 2020 due to higher weighted average debt balances, partially offset by lower weighted average interest rates.

Other income, net, of $0.9 for the second quarter of 2021 was composed primarily of royalty income. Other expense, net, of $2.0 for the second quarter of 2020 was composed primarily of foreign exchange losses at our non-U.S. based subsidiaries.

Income taxes as a percent of pretax earnings decreased to 20.3% in the second quarter of 2021 as compared to 22.8% in the second quarter of 2020. The rate was favorably impacted primarily due to the recognition of a net tax benefit in connection with an internal restructuring plan, partially offset by an unfavorable impact due to a UK tax rate change.

Backlog is equal to our remaining performance obligations expected to be recognized within the next 12 months as discussed in Note 11 of the Notes to Condensed Consolidated Financial Statements. Backlog increased 30% to $2,647.6 at June 30, 2021 as compared to $2,044.3 at June 30, 2020, organic growth was 11% and acquisitions contributed 19%.

	Backlog as of June 30,	
	2021	2020
Application Software	$ 1,392.6	$ 870.3
Network Software & Systems	828.9	832.9
Measurement & Analytical Solutions	295.5	231.4
Process Technologies	130.6	109.7
Total	$ 2,647.6	$ 2,044.3

Six months ended June 30, 2021 compared to six months ended June 30, 2020

Net revenues for the six months ended June 30, 2021 increased by 17% as compared to the six months ended June 30, 2020. Acquisitions contributed 12%, organic revenues increased 3% and foreign exchange contributed 2%.

In our Application Software segment, revenues were $1,168.2 in the six months ended June 30, 2021 as compared to $803.5 in the six months ended June 30, 2020, an increase of 45%. Acquisitions contributed 38%, organic revenues increased 5% and foreign exchange contributed 2%. The growth in organic revenues was primarily due to businesses serving healthcare and government contracting markets. Gross margin increased to 69.2% in the six months ended June 30, 2021 as compared to 67.7% in the six months ended June 30, 2020 due primarily to the acquisition of Vertafore and operating leverage on higher organic revenues. SG&A expenses increased as a percentage of revenue to 42.8% in the six months ended June 30, 2021 as compared to 41.5% in the six months ended June 30, 2020 due primarily to higher amortization of acquired intangibles from the Vertafore and EPSi acquisitions, partially offset by operating leverage on higher organic revenues. The resulting operating margin was 26.4% in the six months ended June 30, 2021 as compared to 26.3% in the six months ended June 30, 2020.

In our Network Software & Systems segment, revenues increased by 4% to $898.9 in the six months ended June 30, 2021 as compared to $860.2 in the six months ended June 30, 2020. Acquisitions contributed 2%, organic revenues increased 1% and foreign exchange contributed 1%. The increase in organic revenues was primarily due to subscription growth at our SaaS businesses led by our businesses serving the freight match and construction markets, partially offset by lower toll tag volumes in our toll and traffic business. Gross margin increased to 68.8% in the six months ended June 30, 2021 as compared to 67.2% in the six months ended June 30, 2020 due primarily to revenue mix. SG&A expenses increased as a percentage of revenues at 37.0% in the six months ended June 30, 2021 as compared to 35.9% in the six months ended June 30, 2020 due primarily to revenue mix. As a result, operating margin was 31.8% in the six months ended June 30, 2021 as compared to 31.3% in the six months ended June 30, 2020.

Our Measurement and Analytical segment revenues increased by 7% to $778.0 in the six months ended June 30, 2021 as compared to $729.1 in the six months ended June 30, 2020. Organic revenues increased 5% and foreign exchange contributed 2%. The growth in organic revenues was primarily due to broad-based growth led by our industrial businesses, water meter technology business, and medical products businesses excluding Verathon, which declined due to unprecedented demand for their products used in the treatment of COVID-19 during 2020. Gross margin decreased to 58.5% in the six months ended June 30, 2021 as compared to 59.8% in the six months ended June 30, 2020 due primarily to revenue mix. SG&A expenses as a percentage of revenues decreased to 26.6% in the six months ended June 30, 2021 as compared to 27.3% in the six months ended June 30, 2020 due primarily to higher operating leverage on organic revenue growth. The resulting operating margin was 31.9% in the six months ended June 30, 2021 as compared to 32.5% in the six months ended June 30, 2020.

Our Process Technologies segment revenues increased by 3% to $271.1 in the six months ended June 30, 2021 as compared to $262.9 in the six months ended June 30, 2020. Organic revenues were flat with foreign exchange contributing 3% to the growth in the segment. Gross margin was flat at 54.1% in the six months ended June 30, 2021 and June 30, 2020. SG&A expenses as a percentage of revenues decreased to 23.7% in the six months ended June 30, 2021 as compared to 31.2% in the six months ended June 30, 2020 due primarily to $13.6 of restructuring charges for structural cost reduction actions taken at certain of our businesses during the second quarter of 2020. As a result, operating margin was 30.3% in the six months ended June 30, 2021 as compared to 22.9% in the six months ended June 30, 2020.

Corporate expenses increased to $105.7, or 3.4% of revenues, in the six months ended June 30, 2021 as compared to $94.7, or 3.6% of revenues, in the six months ended June 30, 2020. The dollar increase was due primarily to higher compensation related expenses, partially offset by lower acquisition related expenses.

Net interest expense was $120.1 for the six months ended June 30, 2021 as compared to $92.9 for the six months ended June 30, 2020 due to higher weighted average debt balances, partially offset by lower weighted average interest rates.

Other income, net, of $27.9 for the six months ended June 30, 2021 was composed primarily of a gain on sale of minority investment of $27.1. Other expense, net, of $1.2 for the six months ended June 30, 2020 was composed primarily of foreign exchange losses at our non-U.S. based subsidiaries.

Income taxes as a percent of pretax earnings decreased to 20.8% in the six months ended June 30, 2021 as compared to 21.9% in the six months ended June 30, 2020. The rate was favorably impacted primarily due to the recognition of a net tax benefit in connection with an internal restructuring plan, partially offset by an unfavorable impact due to a UK tax rate change.

Financial Condition, Liquidity and Capital Resources
All currency amounts are in millions

Selected cash flows for the six months ended June 30, 2021 and 2020 were as follows:

	Six months ended June 30,	
Cash provided by/(used in):	**2021**	**2020**
Operating activities	$ 985.1	$ 813.0
Investing activities	(22.2)	(177.5)
Financing activities	(934.6)	532.9

Operating activities - Net cash provided by operating activities increased by 21% to $985.1 in the six months ended June 30, 2021 as compared to $813.0 in the six months ended June 30, 2020, due primarily to (i) higher net income net of non-cash expenses, and (ii) growth in our software businesses, which generated cash from working capital, these increases were partially offset by higher cash taxes due to the deferral of $137.5 of tax payments in the second quarter 2020 under the Coronavirus Aid, Relief, and Economic Security Act of 2020.

Investing activities - Cash used in investing activities during the six months ended June 30, 2021 is due primarily to capital expenditures and business acquisitions, partially offset by proceeds from the sale of a minority investment. Cash used in investing activities during the six months ended June 30, 2020 was due primarily to business acquisitions.

Financing activities - Cash used in financing activities for the six months ended June 30, 2021 was primarily due to net repayments on our unsecured credit facility and dividend payments, partially offset by net proceeds from stock based compensation. Cash provided by financing activities during the six months ended June 30, 2020 was primarily due to net proceeds from the issuance of notes and net proceeds from stock based compensation, partially offset by dividend payments.
Effect of foreign currency exchange rate changes on cash - Cash and cash equivalents increased during the six months ended June 30, 2021 by $1.2 due primarily to the weakening of the U.S. dollar against the functional currency of our Canadian subsidiaries. Cash and cash equivalents decreased during the six months ended June 30, 2020 by $7.3 due primarily to the strengthening of the U.S. dollar against the functional currencies of our United Kingdom and Canadian subsidiaries.

Total debt at June 30, 2021 consisted of the following:

$500 2.800% senior notes due 2021		500.0
$500 3.125% senior notes due 2022		500.0
$300 0.450% senior notes due 2022		300.0
$700 3.650% senior notes due 2023		700.0
$500 2.350% senior notes due 2024		500.0
$300 3.850% senior notes due 2025		300.0
$700 1.000% senior notes due 2025		700.0
$700 3.800% senior notes due 2026		700.0
$700 1.400% senior notes due 2027		700.0
$800 4.200% senior notes due 2028		800.0
$700 2.950% senior notes due 2029		700.0
$600 2.000% senior notes due 2030		600.0
$1,000 1.750% senior notes due 2031		1,000.0
Unsecured credit facility		750.0
Deferred finance costs		(54.0)
Other		5.9
Total debt, net of deferred finance costs		8,701.9
Less current portion		502.4
Long-term debt, net of deferred finance costs	$	8,199.5

The interest rate on borrowings under our $3,000.0 unsecured credit facility is calculated based upon various recognized indices plus a margin as defined in the credit facility. At June 30, 2021, there were $750.0 outstanding borrowings under our unsecured credit facility. At June 30, 2021, we had $5.9 of other debt in the form of short term borrowings, finance leases and several smaller facilities that allow for borrowings in various foreign locations to support our non-U.S. businesses and $62.2 of outstanding letters of credit.

Cash at our foreign subsidiaries at June 30, 2021 increased to $316 as compared to $259 at December 31, 2020 due primarily to the cash generated at our foreign subsidiaries during the six months ended June 30, 2021, partially offset by the repatriation of $185 during the six months ended June 30, 2021. We intend to repatriate substantially all historical and future earnings.

We expect existing cash balances, together with cash generated by our operations and amounts available under our credit facility, will be sufficient to fund our operating requirements for the foreseeable future.

We were in compliance with all debt covenants related to our unsecured credit facility throughout the six months ended June 30, 2021.

Net working capital (total current assets, excluding cash, less total current liabilities, excluding debt) was negative $541.8 at June 30, 2021 as compared to negative $498.4 at December 31, 2020, reflecting a decrease in working capital due primarily to a decrease in accounts receivable, net, and an increase in accounts payable, partially offset by an increase in unbilled receivables. Consistent negative net working capital demonstrates Roper’s continued evolution and focus on asset-light business models. Total debt was $8,701.9 at June 30, 2021 as compared to $9,566.5 at December 31, 2020, due primarily to the net repayments under our unsecured credit facility. Our leverage is shown in the following table:

	June 30, 2021	December 31, 2020
Total debt	$ 8,701.9	$ 9,566.5
Cash	(337.8)	(308.3)
Net debt	8,364.1	9,258.2
Stockholders' equity	11,089.2	10,479.8
Total net capital	$ 19,453.3	$ 19,738.0
Net debt / total net capital	43.0 %	46.9 %

Capital expenditures were $17.2 for the six months ended June 30, 2021 as compared to $15.5 for the six months ended June 30, 2020. Capitalized software expenditures were $15.3 for the six months ended June 30, 2021 as compared to $5.2 for the six months ended June 30, 2020. We expect the aggregate of capital expenditures and capitalized software expenditures for the balance of the year to be comparable to prior years as a percentage of revenues.

Off-Balance Sheet Arrangements

At June 30, 2021, we did not have any relationships with unconsolidated entities or financial partnerships, such as entities often referred to as structured finance or special purpose entities, which would have been established for the purpose of facilitating off-balance sheet arrangements or other contractually narrow or limited purposes.

Outlook

Current geopolitical and economic uncertainties could adversely affect our business prospects. The COVID-19 pandemic has had, and may continue to have, an adverse impact on our business. A significant terrorist attack, other global conflict, or public health crisis could cause changes in world economies that would adversely affect us. It is impossible to isolate each of these potential factor's future effects on current economic conditions or any of our businesses. It is also impossible to predict with any reasonable degree of certainty what or when any additional events may occur that also would similarly disrupt the economy and have an adverse impact on our businesses.

Although we maintain an active acquisition program we are currently focused on reducing debt. Future acquisitions will be dependent on numerous factors and it is not feasible to reasonably estimate if or when any such acquisitions will occur and what the impact will be on our business, financial condition and results of operations. Such acquisitions may be financed by the use of existing credit lines, future cash flows from operations, future divestitures, the proceeds from the issuance of new debt or equity securities or any combination of these methods, the terms and availability of which will be subject to market and economic conditions generally.

We anticipate that our businesses will generate positive cash flows from operating activities, and that these cash flows will permit the reduction of currently outstanding debt in accordance with the repayment schedule. However, the rate at which we can reduce our debt during 2021 (and reduce the associated interest expense) will be affected by, among other things, the financing and operating requirements of any new acquisitions, the financial performance of our existing companies and the impact of the COVID-19 pandemic on our business prospects and the financial markets generally. None of these factors can be predicted with certainty.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

See “Item 7A. Quantitative and Qualitative Disclosures about Market Risk” in our Annual Report. There were no material changes during the six months ended June 30, 2021.

ITEM 4. CONTROLS AND PROCEDURES

As required by SEC rules, we have evaluated the effectiveness of the design and operation of our disclosure controls and procedures as of the end of the period covered by this Quarterly Report on Form 10-Q (“Evaluation Date”). This evaluation was carried out under the supervision and with the participation of our management, including our principal executive officer and principal financial officer. Based on this evaluation as of the Evaluation Date, these officers have concluded that the design and operation of our disclosure controls and procedures are effective.

Our disclosure controls and procedures are designed to ensure that information required to be disclosed by us in the reports that we file or submit under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), is recorded, processed, summarized and reported within the time periods specified in the SEC’s rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by us in the reports that we file or submit under the Exchange Act are accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate, to allow timely decisions regarding required disclosure.

There were no changes to our internal controls during the period covered by this Quarterly Report on Form 10-Q that materially affected, or are reasonably likely to materially affect, our internal controls over financial reporting.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

Information pertaining to legal proceedings can be found in Note 9 of the Notes to Condensed Consolidated Financial Statements included elsewhere in this Quarterly Report on Form 10-Q and is incorporated by reference herein.

ITEM 1A. RISK FACTORS

Information regarding risk factors can be found in “Management’s Discussion and Analysis of Financial Condition and Results of Operations - Information About Forward-Looking Statements,” in Part 1 - Item 2 of this Form 10-Q and in Part 1 - Item 1A of our Annual Report. There were no material changes during the six months ended June 30, 2021 to the risk factors reported in the Annual Report.

ITEM 6. EXHIBITS

3.1	Amended and Restated By-Laws, incorporated herein by reference to Exhibit 3.1 to the Roper Technologies, Inc. Current Report on Form 8-K filed June 14, 2021.
10.1	Roper Technologies, Inc. 2021 Incentive Plan, incorporated herein by reference to Exhibit 10.1 to the Roper Technologies, Inc. Current Report on Form 8-K filed June 14, 2021.
10.2	Form of Performance Based Restricted Stock Award Agreement under the 2021 Incentive Plan, incorporated herein by reference to Exhibit 10.2 to the Roper Technologies, Inc. Current Report on Form 8-K filed June 14, 2021.
10.3	Form of Stock Option Award Agreement under the 2021 Incentive Plan, incorporated herein by reference to Exhibit 10.3 to the Roper Technologies, Inc. Current Report on Form 8-K filed June 14, 2021.
10.4	Form of Restricted Stock Award Agreement under the 2021 Incentive Plan, incorporated herein by reference to Exhibit 10.4 to the Roper Technologies, Inc. Current Report on Form 8-K filed June 14, 2021.
10.5	Roper Technologies, Inc. 2021 Director Compensation Plan, filed herewith.
10.6	Form of Non-Employee Director Restricted Stock Unit Award Agreement under the 2021 Incentive Plan (included in Exhibit 10.5).
10.7	Form of Non-Employee Director Restricted Stock Award Agreement under the 2021 Incentive Plan (included in Exhibit 10.5).
31.1	Rule 13a-14(a)/15d-14(a), Certification of the Chief Executive Officer, filed herewith.
31.2	Rule 13a-14(a)/15d-14(a), Certification of the Chief Financial Officer, filed herewith.
32.1	Section 1350 Certification of the Chief Executive and Chief Financial Officers, furnished herewith.
101.INS	XBRL Instance Document.
101.SCH	XBRL Taxonomy Extension Schema Document.
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB	XBRL Taxonomy Extension Label Linkbase Document.
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document.
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).

Signatures

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Roper Technologies, Inc.

/S/ L. Neil Hunn L. Neil Hunn	President and Chief Executive Officer (Principal Executive Officer)	August 5, 2021
/S/ Robert C. Crisci Robert C. Crisci	Executive Vice President and Chief Financial Officer (Principal Financial Officer)	August 5, 2021
/S/ Jason Conley Jason Conley	Vice President and Chief Accounting Officer (Principal Accounting Officer)	August 5, 2021

ROPER TECHNOLOGIES, INC.
DIRECTOR COMPENSATION PLAN

ARTICLE 1
PURPOSE

1.1. BACKGROUND. This Director Compensation Plan (the "Plan") is adopted to formalize the compensation for Non-Employee Directors of Roper Technologies, Inc. (the “Company”) and supersedes all prior plans previously adopted by the Compensation Committee and/or Board of Directors governing the compensation of the Company’s Non-Employee Directors.

1.2. Purpose. The purpose of the Plan is to attract, retain and compensate highly-qualified individuals who are not employees of Roper Technologies, Inc. or any of its subsidiaries or affiliates for service as members of the Board by providing them with competitive compensation and an ownership interest in the Stock of the Company. The Company intends that the Plan will benefit the Company and its shareholders by allowing Non-Employee Directors to have a personal financial stake in the Company through an ownership interest in the Stock and will closely associate the interests of Non-Employee Directors with that of the Company’s shareholders.

1.3. ELIGIBILITY. Non-Employee Directors of the Company who are Eligible Participants, as defined below, shall automatically be participants in the Plan.

ARTICLE 2
DEFINITIONS

2.1 DEFINITIONS. Capitalized terms used herein and not otherwise defined shall have the meanings given such terms in the Incentive Plan as defined herein. Unless the context clearly indicates otherwise, the following terms shall have the following meanings:

(a) “Base Annual Cash Retainer” means the annual cash retainer payable by the Company to a Non-Employee Director pursuant to Section 5.1 hereof for service as a Director (i.e., excluding any Supplemental Annual Cash Retainer), as such amount may be changed from time to time.

(b) “Board of Directors” and “Board” mean the board of directors of the Company.

(c) “Compensation Committee” and “Committee” means the compensation committee of the Board.

(d) “Deferred Compensation Plan” means the Roper Technologies, Inc. Non-Qualified Retirement Plan, as amended and restated as of January 1, 2013, or any subsequent nonqualified deferred compensation plan in which Non-Employee Directors are permitted to participate and that is designated by the Committee as the Deferred Compensation Plan for purposes of this Plan.

(e) “Director” means a member of the Board of Directors.

(f) "Effective Date" of the Plan has the meaning set forth in Section 8.4 of the Plan.

(g) “Eligible Participant” means any person who is a Non-Employee Director on the Effective Date or becomes a Non-Employee Director while this Plan is in effect; except that during any period a Director is prohibited from participating in the Plan by the Company or otherwise waives participation in the Plan, such director shall not be an Eligible Participant.

(h) "Equity Award" means stock options, Restricted Stock, Restricted Stock Units, stock appreciation rights, or other awards based on or derived from the Stock which are authorized under the Incentive Plan for award to Non-Employee Directors.

(i) "Incentive Plan" means the Roper Technologies, Inc. 2021 Incentive Plan, or any subsequent equity compensation plan approved by the shareholders of the Company and designated by the Committee as the Incentive Plan for purposes of this Plan.

(j) "Non-Employee Director" means a member of the Board of Directors who is not an employee of the Company or any of its subsidiaries.

(k) "Plan" means this Roper Technologies, Inc. Director Compensation Plan, as amended from time to time.

(l) "Plan Year(s)" means the approximate twelve-month periods between annual meetings of the shareholders of the Company.

(m) "Restricted Stock Unit" or "RSU" has the meaning assigned such term in the Incentive Plan.

(n) "Restricted Stock" has the meaning assigned such term in the Incentive Plan.

(o) "Stock" and "Shares" have the meanings assigned to such terms in the Incentive Plan.

(p) "Supplemental Annual Cash Retainer" means the annual cash retainer payable by the Company to a Non-Employee Director pursuant to Section 5.2 hereof, as such amount may be changed from time to time.

(q) "Total Annual Retainer" for any given Non-Employee Director means the Base Annual Cash Retainer and, if applicable, any Supplemental Annual Cash Retainer to which he or she is entitled under the Plan.

ARTICLE 3
ADMINISTRATION

3.1. <u>ADMINISTRATION</u>. The Plan shall be administered by the Board or the Committee. Subject to the provisions of the Plan, the Board or the Committee shall be authorized to interpret the Plan, to establish, amend and rescind any rules and regulations relating to the Plan, and to make all other determinations necessary or advisable for the administration of the Plan. The Board's or the Committee's interpretation of the Plan, and all actions taken and determinations made by the Board or the Committee pursuant to the powers vested in it hereunder, shall be conclusive and binding upon all parties concerned including the Company, its shareholders and Non-Employee Directors. The Board or the Committee may appoint a plan administrator to carry out the ministerial functions of the Plan, but the administrator shall have no other authority or powers of the Board or the Committee.

3.2. <u>RELIANCE</u>. In administering the Plan, the Board or the Committee may rely upon any information furnished by the Company, its public accountants and other experts. No individual will have personal liability by reason of anything done or omitted to be done by the Company or the Board or the Committee in connection with the Plan. This limitation of liability shall not be exclusive of any other limitation of liability to which any such person may be entitled under the Company's certificate of incorporation or otherwise.

3.3. INDEMNIFICATION. Each person who is or has been a member of the Committee or who otherwise participates in the administration or operation of the Plan shall be indemnified by the Company against, and held harmless from, any loss, cost, liability or expense that may be imposed upon or incurred by him or her in connection with or resulting from any claim, action, suit or proceeding in which such person may be involved by reason of any action taken or failure to act under the Plan and shall be fully reimbursed by the Company for any and all amounts paid by such person in satisfaction of judgment against him or her in any such action, suit or proceeding, provided he or she will give the Company an opportunity, by written notice to the Board, to defend the same at the Company's own expense before he or she undertakes to defend it on his or her own behalf. This right of indemnification shall not be exclusive of any other rights of indemnification to which any such person may be entitled under the Company's certificate of incorporation, bylaws, contract or Delaware law.

ARTICLE 4
SOURCES OF SHARES

4.1. SOURCE OF SHARES FOR THE PLAN. Equity Awards that may be issued pursuant to the Plan shall be issued under the Incentive Plan, subject to all of the terms and conditions of the Incentive Plan. The terms contained in the Incentive Plan are incorporated into and made a part of this Plan with respect to Equity Awards granted pursuant hereto, and any such awards shall be governed by and construed in accordance with the Incentive Plan. In the event of any actual or alleged conflict between the provisions of the Incentive Plan and the provisions of this Plan, the provisions of the Incentive Plan shall be controlling and determinative. This Plan does not constitute a separate source of Shares for the grant of the Equity Awards described herein.

ARTICLE 5
CASH COMPENSATION

5.1. BASE ANNUAL CASH RETAINER. Each Eligible Participant shall be paid a Base Annual Cash Retainer for service as a Director. The amount of the Base Annual Cash Retainer shall be established from time to time by the Board or the Committee. The amount of the Base Annual Cash Retainer is set forth in **Schedule I,** as may be amended from time to time. An Eligible Participant will receive a prorata Base Annual Cash Retainer based on the number of full months he or she serves in such Non-Employee Director position during the relevant calendar year.

5.2. SUPPLEMENTAL ANNUAL CASH RETAINER. Certain Eligible Participants shall be paid a Supplemental Annual Cash Retainer for service as chair of the Board and/or chair of a committee of the Board. The amount and recipients of the Supplemental Annual Cash Retainer shall be established from time to time by the Board or the Committee and shall be set forth in **Schedule I**, as amended from time to time.

A prorata Supplemental Annual Cash Retainer will be paid to any Eligible Participant who is elected by the Board to a position eligible for a Supplemental Annual Retainer, based on the number of full months he or she serves in such eligible chair position during the relevant calendar year.

5.3. TRAVEL EXPENSE REIMBURSEMENT. All Eligible Participants shall be reimbursed for reasonable travel expenses (including spouse's expenses to attend events to which spouses are invited) in connection with attendance at meetings of the Board and its committees, or other Company functions at which the Chief Executive Officer or Chair of the Board requests the Non-Employee Director to participate.

5.4. DEFERAL OF CASH COMPENSATION. An Eligible Participant may elect to defer some or all of his or her Total Annual Retainer pursuant to the terms of the Deferred Compensation Plan. Any such deferrals shall be subject to the election timing and distributions rules set forth in the Deferred Compensation Plan.

ARTICLE 6
EQUITY COMPENSATION

6.1. EQUITY AWARDS. Eligible Participants will be granted annual Equity Awards pursuant to the Incentive Plan. Beginning with Plan Year 2021, until otherwise determined by the Committee, Equity Awards shall be made hereunder, at the election of the Eligible Participant, in the form Restricted Stock Units or Restricted Stock.

6.2 RESTRICTED STOCK UNITS Subject to Share availability under the Incentive Plan, each Eligible Participant that elects to receive RSUs shall receive an award of RSUs on the day following the Annual Meeting of Shareholders held in that Plan Year; provided, however, the date of grant of any prorata award shall be made on or as soon as practicable after the date that the person first becomes an Eligible Participant ("Annual RSUs"). Annual RSUs shall be subject to the terms and conditions in the form of Restricted Stock Unit Award Certificate for Non-Employee Directors set forth in **Schedule II,** as may be amended from time to time.

(a) Number of Annual RSUs. The number of Annual RSUs to be granted shall be established from time to time by the Board or the Committee and shall be set forth in **Schedule I**, as amended from time to time. A prorata Annual RSU award will be granted to any person who becomes an Eligible Participant on a date other than the beginning of a Plan Year, based on the number of full months he or she serves as an Eligible Participant during the Plan Year, rounded to the next highest whole share.

(b) Conversion to Stock. Each Annual RSU represents the right to receive one share of Stock on a date that is on or after the vesting date (the "Conversion Date"). Unless the Eligible Participant has made a timely deferral election in accordance with Section 6.2(c), the Conversion Date for the Annual RSUs shall be the vesting date.

(c) Deferral of Conversion of RSUs. An Eligible Participant may elect to defer the Conversion Date for RSUs pursuant to the terms of the Deferred Compensation Plan and such deferred date is referred to herein as the "Deferred RSU Conversion Date.". Any such deferrals shall be subject to the election timing and distributions rules set forth in the Deferred Compensation Plan.

(d) Dividend Equivalents. If and when cash dividends or other cash distributions are paid with respect to the Stock while the RSUs are outstanding, the dollar amount such dividends or distributions with respect to the number of shares of Stock then underlying the RSUs shall be accumulated, held by the Company and paid to the Eligible Participant following the applicable Conversion Date or Deferred RSU Conversion Date.

(e) Other Shareholder Rights. Non-Employee Directors shall not have voting or any other rights as a shareholder of the Company with respect to the RSUs. Upon conversion of the RSUs into shares of Stock at the Conversion Date or any applicable Deferred RSU Conversion Date, the Non-Employee Director will obtain full voting and other rights as a shareholder of the Company.

6.3 RESTRICTED STOCK

Subject to Share availability under the Incentive Plan, each Eligible Participant that elects to receive Restricted Stock shall receive an award of Shares of Restricted Stock on the day following the Annual Meeting of Shareholders held in that Plan Year; provided, however, the date of grant of any prorata award shall be made on or as soon as practicable after the date that the person first becomes an Eligible Participant ("Annual Restricted Stock"). Annual Restricted Stock shall be subject to the terms and conditions in the form of Restricted Stock Award Certificate set forth in **Schedule III**, as may be amended from time to time.

The number of Shares of Annual Restricted Stock to be granted shall be established from time to time by the Board or the Committee and shall be set forth in **Schedule I**, as amended from time to time. A prorata Annual Restricted Stock award will be granted to any person who becomes an Eligible Participant on a date other than the beginning of a Plan Year, based on the number of full months he or she serves as an Eligible Participant during the Plan Year, rounded to the next highest whole share.

ARTICLE 7
AMENDMENT, MODIFICATION AND TERMINATION

7.1. AMENDMENT, MODIFICATION AND TERMINATION. The Board or the Committee may, at any time and from time to time, amend, modify or terminate the Plan without shareholder approval; provided, however, that if an amendment to the Plan would, in the reasonable opinion of the Board or the Committee, require shareholder approval under applicable laws, policies or regulations or the applicable listing or other requirements of a securities exchange on which the Stock is listed or traded, then such amendment shall be subject to shareholder approval; and provided further, that the Board or the Committee may condition any other amendment or modification on the approval of shareholders of the Company for any reason. Modification of Equity Awards granted under this Plan shall be subject to the provisions of the Incentive Plan.

ARTICLE 8
GENERAL PROVISIONS

8.1 ADJUSTMENTS.. The adjustment provisions of the Incentive Plan shall apply with respect to Equity Awards outstanding or to be granted pursuant to this Plan.

8.2 DURATION OF THE PLAN.. The Plan shall remain in effect until terminated by the Board or the Committee.

8.3 EXPENSES OF THE PLAN. The expenses of administering the Plan shall be borne by the Company.

8.4 EFFECTIVE DATE. The Plan was adopted by the Committee on June 14, 2021, and became effective on that date (the "Effective Date").

SCHEDULE I

DIRECTOR COMPENSATION SCHEDULE

The following is effective as of January 1, 2020

Base Annual Cash Retainer (all Directors): $60,000

Supplemental Annual Cash Retainers:
Chair of Audit Committee: $5,000
Chair of Compensation Committee: $5,000
Chair of Nominating and Corporate Governance Committee: $5,000
Independent Chair of the Board: $125,000

Meeting Fees:

There are no fees for Board meetings or committee meetings.

Annual Award of Restricted Stock Units or Restricted Stock:

The number of RSUs or Shares of Restricted Stock that equal an economic value of $385,000 measured by using the closing price for the Stock on the date of grant.

Limitation on Compensation:

Any annual increase in aggregate pay (cash and equity) is limited to no more than 3% in any one year period, and no more than 6% in the three year period ended 2022.

SCHEDULE II
RESTRICTED STOCK UNIT AWARD CERTIFICATE

Non-transferable
GRANT TO

_____________________________, a Non-Employee Director
*("*Grantee*")*

by Roper Technologies, Inc. (the "Company") of

[________]
Restricted Stock Units (the “Units”) settled in shares of its common stock, par value $0.01 (the "Shares")

pursuant to and subject to the provisions of the Roper Technologies, Inc. Director Compensation Plan (the "Director Compensation Plan"), which is operated as a subplan of the Roper Technologies, Inc. 2021 Incentive Plan (the "Incentive Plan" and, together with the Directors Compensation Plan, the "Plans"), and to the terms and conditions set forth on the following page. Unless vesting is accelerated in accordance with the Plans, the Units shall vest (become non-forfeitable) in accordance with the following schedule:

Continuous Service as a Director from Grant Date to:	Percent of Units Vested
6-month anniversary of the Grant Date	50%
1 day prior to the next annual meeting of shareholders of the Company	Remaining 50%

IN WITNESS WHEREOF, Roper Technologies, Inc. has caused this Certificate to be executed as of the Grant Date, as indicated below.

ROPER TECHNOLOGIES, INC.

By: ____
Its: Authorized Officer

Grant Date: _______________________________

TERMS AND CONDITIONS

1. Grant of Units. The Company hereby grants to the Grantee named on page 1 hereof, subject to the restrictions and the terms and conditions set forth in the Plans and in this award certificate (this "Certificate"), the number of Restricted Stock Units indicated on page 1 hereof (the "Units") which represent the right to receive an equal number of Shares on the terms set forth in this Certificate. Capitalized terms used herein and not otherwise defined shall have the meanings assigned to such terms in the Plans.

2. Vesting of Units. The Units have been credited to a bookkeeping account on behalf of Grantee. The Units will vest and become non-forfeitable on the earliest to occur of the following (the "Vesting Date"):

(a) as to the percentages of the Units specified on page 1 hereof, on the dates specified on page 1 hereof; provided Grantee is then still a Non-Employee Director on such date, or
(b) as to all of the Units, upon Grantee's Separation from Service due to death or Disability, or
(c) as to all of the Units, upon the occurrence of a Change in Control.

If Grantee's service as a Non-Employee Director terminates prior to the Vesting Date for any reason other than as described in (b) above, Grantee shall forfeit all right, title and interest in and to the unvested Units as of the date of such termination, the Units will be reconveyed to the Company without further consideration or any act or action by Grantee, and the Units will not be settled in Shares for Grantee.

3. Settlement to Shares. Unless the Units are forfeited prior to the Vesting Date as provided in Paragraph 2, the vested Units will be settled in Shares on SELECT ONE BASED ON THE PRE-GRANT ELECTION OF THE DIRECTOR: [the Vesting Date] [the date of Grantee's Separation from Service for any reason] [the earlier of _________, 20__ or the date of Grantee's Separation from Service for any reason] [the earlier of _________, 20__ or the fifth anniversary of the date of Grantee's Separation from Service for any reason] (the "Settlement Date"). Shares will be registered on the books of the Company in Grantee's name as of the Settlement Date and will remain in uncertificated, book-entry form unless Grantee requests a stock certificate or certificates for the Shares.

4. Dividend Equivalents. Grantee shall be entitled to receive cash payments with respect to each Unit equal to any cash dividends and other distributions paid with respect to a Share. The dollar amount such dividends or distributions with respect to the number of shares of Stock then underlying the Units shall be accumulated, held by the Company and paid to Grantee following the applicable Settlement Date.

5. Rights as Shareholder. The Units do not confer to Grantee any rights of a shareholder of the Company unless and until Shares are in fact registered in connection with the settlement of Units. Grantee shall not have voting or any other rights as a shareholder of the Company with respect to the Units. Upon settlement of the Units in Shares, Grantee will obtain full voting and other rights as a shareholder of the Company.

6. Changes in Capital Structure. The provisions of Article 14 of the Incentive Plan shall apply to this award and are incorporated herein by reference.

7. Restrictions on Transfer and Pledge. No right or interest of Grantee in the Units may be pledged, hypothecated or otherwise encumbered to or in favor of any party other than the Company or an Affiliate, or be subjected to any lien, obligation or liability of Grantee to any other party other than the Company or an Affiliate. Units are not assignable or transferable by Grantee other than by will or the laws of descent and distribution.

8. No Right to Continued Service. Nothing in this Certificate shall interfere with or limit in any way the right of the Company to terminate Grantee's service as a Non-Employee Director at any time, nor confer upon Grantee any right to continue service as a Non-Employee Director.

9. Amendment. The Committee may amend, modify or terminate this Certificate without approval of Grantee; provided, however, that such amendment, modification or termination shall not, without Grantee's consent, reduce or diminish the value of this Award determined as if it had been fully vested and settled on the date of such amendment or termination.

10. Plans Control. The terms contained in the Plans are incorporated into and made a part of this Certificate and this Certificate shall be governed by and construed in accordance with the Plans. In the event of any actual or alleged conflict between the provisions of the Plans and the provisions of this Certificate, the provisions of the Plans shall be controlling and determinative. In the event of any actual or alleged conflict between the provisions of the two Plans, the provisions of the Incentive Plan shall be controlling and determinative.

11. Successors. This Certificate shall be binding upon any successor of the Company, in accordance with the terms of this Certificate and the Plans.

12. Severability. If any one or more of the provisions contained in this Certificate is invalid, illegal or unenforceable, the other provisions of this Certificate will be construed and enforced as if the invalid, illegal or unenforceable provision had never been included.

13. Notice. Notices and communications under this Certificate must be in writing and either personally delivered or sent by registered or certified United States mail, return receipt requested, postage prepaid. Notices to the Company must be addressed to Roper Technologies, Inc., 6901 Professional Parkway, Suite 200, Sarasota, Florida 34240; Attention: Corporate Secretary, or any other address designated by the Company in a written notice to Grantee. Notices to Grantee will be directed to the address of Grantee then currently on file with the Company, or at any other address given by Grantee in a written notice to the Company.

SCHEDULE III
RESTRICTED STOCK AWARD CERTIFICATE
Non-transferable
GRANT TO

, a Non-Employee Director ("Grantee")
by Roper Technologies, Inc. (the "Company") of
shares of its common stock, $0.01 par value (the "Shares")

pursuant to and subject to the provisions of the Roper Technologies, Inc. Director Compensation Plan (the "Director Compensation Plan"), which is operated as a subplan of the Roper Technologies, Inc. 2021 Incentive Plan (the "Incentive Plan" and, together with the Director Compensation Plan, the "Plans"), and to the terms and conditions set forth on the following page.
Unless vesting is accelerated in accordance with the Plans, the Shares will vest (become non-forfeitable) in accordance with the following schedule:

Continuous Service as a Director from Grant Date to:	Percent of Shares Vested
6-month anniversary of the Grant Date	50%
1 day prior to the next annual meeting of shareholders of the Company	Remaining 50%

IN WITNESS WHEREOF, Roper Technologies, Inc. has caused this Certificate to be executed as of the Grant Date, as indicated below.

ROPER TECHNOLOGIES, INC.

By: ____
Its: Authorized Officer

Grant Date: _______________________________

TERMS AND CONDITIONS

1. Restrictions. The Shares are subject to each of the following restrictions. “Restricted Shares” mean those Shares that are Restricted Stock subject to the restrictions imposed hereunder which restrictions have not then expired or terminated. Restricted Shares may not be sold, transferred, exchanged, assigned, pledged, hypothecated or otherwise encumbered. If Grantee’s service as a Non-Employee Director terminates for any reason other than as set forth in paragraph (b) of Section 2 hereof, then Grantee shall forfeit all of Grantee’s right, title and interest in and to the Restricted Shares as of the date of termination of service as a Non-Employee Director, and such Restricted Shares shall revert to the Company immediately following the event of forfeiture. The restrictions imposed under this Section shall apply to all Shares or other securities issued with respect to Restricted Shares hereunder in connection with any merger, reorganization, consolidation, recapitalization, stock dividend or other change in corporate structure affecting the Stock of the Company. Capitalized terms used herein and not otherwise defined shall have the meanings assigned to such terms in the Plans.

2. Expiration and Termination of Restrictions. The restrictions imposed on the Restricted Shares will expire on the earliest to occur of the following (the period prior to such expiration being referred to herein as the “Restricted Period”):

(a) as to the percentages of the Restricted Shares specified on the page 1 hereof, the dates specified on page 1 hereof; provided Grantee is then still a Non-Employee Director on such date; or

(b) as to all of the Restricted Shares, the date of Grantee’s Separation from Service due to death or Disability; or

(c) as to all of the Restricted Shares, the occurrence of a Change in Control.

3. Delivery of Shares. The Restricted Shares will be registered in the name of Grantee as of the date of grant and may be held by the Company during the Restricted Period in certificated or uncertificated form. If a certificate for Restricted Shares is issued during the Restricted Period with respect to such Restricted Shares, such certificate shall be registered in the name of Grantee and shall bear a legend in substantially the following form: “This certificate and the shares of stock represented hereby are subject to the terms and conditions contained in a Restricted Stock Award Certificate between the registered owner of the shares represented hereby and Roper Technologies, Inc. Release from such terms and conditions shall be made only in accordance with the provisions of such Certificate, copies of which are on file in the offices of Roper Technologies, Inc.” Stock certificates for the Shares, without the above legend, shall be delivered to Grantee or Grantee’s designee upon request of Grantee after the expiration of the Restricted Period, but delivery may be postponed for such period as may be required for the Company with reasonable diligence to comply, if deemed advisable by the Company, with registration requirements under the 1933 Act, listing requirements under the rules of any stock exchange, and requirements under any other law or regulation applicable to the issuance or transfer of the Shares.

4. Voting and Dividend Rights. Grantee, as beneficial owner of the Restricted Shares, shall have full voting and dividend rights with respect to the Restricted Shares during, and with respect to the Shares after, the Restricted Period. Each dividend payment, if any, shall be made no later than the end of the calendar year in which the dividend is paid to the shareholders or, if later, the 15th day of the third month following the date the dividend is paid to shareholders. Any non-cash dividends shall be subject to the restrictions imposed under Section 1 hereof. If Grantee forfeits any rights he or she may have under this Certificate, Grantee shall no longer have any rights as a stockholder with respect to the Restricted Shares or any interest therein and Grantee shall no longer be entitled to receive dividends on such stock. In the event that for any reason Grantee shall have received dividends upon such stock after such forfeiture, Grantee shall repay to the Company any amount equal to such dividends.

5. Changes in Capital Structure. The provisions of Article 14 of the Incentive Plan shall apply to this award and are incorporated herein by reference.

6. No Right to Continued Service. Nothing in this Certificate shall interfere with or limit in any way the right of the Company to terminate Grantee’s service as a Non-Employee Director at any time, nor confer upon Grantee any right to continue service as a Non-Employee Director.

7. Amendment. The Committee may amend, modify or terminate this Certificate without approval of Grantee; provided, however, that such amendment, modification or termination shall not, without Grantee's consent, reduce or diminish the value of this Award determined as if it had been fully vested and settled on the date of such amendment or termination.

8. Plans Control. The terms contained in the Plans are incorporated into and made a part of this Certificate and this Certificate shall be governed by and construed in accordance with the Plans. In the event of any actual or alleged conflict between the provisions of the Plans and the provisions of this Certificate, the provisions of the Plans shall be controlling and determinative. In the event of any actual or alleged conflict between the provisions of the two Plans, the provisions of the Incentive Plan shall be controlling and determinative.

9. Successors. This Certificate shall be binding upon any successor of the Company, in accordance with the terms of this Certificate and the Plans.

10. Severability. If any one or more of the provisions contained in this Certificate is invalid, illegal or unenforceable, the other provisions of this Certificate will be construed and enforced as if the invalid, illegal or unenforceable provision had never been included.

11. Notice. Notices and communications under this Certificate must be in writing and either personally delivered or sent by registered or certified United States mail, return receipt requested, postage prepaid. Notices to the Company must be addressed to Roper Technologies, Inc., 6901 Professional Parkway, Suite 200, Sarasota, Florida 34240; Attention: Corporate Secretary, or any other address designated by the Company in a written notice to Grantee. Notices to Grantee will be directed to the address of Grantee then currently on file with the Company, or at any other address given by Grantee in a written notice to the Company.

Exhibit 31.1

I, L. Neil Hunn, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Roper Technologies, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 5, 2021

/S/ L. Neil Hunn
L. Neil Hunn
President and Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

I, Robert C. Crisci, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Roper Technologies, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 5, 2021

/S/ Robert C. Crisci
Robert C. Crisci
Executive Vice President and Chief Financial Officer
(Principal Financial Officer)

Exhibit 32.1

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Roper Technologies, Inc. (the “Company”) on Form 10-Q for the period ended June 30, 2021, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), L. Neil Hunn, Chief Executive Officer of the Company, and Robert C. Crisci, Chief Financial Officer of the Company, each hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, to the best of his knowledge that:

1. The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 5, 2021

/S/ L. Neil Hunn

L. Neil Hunn
President and Chief Executive Officer
(Principal Executive Officer)

/S/ Robert C. Crisci

Robert C. Crisci
Executive Vice President and Chief Financial Officer
(Principal Financial Officer)

This certification accompanies the Quarterly Report on Form 10-Q pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and shall not be deemed filed for purposes of Section 18 of the Exchange Act, or otherwise subject to the liability of that section. This certification shall not be deemed to be incorporated by reference into any filing under the Securities Act or the Exchange Act, except to the extent that Roper Technologies, Inc. specifically incorporates it by reference.