Palo Alto Networks Inc.

PANW

Nasdaq; business equipment; SIC 3577, Computer Peripheral Equipment, NEC; CIK 0001327567

C/D

on the C/D boundary of 494 graded peers in business equip...

rank 300 of 494; percentile 60.6; sampling error 2.2 points; lower is stronger

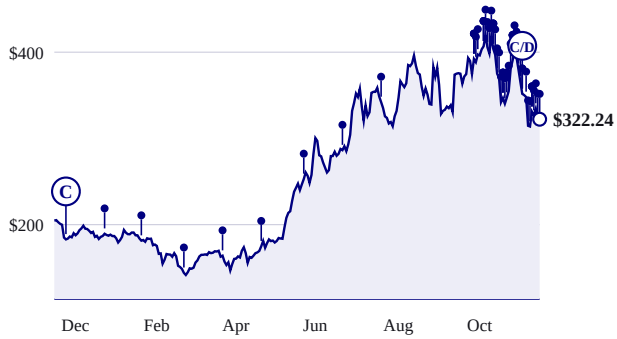
A B C D E

C/D, the tortoise



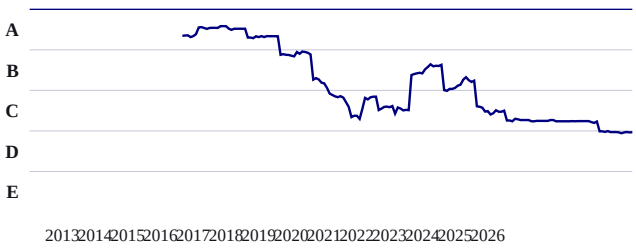
Scoreboard	
Profitability	C percentile 50.2
Solvency	C percentile 55.1
Growth and financing	C percentile 51.1
Reliability	0.94 AUC filers with over $2.67B assets; 95% interval 0.88 to 0.97; 61 events, 2020 to 2025
Peer failure rate	0.52% a year Item 1.03 bankruptcies, same asset band, 2012 to 2025
Size band	over $2.67B assets total assets $48.5B
Standard universe	inside revenue above $1M and assets above $10M
Warnings	none triggered
Inputs computable	11 of 14
Graded from	filings received through Sep 10, 2026 65 days before the rescan; latest periodic filing 10-K received Sep 10, 2026
Last close	$322.09 2026-11-13; market equity $263.5B; 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 Sep 10, 2026

Palo Alto Networks, Inc. is a global artificial intelligence ("AI") cybersecurity provider and our vision is a world where each day is safer and more secure than the one before. We were incorporated in 2005 and are headquartered in Santa Clara, California. Our mission is to be the cybersecurity partner of choice, protecting our digital way of life. Our platforms and services help secure enterprise users, networks, clouds, endpoints, AI apps and agents, and identities by delivering comprehensive cybersecurity backed by AI and automation, and provide real-time visibility and monitoring across cloud infrastructure, applications and AI workloads.

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 50.2						
Gross profitability	16.7%	28.7%		68.9	550	2026-07-31
Return on invested capital	not computable	11.2%				

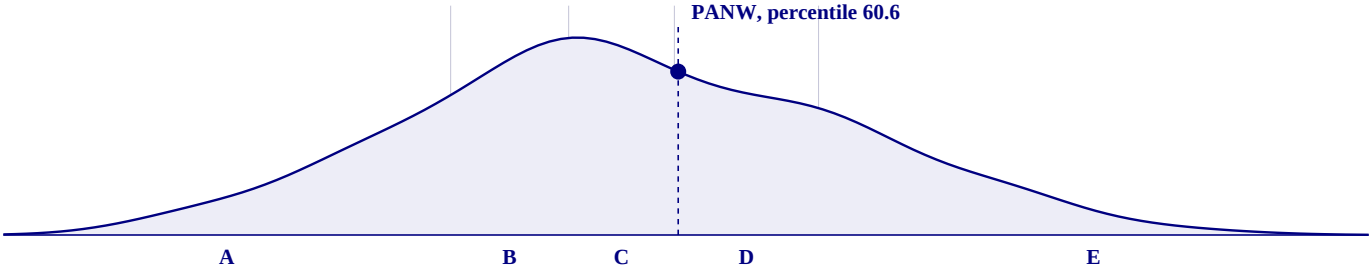
latest aligned inputs end 2023-07-31; latest annual assets end 2026-07-31

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	(11.8%)	(7.3%)	35.5	613	2026-07-31
Gross margin stability, five years	2.0 pts	2.3 pts	46.3	422	2026-07-31
Solvency, sleeve percentile 55.1					
Twelve-month failure probability	0.03%	0.05%	29.5	106	2026-07-31
Altman Z double-prime	1.49	2.21	49.3	561	2026-07-31
Net debt to EBITDA	not computable	1.09x			
latest aligned inputs end 2023-07-31; latest annual assets end 2026-07-31					
Interest coverage	not computable	3.77x			
latest aligned inputs end 2024-07-31; latest annual assets end 2026-07-31					
Current ratio	0.87x	2.01x	86.5	658	2026-07-31
Growth and financing, sleeve percentile 51.1					
Revenue growth, three-year compound	18.5%	6.4%	21.1	531	2026-07-31
Free cash flow growth, three-year compound	16.1%	17.7%	52.5	264	2026-07-31
Reinvestment rate	(309.0%)	15.1%	89.6	223	2026-07-31
Asset growth, three years	49.5%	5.2%	6.1	555	2026-07-31
Net share issuance, one year	22.3%	0.5%	85.9	406	2026-08-31

Among 494 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
295	Next Technology Holding Inc. (NXTT)	59.6	C/D	dilution, late filer
296	Diodes Inc. (DIOD)	59.8	C/D	fortress balance sheet
297	Backblaze, Inc. (BLZE)	60.0	C/D	
298	Nlight, Inc. (LASR)	60.2	C/D	fortress balance sheet
299	NXP Semiconductors N.V. (NXPI)	60.4	C/D	
300	Palo Alto Networks Inc. (PANW)	60.6	C/D	
301	Mettler Toledo International (MTD)	60.9	C/D	
302	Digi International Inc. (DGII)	61.1	C/D	
303	IPG Photonics Corp. (IPGP)	61.3	C/D	fortress balance sheet
304	Bentley Systems Inc. (BSY)	61.5	C/D	
305	Harmonic Inc. (HLIT)	61.7	C/D	late filer, fortress balance sheet

What the price implies

at the 2026-11-13 close; none of these enters the grade

Measure	Value	Peer median	Percentile
Twelve-month price change, skipping the latest month	80.4%	(2.0%)	86
Distance from 52-week high	(23.3%)	(35.0%)	66
EBIT to enterprise value	0.3%	1.7%	37
Free cash flow yield	1.6%	2.8%	36
Book value to price	0.10	0.27	22
Sales to price	0.04	0.32	6
Composite equity issuance, five years	33.6%	4.4%	80

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.

Relative strength against the sector, log excess return	0.32	(0.29)	86

Diagnostics

shown on every report; none enters the grade

Measure	Value
Piotroski F-score None of 9, period end 2026-07-31	
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	pass
Cash, filings, liquidity	
Cash and equivalents	$2.5B
Operating cash flow, four quarters	$4.6B
Months of runway	not finite
Days since last periodic filing	65 (10-K received Sep 10, 2026)
Median daily dollar volume, 63 sessions	$2.0B

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	$8.1B	2026-07-31	2026-09-10	10-K	26-000023
2	assets	us-gaap:Assets	$48.5B	2026-07-31	2026-09-10	10-K	26-000023
3	operating income	us-gaap:OperatingIncomeLoss	$387.3M	2023-07-31	2025-08-29	10-K	25-000027
4	pretax income	us-gaap:IncomeLossFromContinuingOperationsBeforeInc...	$566.3M	2023-07-31	2025-08-29	10-K	25-000027
5	income tax	us-gaap:IncomeTaxExpenseBenefit	$126.6M	2023-07-31	2025-08-29	10-K	25-000027
6	total debt	us-gaap:LongTermDebt	$2.0B	2023-07-31	2023-09-01	10-K	23-000024
7	book equity	us-gaap:StockholdersEquity	$1.7B	2023-07-31	2026-09-10	10-K	26-000023
8	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	$1.1B	2023-07-31	2025-08-29	10-K	25-000027
9	total debt	us-gaap:LongTermDebt	$3.7B	2022-07-31	2023-09-01	10-K	23-000024
10	book equity	us-gaap:StockholdersEquity	$210.0M	2022-07-31	2025-08-29	10-K	25-000027
11	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	$2.1B	2022-07-31	2024-09-06	10-K	24-000029
12	net income	us-gaap:NetIncomeLoss	$307.0M	2026-07-31	2026-09-10	10-K	26-000023
13	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$4.6B	2026-07-31	2026-09-10	10-K	26-000023
14	assets	us-gaap:Assets	$23.6B	2025-07-31	2026-09-10	10-K	26-000023
15	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$11.5B	2026-07-31	2026-09-10	10-K	26-000023
16	gross profit	us-gaap:GrossProfit	$6.8B	2025-07-31	2026-09-10	10-K	26-000023
17	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$9.2B	2025-07-31	2026-09-10	10-K	26-000023
18	gross profit	us-gaap:GrossProfit	$6.0B	2024-07-31	2026-09-10	10-K	26-000023
19	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$8.0B	2024-07-31	2026-09-10	10-K	26-000023
20	gross profit	us-gaap:GrossProfit	$5.0B	2023-07-31	2025-08-29	10-K	25-000027
21	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$6.9B	2023-07-31	2025-08-29	10-K	25-000027
22	gross profit	us-gaap:GrossProfit	$3.8B	2022-07-31	2024-09-06	10-K	24-000029
23	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$5.5B	2022-07-31	2024-09-06	10-K	24-000029
24	current assets	us-gaap:AssetsCurrent	$8.6B	2026-07-31	2026-09-10	10-K	26-000023
25	current liabilities	us-gaap:LiabilitiesCurrent	$9.9B	2026-07-31	2026-09-10	10-K	26-000023
26	retained earnings	us-gaap:RetainedEarningsAccumulatedDeficit	$2.8B	2026-07-31	2026-09-10	10-K	26-000023
27	operating income	us-gaap:OperatingIncomeLoss	$695.0M	2026-07-31	2026-09-10	10-K	26-000023
28	book equity	us-gaap:StockholdersEquity	$27.5B	2026-07-31	2026-09-10	10-K	26-000023
29	liabilities	us-gaap:Liabilities	$21.0B	2026-07-31	2026-09-10	10-K	26-000023
30	depreciation amortization	us-gaap:DepreciationDepletionAndAmortization	$282.2M	2023-07-31	2025-08-29	10-K	25-000027

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.

31	operating income	us-gaap:OperatingIncomeLoss	$684.0M	2024-07-31	2026-09-10	10-K	26-000023
32	interest expense	us-gaap:InterestExpense	$8.3M	2024-07-31	2024-09-06	10-K	24-000029
33	capital expenditure	us-gaap:PaymentsToAcquireProductiveAssets	$440.0M	2026-07-31	2026-09-10	10-K	26-000023
34	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$3.7B	2025-07-31	2026-09-10	10-K	26-000023
35	capital expenditure	us-gaap:PaymentsToAcquireProductiveAssets	$247.0M	2025-07-31	2026-09-10	10-K	26-000023
36	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$3.3B	2024-07-31	2026-09-10	10-K	26-000023
37	capital expenditure	us-gaap:PaymentsToAcquireProductiveAssets	$157.0M	2024-07-31	2026-09-10	10-K	26-000023
38	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$2.8B	2023-07-31	2025-08-29	10-K	25-000027
39	capital expenditure	us-gaap:PaymentsToAcquireProductiveAssets	$146.3M	2023-07-31	2025-08-29	10-K	25-000027
40	depreciation amortization	us-gaap:DepreciationDepletionAndAmortization	$855.0M	2026-07-31	2026-09-10	10-K	26-000023
41	pretax income	us-gaap:IncomeLossFromContinuingOperationsBeforeInc...	$536.0M	2026-07-31	2026-09-10	10-K	26-000023
42	income tax	us-gaap:IncomeTaxExpenseBenefit	$229.0M	2026-07-31	2026-09-10	10-K	26-000023
43	current assets	us-gaap:AssetsCurrent	$7.5B	2025-07-31	2026-09-10	10-K	26-000023
44	current liabilities	us-gaap:LiabilitiesCurrent	$8.0B	2025-07-31	2026-09-10	10-K	26-000023
45	assets	us-gaap:Assets	$20.0B	2024-07-31	2025-08-29	10-K	25-000027
46	assets	us-gaap:Assets	$14.5B	2023-07-31	2024-09-06	10-K	24-000029
47	shares outstanding	dei:EntityCommonStockSharesOutstanding	818,000,000	2026-08-31	2026-09-10	10-K	26-000023
48	shares outstanding	dei:EntityCommonStockSharesOutstanding	668,900,000	2025-08-18	2025-08-29	10-K	25-000027

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.