Zoom Communications, Inc. ZM

Nasdaq; business equipment; SIC 7370, Services-Computer Programming, Data Processing, Etc.; CIK 0001585521

A

strongest fifth of 497 graded peers in business equipment

rank 79 of 497; percentile 15.7; sampling error 2.2 points; lower is stronger

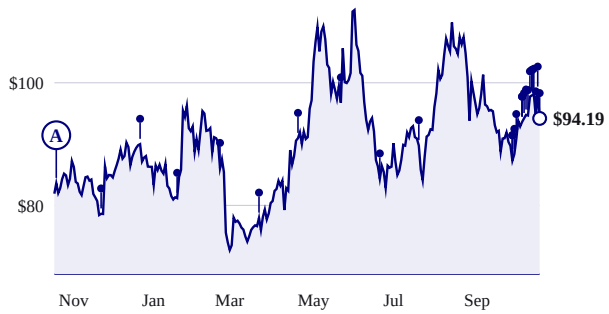
A B C D E

A, the bull



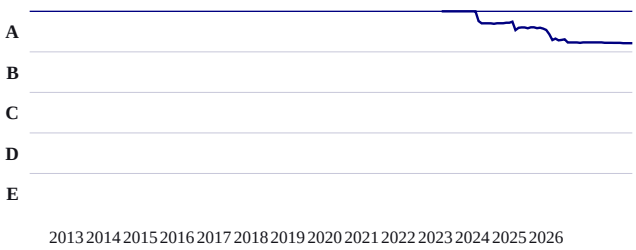
Scoreboard	
Profitability	C percentile 46.4
Solvency	A percentile 14.4
Growth and financing	C percentile 49.2
Reliability	0.94 AUC filers with over $2.67B assets; 95% interval 0.88 to 0.97; 61 events, 2020 to 2025
Peer failure rate	0.52% a year Item 1.03 bankruptcies, same asset band, 2012 to 2025
Size band	over $2.67B assets total assets $12.0B
Standard universe	inside revenue above $1M and assets above $10M
Warnings	none triggered not computable: dilution, distress, fortress balance sheet
Inputs computable	9 of 14
Graded from	filings received through Feb 27, 2026 234 days before the rescan; latest periodic filing 10-Q received Aug 26, 2026
Last close	$94.23 2026-10-16; market equity $0; no price enters the letter

Share price, twelve months to the rescan



Split-adjusted close. Each lollipop is a rescan and carries the letter held then.

Letter at every rescan, 2012 to 2026



Sector percentile at each rescan, stronger toward the top; facts filed by each date only.

Business, in the company's words

opening of Item 1 of the 10-K received Feb 27, 2026

Zoom is redefining modern work as a system of action, turning live collaboration into completed results. From entrepreneurs to global enterprises, customers choose Zoom to seamlessly collaborate, communicate, and drive outcomes across meetings, chat, phone, contact center, events, and more - all with the built-in assistance of Zoom AI Companion. Our mission to deliver happiness, grounded in our core value of care, is fundamental to everything we do at Zoom.

The fourteen inputs

lower percentile is stronger; sleeves and inputs within a sleeve carry equal weight

Input	Value	Peer median	Percentile, 0 to 100	Pct	Peers	Period end
Profitability, sleeve percentile 46.4						
Gross profitability	31.4%	28.6%		41.2	557	2026-01-31
Return on invested capital	not computable	11.0%				
one or more required annual facts are missing						
Accruals ratio	(0.8%)	(7.4%)		83.7	620	2026-01-31

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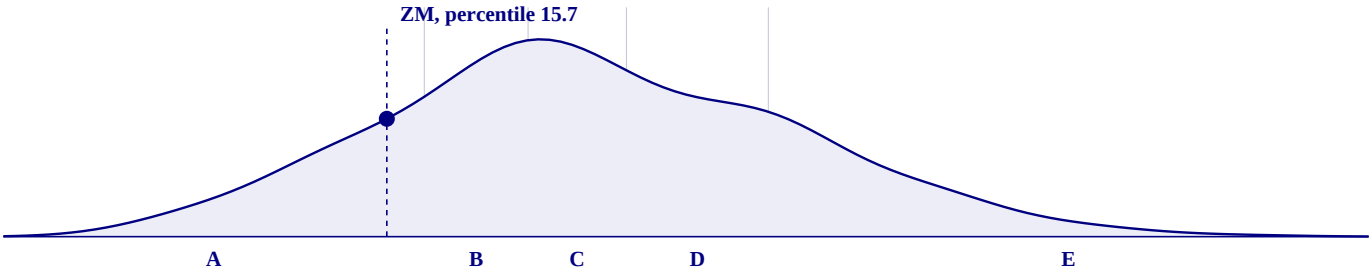
Gross margin stability, five years	1.0 pts	2.3 pts	14.3	427	2026-01-31
Solvency, sleeve percentile 14.4					
Twelve-month failure probability	not computable	0.05%			
liabilities and a nearby cover-page share count are required at 2026-07-31					
Altman Z double-prime	10.62	2.16	7.8	564	2026-01-31
Net debt to EBITDA	not computable	1.11x			
one or more required annual facts are missing					
Interest coverage	not computable	3.77x			
one or more required annual facts are missing					
Current ratio	4.33x	2.01x	21.0	664	2026-01-31
Growth and financing, sleeve percentile 49.2					
Revenue growth, three-year compound	3.5%	6.4%	57.3	537	2026-01-31
Free cash flow growth, three-year compound	17.5%	17.7%	50.2	266	2026-01-31
Reinvestment rate	(20.6%)	13.5%	61.6	225	2026-01-31
Asset growth, three years	13.7%	5.0%	27.6	562	2026-01-31
Net share issuance, one year	not computable	0.5%			
two annual share counts are required; found 0					

Among 497 peers

business equipment; letters are fifths of this list



Composite score of every graded peer, smoothed; vertical rules are the letter band edges; stronger to the left.

Rank	Company	Percentile	Letter	Warnings
74	Photronics Inc. (PLAB)	14.7	A	fortress balance sheet
75	Lattice Semiconductor Corp. (LSCC)	14.9	A	
76	Sitime Corp. (SITM)	15.1	A	
77	Upwork, Inc. (UPWK)	15.3	A	
78	Onto Innovation Inc. (ONTO)	15.5	A	fortress balance sheet
79	Zoom Communications, Inc. (ZM)	15.7	A	
80	Nextdoor Holdings, Inc. (NXDR)	15.9	A	
81	Procore Technologies, Inc. (PCOR)	16.1	A	
82	Ibex Ltd. (IBEX)	16.3	A	fortress balance sheet
83	Manhattan Associates Inc. (MANH)	16.5	A	
84	Sprout Social, Inc. (SPT)	16.7	A	fortress balance sheet

What the price implies

at the 2026-10-16 close; none of these enters the grade

Measure	Value	Peer median	Percentile
Twelve-month price change, skipping the latest month	17.2%	2.2%	63
Distance from 52-week high	(15.8%)	(33.4%)	76
EBIT to enterprise value	not computable	1.5%	
Free cash flow yield	not computable	2.9%	
Book value to price	not computable	0.26	
Sales to price	not computable	0.32	

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Composite equity issuance, five years	not computable	4.2%	
Relative strength against the sector, log excess return	(0.12)	(0.26)	63

Diagnostics

shown on every report; none enters the grade

Measure	Value
Piotroski F-score None of 9, period end 2026-01-31	
Return on assets above zero	pass
Operating cash flow above zero	pass
Return on assets improved	pass
Operating cash flow exceeds net income	pass
Long-term leverage fell	fail
Current ratio improved	fail
No new shares issued	fail
Gross margin improved	pass
Asset turnover improved	fail
Cash, filings, liquidity	
Cash and equivalents	$932.0M
Operating cash flow, four quarters	$2.0B
Months of runway	not finite
Days since last periodic filing	54 (10-Q received Aug 26, 2026)
Median daily dollar volume, 63 sessions	$265.0M

Sources

every fact behind the inputs; each row links to its filing index on sec.gov

#	Concept	XBRL tag	Value	Period end	Received	Form	Accession
1	gross profit	us-gaap:GrossProfit	$3.7B	2026-01-31	2026-02-27	10-K	26-000030
2	assets	us-gaap:Assets	$12.0B	2026-01-31	2026-02-27	10-K	26-000030
3	net income	us-gaap:NetIncomeLoss	$1.9B	2026-01-31	2026-02-27	10-K	26-000030
4	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$2.0B	2026-01-31	2026-02-27	10-K	26-000030
5	assets	us-gaap:Assets	$11.0B	2025-01-31	2026-02-27	10-K	26-000030
6	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$4.9B	2026-01-31	2026-02-27	10-K	26-000030
7	gross profit	us-gaap:GrossProfit	$3.5B	2025-01-31	2026-02-27	10-K	26-000030
8	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$4.7B	2025-01-31	2026-02-27	10-K	26-000030
9	gross profit	us-gaap:GrossProfit	$3.4B	2024-01-31	2026-02-27	10-K	26-000030
10	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$4.5B	2024-01-31	2026-02-27	10-K	26-000030
11	gross profit	us-gaap:GrossProfit	$3.3B	2023-01-31	2025-02-28	10-K	25-000042
12	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$4.4B	2023-01-31	2025-02-28	10-K	25-000042
13	gross profit	us-gaap:GrossProfit	$3.0B	2022-01-31	2024-03-04	10-K	24-000030
14	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$4.1B	2022-01-31	2024-03-04	10-K	24-000030
15	current assets	us-gaap:AssetsCurrent	$8.7B	2026-01-31	2026-02-27	10-K	26-000030
16	current liabilities	us-gaap:LiabilitiesCurrent	$2.0B	2026-01-31	2026-02-27	10-K	26-000030
17	retained earnings	us-gaap:RetainedEarningsAccumulatedDeficit	$5.7B	2026-01-31	2026-02-27	10-K	26-000030
18	operating income	us-gaap:OperatingIncomeLoss	$1.1B	2026-01-31	2026-02-27	10-K	26-000030
19	book equity	us-gaap:StockholdersEquity	$9.8B	2026-01-31	2026-02-27	10-K	26-000030
20	liabilities	us-gaap:Liabilities	$2.2B	2026-01-31	2026-02-27	10-K	26-000030
21	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$65.0M	2026-01-31	2026-02-27	10-K	26-000030
22	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$1.9B	2025-01-31	2026-02-27	10-K	26-000030
23	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$136.6M	2025-01-31	2026-02-27	10-K	26-000030
24	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$1.6B	2024-01-31	2026-02-27	10-K	26-000030
25	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$127.0M	2024-01-31	2026-02-27	10-K	26-000030
26	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$1.3B	2023-01-31	2025-02-28	10-K	25-000042
27	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$103.8M	2023-01-31	2025-02-28	10-K	25-000042
28	depreciation amortization	us-gaap:DepreciationDepletionAndAmortization	$132.8M	2026-01-31	2026-02-27	10-K	26-000030
29	pretax income	us-gaap:IncomeLossFromContinuingOperationsBeforeInc...	$2.4B	2026-01-31	2026-02-27	10-K	26-000030

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30	income tax	us-gaap:IncomeTaxExpenseBenefit	$522.1M	2026-01-31	2026-02-27	10-K	26-000030
31	current assets	us-gaap:AssetsCurrent	$8.7B	2025-01-31	2026-02-27	10-K	26-000030
32	current liabilities	us-gaap:LiabilitiesCurrent	$1.9B	2025-01-31	2026-02-27	10-K	26-000030
33	assets	us-gaap:Assets	$9.9B	2024-01-31	2025-02-28	10-K	25-000042
34	assets	us-gaap:Assets	$8.1B	2023-01-31	2024-03-04	10-K	24-000030

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