# Fortinet, Inc.

**FTNT**

Nasdaq; business equipment; SIC 3577, Computer Peripheral Equipment, NEC; CIK 0001262039

**A**

**strongest fifth of 496 graded peers in business equipment**

rank 87 of 496; percentile 17.4; sampling error 2.2 points; lower is stronger

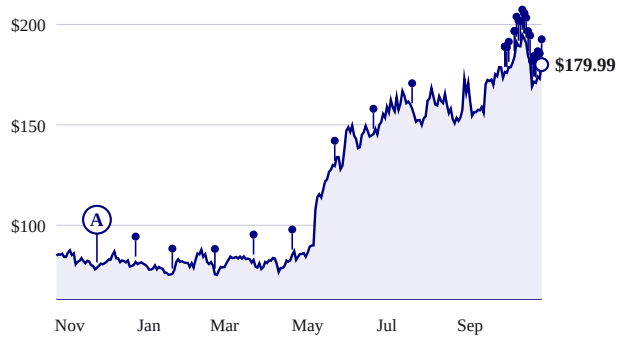
A B C D E

**A, the bull**



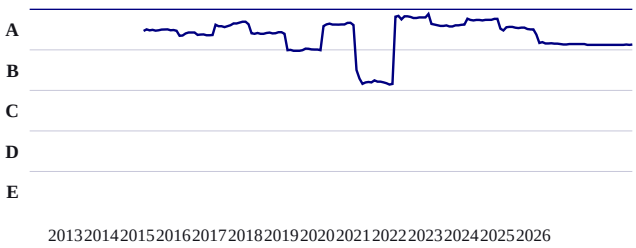
| Scoreboard | |
|---|---|
| **Profitability** | B/C<br>percentile 38.0 |
| **Solvency** | B/C<br>percentile 40.7 |
| **Growth and financing** | B<br>percentile 35.7 |
| **Reliability** | 0.94 AUC<br>filers with over $2.67B assets; 95% interval 0.88 to 0.97; 61 events, 2020 to 2025 |
| **Peer failure rate** | 0.52% a year<br>Item 1.03 bankruptcies, same asset band, 2012 to 2025 |
| **Size band** | over $2.67B assets<br>total assets $10.4B |
| **Standard universe** | inside<br>revenue above $1M and assets above $10M |
| **Warnings** | none triggered<br>not computable: distress, fortress balance sheet |
| **Inputs computable** | 11 of 14 |
| **Graded from** | filings received through Feb 25, 2026<br>241 days before the rescan; latest periodic filing 10-Q received Jul 30, 2026 |
| **Last close** | $179.98<br>2026-10-23; market equity $132.1B; 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 25, 2026*

Fortinet is a leader in cybersecurity, driving the convergence of networking and security. Our mission is to secure people, devices and data everywhere. Our integrated platform, the Fortinet Security Fabric, spans secure networking, unified Secure Access Service Edge ("SASE") and artificial intelligence ("AI")-driven security operations ("SecOps"). As of December 31, 2025, our end-customers were located in over 100 countries and included enterprises across a wide variety of market verticals, including financial services, retail, healthcare and operational technology ("OT") market verticals, communication and security service providers, and government organizations.

## The fourteen inputs

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

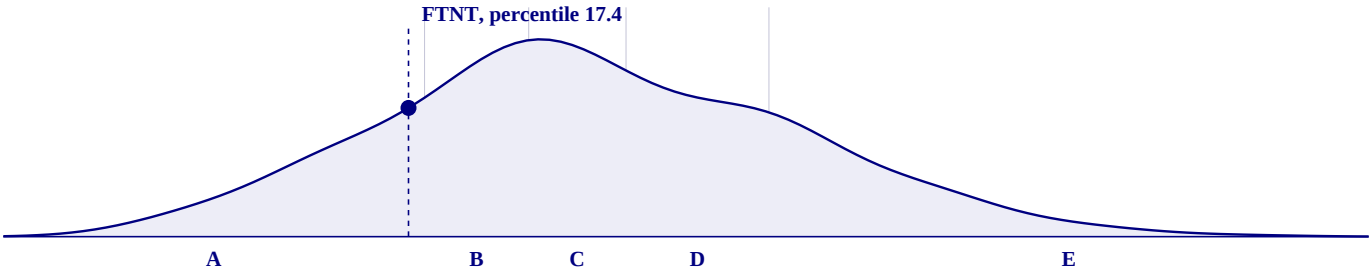
| Input | Value | Peer median | Percentile, 0 to 100 | Pct | Peers | Period end |
|---|---|---|---|---|---|---|
| **Profitability, sleeve percentile 38.0** | | | | | | |
| Gross profitability | 52.7% | 28.6% | | 14.4 | 557 | 2025-12-31 |
| Return on invested capital | not computable | 11.2% | | | | |

Not investment advice. Informational and educational only. Data from SEC EDGAR, may contain errors, is not warranted. The grade ranks reported financial condition and is not a return forecast.

| | | | | | | |
|---|---|---|---|---|---|---|
| *one or more required annual facts are missing* | | | | | | |
| Accruals ratio | (7.3%) | (7.3%) | 52.5 | 620 | 2025-12-31 | |
| Gross margin stability, five years | 2.1 pts | 2.3 pts | 47.1 | 426 | 2025-12-31 | |
| **Solvency, sleeve percentile 40.7** | | | | | | |
| Twelve-month failure probability | not computable | 0.05% | | | | |
| *latest liabilities, cash plus short-term investments, book equity, and shares are required* | | | | | | |
| Altman Z double-prime | 1.88 | 2.15 | 45.2 | 567 | 2025-12-31 | |
| Net debt to EBITDA | not computable | 1.11x | | | | |
| *one or more required annual facts are missing* | | | | | | |
| Interest coverage | 103.72x | 3.77x | 3.4 | 88 | 2025-12-31 | |
| Current ratio | 1.17x | 2.01x | 73.3 | 664 | 2025-12-31 | |
| **Growth and financing, sleeve percentile 35.7** | | | | | | |
| Revenue growth, three-year compound | 15.5% | 6.4% | 25.2 | 536 | 2025-12-31 | |
| Free cash flow growth, three-year compound | 15.4% | 18.1% | 53.6 | 264 | 2025-12-31 | |
| Reinvestment rate | (49.4%) | 14.3% | 68.6 | 224 | 2025-12-31 | |
| Asset growth, three years | 18.6% | 5.1% | 19.8 | 561 | 2025-12-31 | |
| Net share issuance, one year | (3.8%) | 0.5% | 11.3 | 409 | 2026-02-20 | |

## Among 496 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 |
|---|---|---|---|---|
| 82 | Manhattan Associates Inc. (MANH) | 16.4 | A | |
| 83 | Byrna Technologies Inc. (BYRN) | 16.6 | A | |
| 84 | Sprout Social, Inc. (SPT) | 16.8 | A | fortress balance sheet |
| 85 | Mind Technology, Inc. (MIND) | 17.0 | A | fortress balance sheet |
| 86 | Viant Technology Inc. (DSP) | 17.2 | A | |
| 87 | Fortinet, Inc. (FTNT) | 17.4 | A | |
| 88 | Vertiv Holdings Co. (VRT) | 17.6 | A | |
| 89 | Amphenol Corp. (APH) | 17.8 | A | |
| 90 | Hubspot Inc. (HUBS) | 18.0 | A/B | |
| 91 | Nextpower Inc. (NXT) | 18.2 | A/B | |
| 92 | Jack Henry & Associates Inc. (JKHY) | 18.4 | A/B | |

## What the price implies

*at the 2026-10-23 close; none of these enters the grade*

| Measure | Value | Peer median | Percentile |
|---|---|---|---|
| Twelve-month price change, skipping the latest month | 103.3% | 2.2% | 91 |
| Distance from 52-week high | (7.6%) | (32.8%) | 83 |
| EBIT to enterprise value | 1.6% | 1.6% | 50 |
| Free cash flow yield | 1.7% | 2.9% | 38 |
| Book value to price | 0.01 | 0.26 | 8 |
| Sales to price | 0.05 | 0.32 | 8 |

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| | | | |
|---|---|---|---|
| Composite equity issuance, five years | (10.6%) | 4.2% | 25 |
| Relative strength against the sector, log excess return | 0.43 | (0.26) | 91 |

## Diagnostics

*shown on every report; none enters the grade*

| Measure | Value |
|---|---|
| **Piotroski F-score 5 of 9, period end 2025-12-31** | |
| 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 | pass |
| Current ratio improved | fail |
| No new shares issued | pass |
| Gross margin improved | fail |
| Asset turnover improved | fail |
| **Cash, filings, liquidity** | |
| Cash and equivalents | $2.9B |
| Operating cash flow, four quarters | $3.4B |
| Months of runway | not finite |
| Days since last periodic filing | 86 (10-Q received Jul 30, 2026) |
| Median daily dollar volume, 63 sessions | $670.6M |

## 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 | $5.5B | 2025-12-31 | 2026-02-25 | 10-K | 26-000007 |
| 2 | assets | us-gaap:Assets | $10.4B | 2025-12-31 | 2026-02-25 | 10-K | 26-000007 |
| 3 | net income | us-gaap:NetIncomeLoss | $1.9B | 2025-12-31 | 2026-02-25 | 10-K | 26-000007 |
| 4 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $2.6B | 2025-12-31 | 2026-02-25 | 10-K | 26-000007 |
| 5 | assets | us-gaap:Assets | $9.8B | 2024-12-31 | 2026-02-25 | 10-K | 26-000007 |
| 6 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $6.8B | 2025-12-31 | 2026-02-25 | 10-K | 26-000007 |
| 7 | gross profit | us-gaap:GrossProfit | $4.8B | 2024-12-31 | 2026-02-25 | 10-K | 26-000007 |
| 8 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $6.0B | 2024-12-31 | 2026-02-25 | 10-K | 26-000007 |
| 9 | gross profit | us-gaap:GrossProfit | $4.1B | 2023-12-31 | 2026-02-25 | 10-K | 26-000007 |
| 10 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $5.3B | 2023-12-31 | 2026-02-25 | 10-K | 26-000007 |
| 11 | gross profit | us-gaap:GrossProfit | $3.3B | 2022-12-31 | 2025-02-21 | 10-K | 25-000011 |
| 12 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $4.4B | 2022-12-31 | 2025-02-21 | 10-K | 25-000011 |
| 13 | gross profit | us-gaap:GrossProfit | $2.6B | 2021-12-31 | 2024-02-26 | 10-K | 24-000014 |
| 14 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $3.3B | 2021-12-31 | 2024-02-26 | 10-K | 24-000014 |
| 15 | current assets | us-gaap:AssetsCurrent | $5.9B | 2025-12-31 | 2026-02-25 | 10-K | 26-000007 |
| 16 | current liabilities | us-gaap:LiabilitiesCurrent | $5.0B | 2025-12-31 | 2026-02-25 | 10-K | 26-000007 |
| 17 | retained earnings | us-gaap:RetainedEarningsAccumulatedDeficit | -$507.9M | 2025-12-31 | 2026-02-25 | 10-K | 26-000007 |
| 18 | operating income | us-gaap:OperatingIncomeLoss | $2.1B | 2025-12-31 | 2026-02-25 | 10-K | 26-000007 |
| 19 | book equity | us-gaap:StockholdersEquity | $1.2B | 2025-12-31 | 2026-02-25 | 10-K | 26-000007 |
| 20 | liabilities | us-gaap:Liabilities | $9.2B | 2025-12-31 | 2026-02-25 | 10-K | 26-000007 |
| 21 | interest expense | us-gaap:InterestExpense | $20.1M | 2025-12-31 | 2026-02-25 | 10-K | 26-000007 |
| 22 | capital expenditure | us-gaap:PaymentsToAcquireProductiveAssets | $364.8M | 2025-12-31 | 2026-02-25 | 10-K | 26-000007 |
| 23 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $2.3B | 2024-12-31 | 2026-02-25 | 10-K | 26-000007 |
| 24 | capital expenditure | us-gaap:PaymentsToAcquireProductiveAssets | $378.9M | 2024-12-31 | 2026-02-25 | 10-K | 26-000007 |
| 25 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $1.9B | 2023-12-31 | 2026-02-25 | 10-K | 26-000007 |
| 26 | capital expenditure | us-gaap:PaymentsToAcquireProductiveAssets | $204.1M | 2023-12-31 | 2026-02-25 | 10-K | 26-000007 |
| 27 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $1.7B | 2022-12-31 | 2025-02-21 | 10-K | 25-000011 |
| 28 | capital expenditure | us-gaap:PaymentsToAcquireProductiveAssets | $281.2M | 2022-12-31 | 2025-02-21 | 10-K | 25-000011 |
| 29 | depreciation amortization | us-gaap:DepreciationDepletionAndAmortization | $152.0M | 2025-12-31 | 2026-02-25 | 10-K | 26-000007 |

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| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| 30 | pretax income | us-gaap:IncomeLossFromContinuingOperationsBeforeInc... | $2.3B | 2025-12-31 | 2026-02-25 | 10-K | 26-000007 |
| 31 | income tax | us-gaap:IncomeTaxExpenseBenefit | $439.1M | 2025-12-31 | 2026-02-25 | 10-K | 26-000007 |
| 32 | current assets | us-gaap:AssetsCurrent | $6.0B | 2024-12-31 | 2026-02-25 | 10-K | 26-000007 |
| 33 | current liabilities | us-gaap:LiabilitiesCurrent | $4.1B | 2024-12-31 | 2026-02-25 | 10-K | 26-000007 |
| 34 | assets | us-gaap:Assets | $7.3B | 2023-12-31 | 2026-02-25 | 10-K | 26-000007 |
| 35 | assets | us-gaap:Assets | $6.2B | 2022-12-31 | 2025-02-21 | 10-K | 25-000011 |
| 36 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 739,923,583 | 2026-02-20 | 2026-02-25 | 10-K | 26-000007 |
| 37 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 768,974,062 | 2025-02-18 | 2025-02-21 | 10-K | 25-000011 |

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