Pegasystems Inc.

PEGA

Nasdaq; business equipment; SIC 7374, Services-Computer Processing & Data Preparation; CIK 0001013857

A

strongest fifth of 496 graded peers in business equipment

rank 89 of 496; percentile 17.8; sampling error 2.2 points; lower is stronger

A B C D E

A, the bull



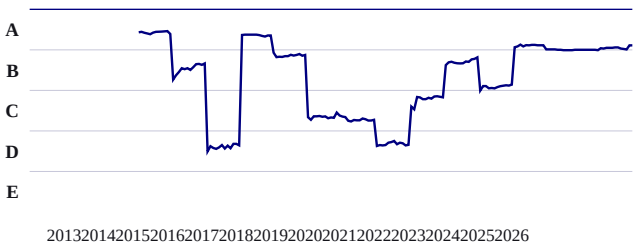
Scoreboard	
Profitability	B percentile 29.4
Solvency	C percentile 46.9
Growth and financing	B percentile 36.0
Reliability	0.91 AUC filers with $591M to $2.67B assets; 95% interval 0.88 to 0.94; 160 events, 2020 to 2025
Peer failure rate	1.01% a year Item 1.03 bankruptcies, same asset band, 2012 to 2025
Size band	$591M to $2.67B assets total assets $1.6B
Standard universe	inside revenue above $1M and assets above $10M
Warnings	none triggered not computable: fortress balance sheet
Inputs computable	9 of 14
Graded from	filings received through Feb 10, 2026 265 days before the rescan; latest periodic filing 10-Q received Oct 20, 2026
Last close	$33.92 2026-10-30; market equity $5.6B; 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 10, 2026

Our consulting revenue is significantly dependent upon our consulting personnel implementing new license and Pega Cloud arrangements. We derive a substantial portion of our consulting revenue from implementations of new license and Pega Cloud arrangements managed by our consulting personnel and consulting for partner and client-led implementation efforts. Our strategy is to support and encourage partner-led and client-led implementations to increase the breadth, capability, and depth of market capacity to deliver implementation services to our clients.

The fourteen inputs

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

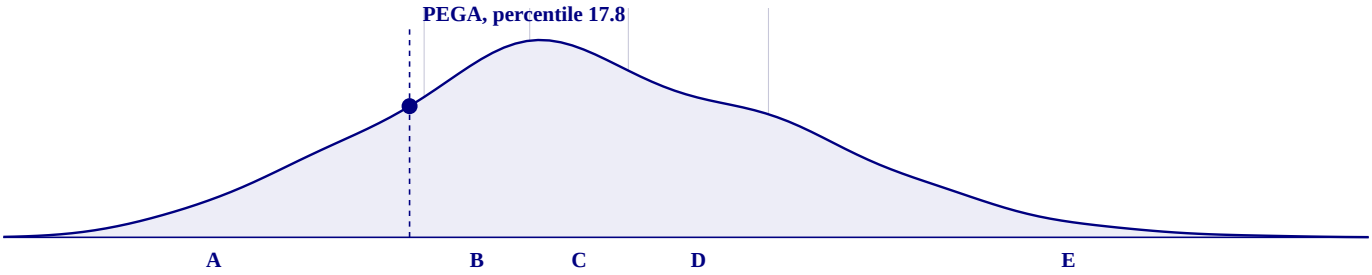
Input	Value	Peer median	Percentile, 0 to 100	Pct	Peers	Period end
Profitability, sleeve percentile 29.4						
Gross profitability	81.2%	28.7%		3.8	554	2025-12-31
Return on invested capital	not computable	11.4%				
one or more required annual facts are missing						

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.

Accruals ratio	(6.6%)	(7.3%)	55.8	617	2025-12-31
Gross margin stability, five years	1.4 pts	2.3 pts	28.5	425	2025-12-31
Solvency, sleeve percentile 46.9					
Twelve-month failure probability	0.04%	0.05%	42.7	104	2026-09-30
Altman Z double-prime	3.96	2.15	28.8	564	2025-12-31
Net debt to EBITDA	not computable	1.09x			
one or more required annual facts are missing					
Interest coverage	not computable	3.77x			
latest aligned inputs end 2023-12-31; latest annual assets end 2025-12-31					
Current ratio	1.33x	2.01x	69.1	661	2025-12-31
Growth and financing, sleeve percentile 36.0					
Revenue growth, three-year compound	9.8%	6.4%	40.2	534	2025-12-31
Free cash flow growth, three-year compound	not computable	18.1%			
current FCF must be positive and base FCF must exceed $100,000					
Reinvestment rate	not computable	13.5%			
pretax income must exceed the validity floor and imply a 0%-100% tax rate					
Asset growth, three years	6.3%	5.1%	43.9	559	2025-12-31
Net share issuance, one year	(1.6%)	0.5%	24.1	408	2026-01-30

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
84	Manhattan Associates Inc. (MANH)	16.8	A	
85	Mind Technology, Inc. (MIND)	17.0	A	fortress balance sheet
86	Sprout Social, Inc. (SPT)	17.2	A	fortress balance sheet
87	Viant Technology Inc. (DSP)	17.4	A	
88	Fortinet, Inc. (FTNT)	17.6	A	
89	Pegasystems Inc. (PEGA)	17.8	A	
90	Vertiv Holdings Co. (VRT)	18.0	A/B	
91	Amphenol Corp. (APH)	18.2	A/B	
92	Hubspot Inc. (HUBS)	18.4	A/B	
93	Nextpower Inc. (NXT)	18.6	A/B	
94	Jack Henry & Associates Inc. (JKHY)	18.8	A/B	

What the price implies

at the 2026-10-30 close; none of these enters the grade

Measure	Value	Peer median	Percentile
Twelve-month price change, skipping the latest month	(47.5%)	(2.0%)	17
Distance from 52-week high	(46.7%)	(32.4%)	34
EBIT to enterprise value	not computable	1.6%	
Free cash flow yield	8.8%	2.8%	84
Book value to price	0.10	0.27	22

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.

Sales to price	0.31	0.31	50
Composite equity issuance, five years	(0.3%)	4.3%	43
Relative strength against the sector, log excess return	(0.91)	(0.29)	17

Diagnostics

shown on every report; none enters the grade

Measure	Value
Piotroski F-score None of 9, period end 2025-12-31	
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	pass
No new shares issued	pass
Gross margin improved	pass
Asset turnover improved	fail
Cash, filings, liquidity	
Cash and equivalents	$202.2M
Operating cash flow, four quarters	$462.7M
Months of runway	not finite
Days since last periodic filing	13 (10-Q received Oct 20, 2026)
Median daily dollar volume, 63 sessions	$65.4M

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	$1.3B	2025-12-31	2026-02-10	10-K	26-000017
2	assets	us-gaap:Assets	$1.6B	2025-12-31	2026-02-10	10-K	26-000017
3	net income	us-gaap:NetIncomeLoss	$393.4M	2025-12-31	2026-02-10	10-K	26-000017
4	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$505.2M	2025-12-31	2026-02-10	10-K	26-000017
5	assets	us-gaap:Assets	$1.8B	2024-12-31	2026-02-10	10-K	26-000017
6	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$1.7B	2025-12-31	2026-02-10	10-K	26-000017
7	gross profit	us-gaap:GrossProfit	$1.1B	2024-12-31	2026-02-10	10-K	26-000017
8	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$1.5B	2024-12-31	2026-02-10	10-K	26-000017
9	gross profit	us-gaap:GrossProfit	$1.1B	2023-12-31	2026-02-10	10-K	26-000017
10	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$1.4B	2023-12-31	2026-02-10	10-K	26-000017
11	gross profit	us-gaap:GrossProfit	$949.2M	2022-12-31	2025-02-12	10-K	25-000024
12	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$1.3B	2022-12-31	2025-02-12	10-K	25-000024
13	gross profit	us-gaap:GrossProfit	$875.3M	2021-12-31	2024-02-14	10-K	24-000012
14	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$1.2B	2021-12-31	2024-02-14	10-K	24-000012
15	current assets	us-gaap:AssetsCurrent	$978.3M	2025-12-31	2026-02-10	10-K	26-000017
16	current liabilities	us-gaap:LiabilitiesCurrent	$737.8M	2025-12-31	2026-02-10	10-K	26-000017
17	retained earnings	us-gaap:RetainedEarningsAccumulatedDeficit	$463.4M	2025-12-31	2026-02-10	10-K	26-000017
18	operating income	us-gaap:OperatingIncomeLoss	$263.1M	2025-12-31	2026-02-10	10-K	26-000017
19	book equity	us-gaap:StockholdersEquity	$787.4M	2025-12-31	2026-02-10	10-K	26-000017
20	liabilities	us-gaap:Liabilities	$844.5M	2025-12-31	2026-02-10	10-K	26-000017
21	operating income	us-gaap:OperatingIncomeLoss	$81.0M	2023-12-31	2026-02-10	10-K	26-000017
22	interest expense	us-gaap:InterestExpense	$6.9M	2023-12-31	2024-02-14	10-K	24-000012
23	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$14.5M	2025-12-31	2026-02-10	10-K	26-000017
24	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$345.9M	2024-12-31	2026-02-10	10-K	26-000017
25	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$7.7M	2024-12-31	2026-02-10	10-K	26-000017
26	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$217.8M	2023-12-31	2026-02-10	10-K	26-000017
27	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$16.8M	2023-12-31	2026-02-10	10-K	26-000017

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.

28	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$22.3M	2022-12-31	2025-02-12	10-K	25-000024
29	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$35.4M	2022-12-31	2025-02-12	10-K	25-000024
30	depreciation amortization	us-gaap:DepreciationDepletionAndAmortization	$13.7M	2025-12-31	2026-02-10	10-K	26-000017
31	pretax income	us-gaap:IncomeLossFromContinuingOperationsBeforeInc...	$280.6M	2025-12-31	2026-02-10	10-K	26-000017
32	income tax	us-gaap:IncomeTaxExpenseBenefit	-$112.8M	2025-12-31	2026-02-10	10-K	26-000017
33	current assets	us-gaap:AssetsCurrent	$1.3B	2024-12-31	2026-02-10	10-K	26-000017
34	current liabilities	us-gaap:LiabilitiesCurrent	$1.1B	2024-12-31	2026-02-10	10-K	26-000017
35	assets	us-gaap:Assets	$1.5B	2023-12-31	2025-02-12	10-K	25-000024
36	assets	us-gaap:Assets	$1.4B	2022-12-31	2024-02-14	10-K	24-000012
37	shares outstanding	dei:EntityCommonStockSharesOutstanding	169,043,716	2026-01-30	2026-02-10	10-K	26-000017
38	shares outstanding	dei:EntityCommonStockSharesOutstanding	85,898,878	2025-01-31	2025-02-12	10-K	25-000024

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.