# Synopsys Inc.

**SNPS**

Nasdaq; business equipment; SIC 7372, Services-Prepackaged Software; CIK 0000883241

# D

**fourth fifth of 497 graded peers in business equipment**

rank 384 of 497; percentile 77.2; sampling error 2.2 points; lower is stronger

A B C D E

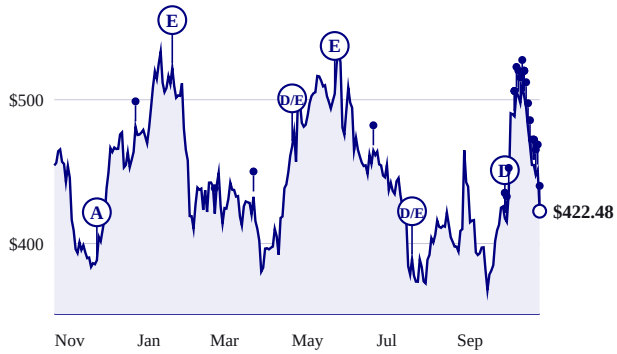
**D, the sloth**



## Scoreboard

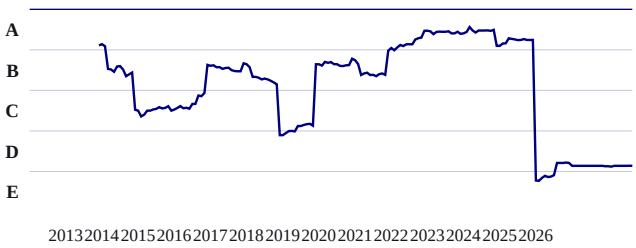
| | | |
|---|---|---|
| **Profitability** | D | percentile 63.9 |
| **Solvency** | C | percentile 55.8 |
| **Growth and financing** | C | percentile 56.7 |
| **Reliability** | 0.94 AUC | filers with over $2.67B assets; 95% interval 0.88 to 0.97; 61 events, 2020 to 2025 |
| **Peer failure rate** | 0.52% a year | Item 1.03 bankruptcies, same asset band, 2012 to 2025 |
| **Size band** | over $2.67B assets | total assets $48.2B |
| **Standard universe** | inside | revenue above $1M and assets above $10M |
| **Warnings** | none triggered | |
| **Inputs computable** | 12 of 14 | |
| **Graded from** | filings received through Dec 22, 2025 | 305 days before the rescan; latest periodic filing 10-Q received Aug 26, 2026 |
| **Last close** | $422.72 | 2026-10-22; market equity $81.0B; 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 Dec 22, 2025*

Synopsys, Inc. (Synopsys, we, our or us) is the leader in engineering solutions from silicon to systems, enabling customers to rapidly innovate AI-powered products. We deliver trusted and comprehensive solutions spanning silicon design, silicon intellectual property (IP), simulation and analysis (S&A) as well as design services. We partner closely with our customers across a wide range of industries to maximize their R&D capability and productivity, powering innovation today that ignites the ingenuity of tomorrow.

## The fourteen inputs

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

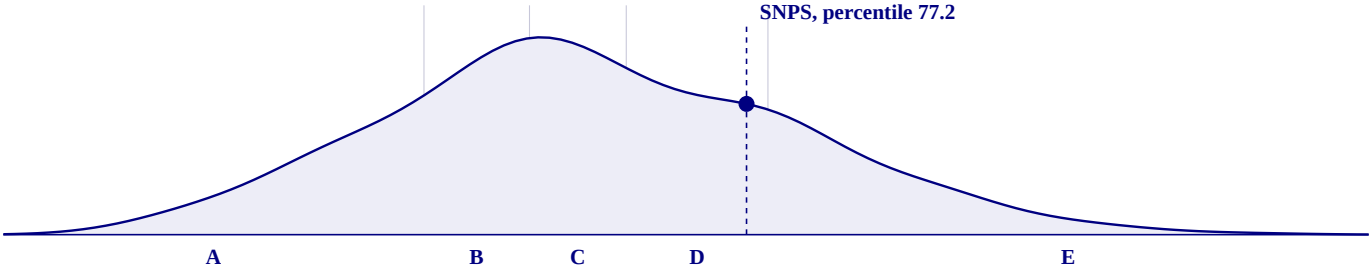
| Input | Value | Peer median | Percentile, 0 to 100 | Pct | Peers | Period end |
|---|---|---|---|---|---|---|
| **Profitability, sleeve percentile 63.9** | | | | | | |
| Gross profitability | 11.3% | 28.6% | | 81.5 | 558 | 2025-10-31 |
| Return on invested capital | not computable | 11.2% | | | | |
| *a prior annual debt, equity, and cash observation is required* | | | | | | |
| Accruals ratio | (0.6%) | (7.4%) | | 84.2 | 621 | 2025-10-31 |

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| | | | | | |
|---|---|---|---|---|---|
| Gross margin stability, five years | 1.3 pts | 2.3 pts | 26.1 | 427 | 2025-10-31 |
| **Solvency, sleeve percentile 55.8** | | | | | |
| Twelve-month failure probability | 0.04% | 0.05% | 30.7 | 102 | 2026-07-31 |
| Altman Z double-prime | 2.63 | 2.16 | 40.1 | 565 | 2025-10-31 |
| Net debt to EBITDA | 6.73x | 1.11x | 92.5 | 147 | 2025-10-31 |
| Interest coverage | not computable | 3.77x | | | |
| *latest aligned inputs end 2023-10-31; latest annual assets end 2025-10-31* | | | | | |
| Current ratio | 1.62x | 2.01x | 59.8 | 665 | 2025-10-31 |
| **Growth and financing, sleeve percentile 56.7** | | | | | |
| Revenue growth, three-year compound | 15.2% | 6.4% | 25.9 | 537 | 2025-10-31 |
| Free cash flow growth, three-year compound | (5.6%) | 18.0% | 82.2 | 265 | 2025-10-31 |
| Reinvestment rate | (230.1%) | 14.3% | 84.8 | 224 | 2025-10-31 |
| Asset growth, three years | 72.4% | 5.0% | 3.9 | 562 | 2025-10-31 |
| Net share issuance, one year | 23.8% | 0.5% | 86.6 | 410 | 2025-12-15 |

## 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 |
|---|---|---|---|---|
| 379 | AmpliTech Group, Inc. (AMPGZ) | 76.1 | D | fortress balance sheet |
| 380 | C3.ai, Inc. (AI) | 76.4 | D | |
| 381 | Airgain Inc. (AIRG) | 76.6 | D | |
| 382 | Harvard Bioscience Inc. (HBIO) | 76.8 | D | |
| 383 | Marchex Inc. (MCHX) | 77.0 | D | |
| 384 | Synopsys Inc. (SNPS) | 77.2 | D | |
| 385 | Duos Technologies Group, Inc. (DUOT) | 77.4 | D | dilution, late filer, fortress balance sheet |
| 386 | Spectrum Brands Holdings, Inc. (SPB) | 77.6 | D | |
| 387 | GoodRx Holdings, Inc. (GDRX) | 77.8 | D/E | |
| 388 | Asure Software Inc. (ASUR) | 78.0 | D/E | |
| 389 | Immersion Corp. (IMMR) | 78.2 | D/E | late filer, fortress balance sheet |

## What the price implies

*at the 2026-10-22 close; none of these enters the grade*

| Measure | Value | Peer median | Percentile |
|---|---|---|---|
| Twelve-month price change, skipping the latest month | (10.9%) | 2.2% | 40 |
| Distance from 52-week high | (21.0%) | (33.0%) | 65 |
| EBIT to enterprise value | 1.0% | 1.5% | 45 |
| Free cash flow yield | 1.7% | 2.8% | 36 |
| Book value to price | 0.38 | 0.26 | 62 |
| Sales to price | 0.09 | 0.31 | 15 |
| Composite equity issuance, five years | 22.5% | 4.2% | 74 |
| Relative strength against the sector, log excess return | (0.40) | (0.26) | 40 |

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## Diagnostics

*shown on every report; none enters the grade*

| Measure | Value |
|---|---|
| **Piotroski F-score 3 of 9, period end 2025-10-31** | |
| Return on assets above zero | pass |
| Operating cash flow above zero | pass |
| Return on assets improved | fail |
| Operating cash flow exceeds net income | pass |
| Long-term leverage fell | fail |
| Current ratio improved | fail |
| No new shares issued | fail |
| Gross margin improved | fail |
| Asset turnover improved | fail |
| **Cash, filings, liquidity** | |
| Cash and equivalents | $3.6B |
| Operating cash flow, four quarters | $2.9B |
| Months of runway | not finite |
| Days since last periodic filing | 58 (10-Q received Aug 26, 2026) |
| Median daily dollar volume, 63 sessions | $739.7M |

## 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 | $5.4B | 2025-10-31 | 2025-12-22 | 10-K | 25-000028 |
| 2 | assets | us-gaap:Assets | $48.2B | 2025-10-31 | 2025-12-22 | 10-K | 25-000028 |
| 3 | operating income | us-gaap:OperatingIncomeLoss | $914.9M | 2025-10-31 | 2025-12-22 | 10-K | 25-000028 |
| 4 | pretax income | us-gaap:IncomeLossFromContinuingOperationsBeforeInc... | $1.4B | 2025-10-31 | 2025-12-22 | 10-K | 25-000028 |
| 5 | income tax | us-gaap:IncomeTaxExpenseBenefit | $56.0M | 2025-10-31 | 2025-12-22 | 10-K | 25-000028 |
| 6 | total debt | us-gaap:LongTermDebt | $13.5B | 2025-10-31 | 2025-12-22 | 10-K | 25-000028 |
| 7 | book equity | us-gaap:StockholdersEquity | $28.3B | 2025-10-31 | 2025-12-22 | 10-K | 25-000028 |
| 8 | cash | us-gaap:CashAndCashEquivalentsAtCarryingValue | $2.9B | 2025-10-31 | 2025-12-22 | 10-K | 25-000028 |
| 9 | net income | us-gaap:NetIncomeLoss | $1.3B | 2025-10-31 | 2025-12-22 | 10-K | 25-000028 |
| 10 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $1.5B | 2025-10-31 | 2025-12-22 | 10-K | 25-000028 |
| 11 | assets | us-gaap:Assets | $13.1B | 2024-10-31 | 2025-12-22 | 10-K | 25-000028 |
| 12 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $7.1B | 2025-10-31 | 2025-12-22 | 10-K | 25-000028 |
| 13 | gross profit | us-gaap:GrossProfit | $4.9B | 2024-10-31 | 2025-12-22 | 10-K | 25-000028 |
| 14 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $6.1B | 2024-10-31 | 2025-12-22 | 10-K | 25-000028 |
| 15 | gross profit | us-gaap:GrossProfit | $4.3B | 2023-10-31 | 2025-12-22 | 10-K | 25-000028 |
| 16 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $5.3B | 2023-10-31 | 2025-12-22 | 10-K | 25-000028 |
| 17 | gross profit | us-gaap:GrossProfit | $3.7B | 2022-10-31 | 2024-12-19 | 10-K | 24-000024 |
| 18 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $4.6B | 2022-10-31 | 2024-12-19 | 10-K | 24-000024 |
| 19 | gross profit | us-gaap:GrossProfit | $3.3B | 2021-10-31 | 2023-12-12 | 10-K | 23-000019 |
| 20 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $4.2B | 2021-10-31 | 2023-12-12 | 10-K | 23-000019 |
| 21 | current assets | us-gaap:AssetsCurrent | $6.0B | 2025-10-31 | 2025-12-22 | 10-K | 25-000028 |
| 22 | current liabilities | us-gaap:LiabilitiesCurrent | $3.7B | 2025-10-31 | 2025-12-22 | 10-K | 25-000028 |
| 23 | retained earnings | us-gaap:RetainedEarningsAccumulatedDeficit | $10.3B | 2025-10-31 | 2025-12-22 | 10-K | 25-000028 |
| 24 | liabilities | us-gaap:Liabilities | $19.9B | 2025-10-31 | 2025-12-22 | 10-K | 25-000028 |
| 25 | depreciation amortization | us-gaap:DepreciationDepletionAndAmortization | $660.4M | 2025-10-31 | 2025-12-22 | 10-K | 25-000028 |
| 26 | operating income | us-gaap:OperatingIncomeLoss | $1.3B | 2023-10-31 | 2025-12-22 | 10-K | 25-000028 |
| 27 | interest expense | us-gaap:InterestExpense | $1.2M | 2023-10-31 | 2023-12-12 | 10-K | 23-000019 |
| 28 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $169.5M | 2025-10-31 | 2025-12-22 | 10-K | 25-000028 |
| 29 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $1.4B | 2024-10-31 | 2025-12-22 | 10-K | 25-000028 |
| 30 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $139.5M | 2024-10-31 | 2025-12-22 | 10-K | 25-000028 |
| 31 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $1.7B | 2023-10-31 | 2025-12-22 | 10-K | 25-000028 |

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| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| 32 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $189.6M | 2023-10-31 | 2025-12-22 | 10-K | 25-000028 |
| 33 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $1.7B | 2022-10-31 | 2024-12-19 | 10-K | 24-000024 |
| 34 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $136.6M | 2022-10-31 | 2024-12-19 | 10-K | 24-000024 |
| 35 | current assets | us-gaap:AssetsCurrent | $6.5B | 2024-10-31 | 2025-12-22 | 10-K | 25-000028 |
| 36 | current liabilities | us-gaap:LiabilitiesCurrent | $2.7B | 2024-10-31 | 2025-12-22 | 10-K | 25-000028 |
| 37 | assets | us-gaap:Assets | $10.3B | 2023-10-31 | 2024-12-19 | 10-K | 24-000024 |
| 38 | assets | us-gaap:Assets | $9.4B | 2022-10-31 | 2023-12-12 | 10-K | 23-000019 |
| 39 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 191,318,206 | 2025-12-15 | 2025-12-22 | 10-K | 25-000028 |
| 40 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 154,578,449 | 2024-12-16 | 2024-12-19 | 10-K | 24-000024 |

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