



Morgan Stanley Technology, Media & Telecom Conference

Investor presentation

March 5, 2024

Safe harbor statement

The information provided in this press release contains forward-looking statements within the meaning of the federal securities laws. These forward-looking statements may include, among others, statements regarding operating results, the success of our internal operating plans, and the prospects for newly acquired businesses to be integrated and contribute to future growth, profit and cash flow expectations. Forward-looking statements may be indicated by words or phrases such as "anticipate," "estimate," "plans," "expects," "projects," "should," "will," "believes," "intends" and similar words and phrases. These statements reflect management's current beliefs and are not guarantees of future performance. They involve risks and uncertainties that could cause actual results to differ materially from those contained in any forward-looking statement. Such risks and uncertainties include 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 customers, suppliers and business partners. Such risks and uncertainties also include our ability to identify and complete acquisitions consistent with our business strategies, integrate acquisitions that have been completed, realize expected benefits and synergies from, and manage other risks associated with, acquired businesses, including obtaining any required regulatory approvals with respect thereto. We also face other general risks, including our ability to realize cost savings from our operating initiatives, general economic conditions and the conditions of the specific markets in which we operate, including risks related to labor shortages and rising interest rates, changes in foreign exchange rates, difficulties associated with exports, risks associated with our international operations, cybersecurity and data privacy risks, including litigation resulting therefrom, risks related to political instability, armed hostilities, incidents of terrorism, public health crises (such as the COVID-19 pandemic) or natural disasters, increased product liability and insurance costs, increased warranty exposure, future competition, changes in the supply of, or price for, parts and components, including as a result of the current inflationary environment and ongoing supply chain constraints, environmental compliance costs and liabilities, risks and cost associated with litigation, potential write-offs of our substantial intangible assets, and risks associated with obtaining governmental approvals and maintaining regulatory compliance for new and existing products. Important risks may be discussed in current and subsequent filings with the SEC. You should not place undue reliance on any forward-looking statements. These statements speak only as of the date they are made, and we undertake no obligation to update publicly any of them in light of new information or future events.

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



**We compound cash flow
by acquiring and growing
niche, market-leading
technology businesses.**

By the numbers

2024E Revenue

~\$7B

Revenue growth

Double-digit

Revenue growth + FCF margin

Rule of 40+

Margins

70%+ Gross margin

40%+ EBITDA margin

30%+ FCF margin

Business mix

~75% Vertical software

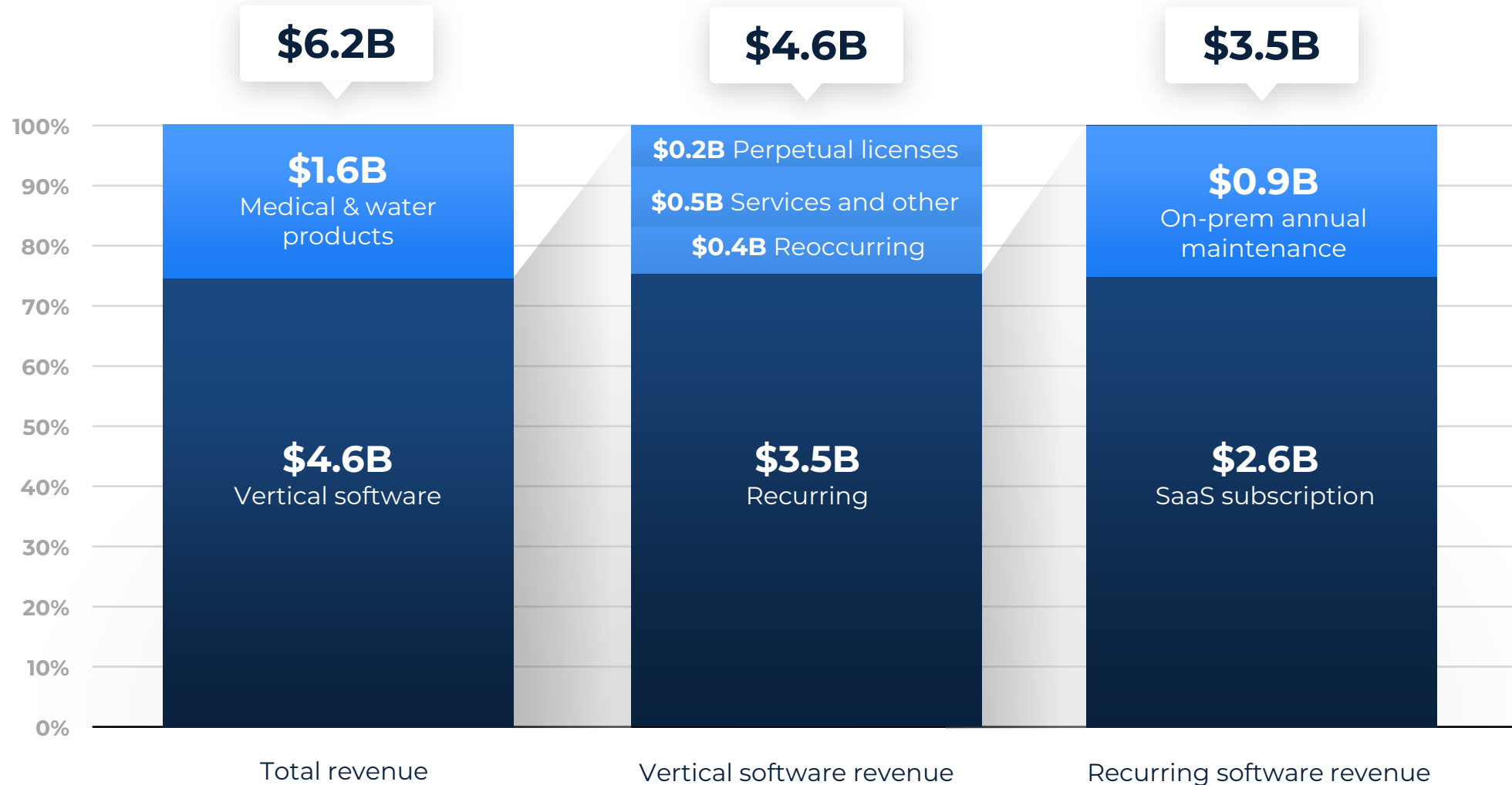
~25% Medical & water products

Recurring & reoccurring

~85% Of vertical software

70%+ Of total

Roper's 2023 revenue composition



**Market-leading businesses
in defensible niches**



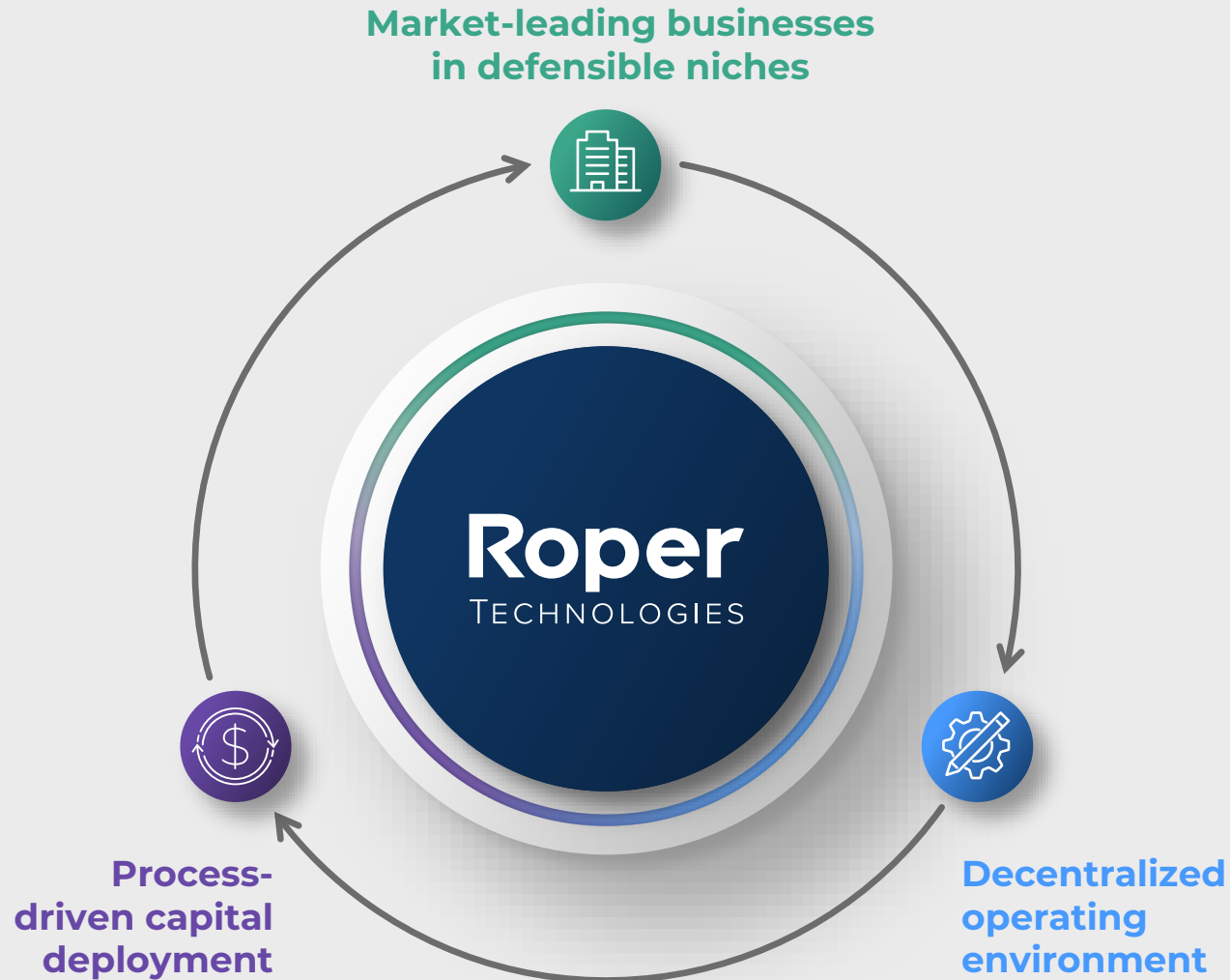
**Process-driven
capital deployment**



**Decentralized
operating
environment**



Long-term compounding growth algorithm



Double-digit revenue growth

MSD+ organic growth

Patient & disciplined capital deployment

+

45%+ operating leverage

High margin niche leaders

Improve what we own

=

Mid-teens free cash flow compounding

High cash return business models

Long runway ahead

Cumulative total shareholder return

Long-term outperformance

Business model & strategy designed for long-term value creation

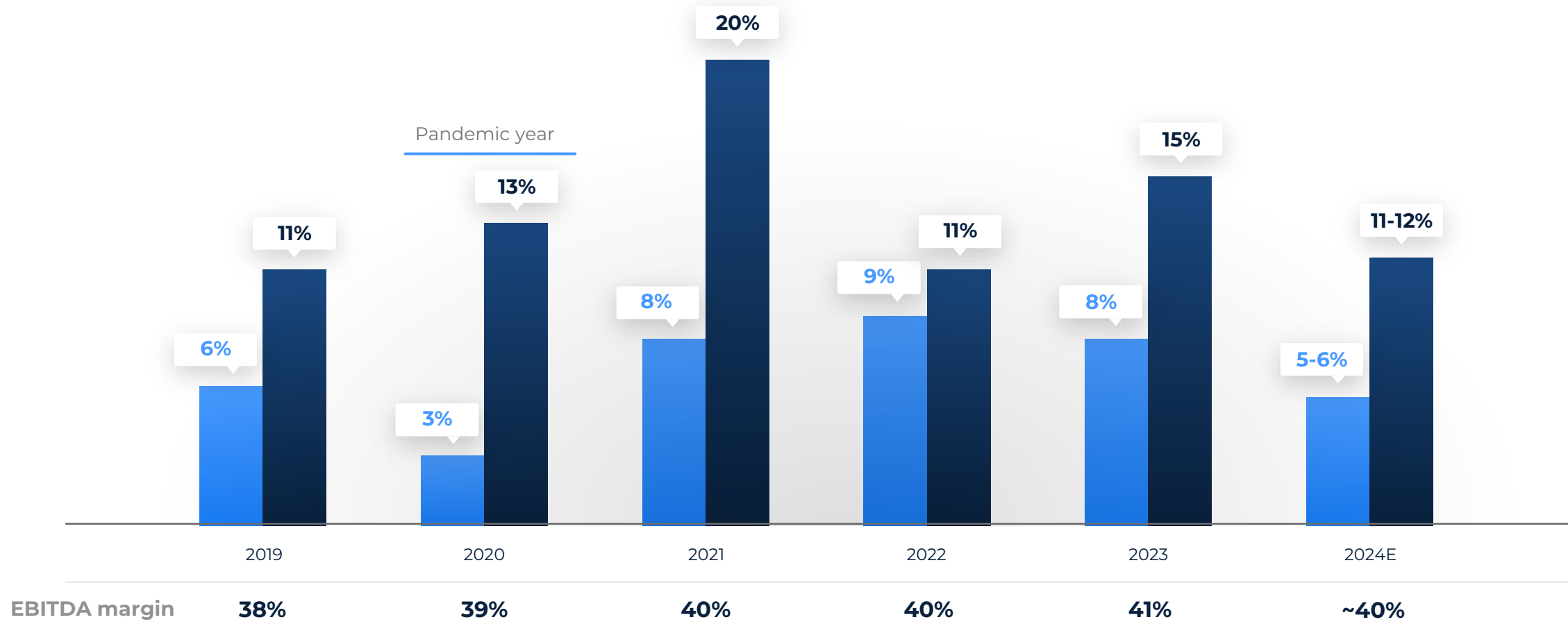


Appendix



Double-digit revenue growth profile

● Organic revenue growth ● Total revenue growth



Roper's portfolio

Annual revenue	Business					
\$500M+						
\$250M to \$500M						
\$100M to \$250M						
						
Less than \$100M						
						

Reconciliations

Adjusted revenue and EBITDA reconciliation (\$M) (from continuing operations)

	FY 2019*	FY 2020	FY 2021	FY 2022	FY 2023
GAAP revenue	\$ 3,558	\$ 4,022	\$ 4,834	\$ 5,372	\$ 6,178
Purchase accounting adjustment to acquired deferred	11	12	1	-	-
Adjusted revenue	\$ 3,568	\$ 4,034	\$ 4,835	\$ 5,372	\$ 6,178
Organic	6%	3%	8%	9%	8%
Acquisitions/divestitures	6%	10%	11%	3%	7%
Foreign exchange	(1%)	-	1%	(1%)	-
Total adjusted revenue growth	11%	13%	20%	11%	15%
GAAP earnings before income taxes	\$ 778	\$ 861	\$ 1,032	\$ 1,282	\$ 1,743
Interest expense	186	219	234	192	165
Depreciation	37	41	44	37	35
Amortization	349	451	572	613	720
EBITDA	\$ 1,350	\$ 1,572	\$ 1,882	\$ 2,124	\$ 2,663
Purchase accounting adjustment to acquired deferred revenue and commission expense	10	10	(5)	(5)	-
Restructuring-related expenses associated with the Syntellis acquisition	-	-	-	-	9
Transaction-related expenses for completed acquisitions and divestitures	6	9	-	5	8
Financial impacts associated with the minority investments in Indicor & Certinia	-	-	-	-	(165)
Gain on sale of non-operating assets	-	-	-	-	(3)
Legal settlement charge	-	-	-	45	-
Impairment related to merger of Clinisys and Sunquest	-	-	94	-	-
Gain on sale of divested businesses	-	-	(28)	-	-
Adjusted EBITDA	\$ 1,366	\$ 1,590	\$ 1,944	\$ 2,170	\$ 2,511
% of adjusted revenue	38.3%	39.4%	40.2%	40.4%	40.6%

*Excludes the results of the divestitures completed in 2019 for (i) the Scientific Imaging businesses, sold to Teledyne on February 5, 2019 and (ii) Gatan, sold to AMETEK on October 29, 2019.



Roper

TECHNOLOGIES