Varonis Systems Inc.

VRNS

Nasdaq; business equipment; SIC 7372, Services-Prepackaged Software; CIK 0001361113

B

second fifth of 469 graded peers in business equipment

rank 123 of 469; percentile 26.1; sampling error 2.3 points; lower is stronger

A B C D E

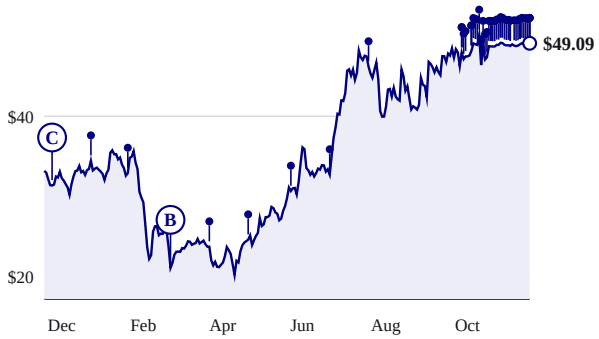
B, the elk



Scoreboard

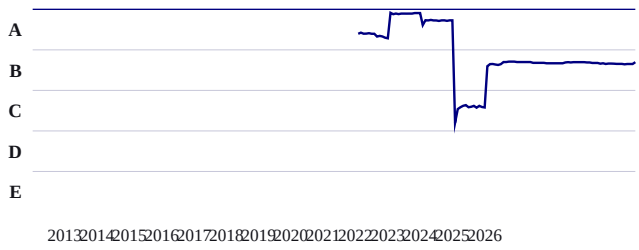
Profitability	C percentile 42.6
Solvency	C percentile 50.5
Growth and financing	B percentile 31.9
Reliability	0.91 AUC filers with $591M to $2.67B assets; 95% interval 0.88 to 0.94; 160 events, 2020 to 2025
Peer failure rate	1.01% a year Item 1.03 bankruptcies, same asset band, 2012 to 2025
Size band	$591M to $2.67B assets total assets $1.8B
Standard universe	inside revenue above $1M and assets above $10M
Warnings	none triggered not computable: distress, fortress balance sheet
Inputs computable	8 of 13
Graded from	filings received through Feb 4, 2026 286 days before the rescan; latest periodic filing 10-Q received Nov 4, 2026
Last close	$49.08 2026-11-16; market equity $5.7B; 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 4, 2026

We were incorporated under the laws of the State of Delaware on November 3, 2004 and commenced operations on January 1, 2005. Our principal offices are located at 801 Brickell Avenue, Miami, FL 33131. For convenience in this report, the terms "Company," "Varonis," "we" and "us" may be used to refer to Varonis Systems, Inc. and/or its subsidiaries, except where indicated otherwise. Our telephone number is (877) 292-8767. Varonis is a data security company focused on protecting what matters most to organizations: their data.

The thirteen inputs

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

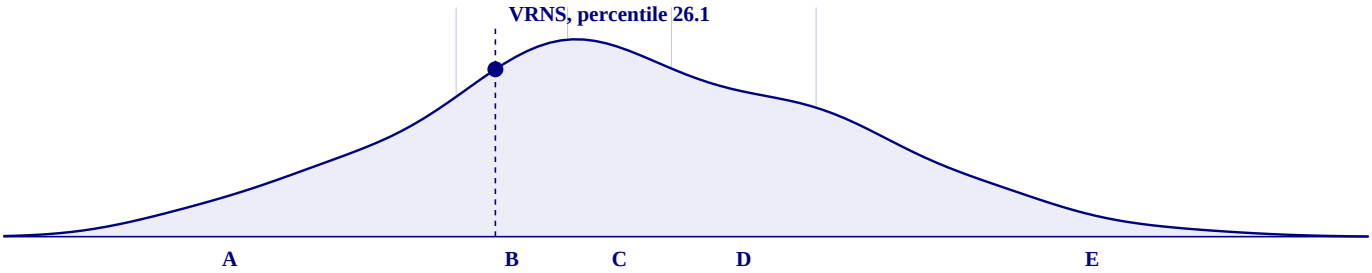
Input	Value	Peer median	Percentile, 0 to 100	Pct	Peers	Period end
Profitability, sleeve percentile 42.6						
Gross profitability	27.4%	29.1%		50.1	512	2025-12-31
Return on invested capital	not computable	11.2%				
one or more required annual facts are missing						

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Accruals ratio	(16.0%)	(7.4%)	23.5	566	2025-12-31
Gross margin stability, five years	2.5 pts	2.3 pts	54.1	406	2025-12-31
Solvency, sleeve percentile 50.5					
Altman Z double-prime	not computable	2.19			
one or more required annual facts are missing					
Net debt to EBITDA	not computable	1.15x			
one or more required annual facts are missing					
Interest coverage	not computable	4.90x			
one or more required annual facts are missing					
Current ratio	1.97x	1.98x	50.5	599	2025-12-31
Growth and financing, sleeve percentile 31.9					
Revenue growth, three-year compound	9.6%	6.4%	40.3	502	2025-12-31
Free cash flow growth, three-year compound	557.2%	18.2%	0.4	251	2025-12-31
Reinvestment rate	not computable	14.3%			
pretax income must exceed the validity floor and imply a 0%-100% tax rate					
Asset growth, three years	19.7%	5.0%	18.0	519	2025-12-31
Net share issuance, one year	4.4%	0.5%	68.8	405	2026-01-30

Among 469 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
118	Docusign, Inc. (DOCU)	25.0	B	
119	Elastic N.V. (ESTC)	25.2	B	fortress balance sheet
120	NVE Corp. (NVEC)	25.4	B	
121	Trade Desk, Inc. (TTD)	25.6	B	
122	Inspired Entertainment, Inc. (INSE)	25.9	B	late filer
123	Varonis Systems Inc. (VRNS)	26.1	B	
124	Odysight.ai Inc. (ODYS)	26.3	B	
125	Quantum Computing Inc. (QUBT)	26.5	B	dilution
126	Cytek Biosciences, Inc. (CTKB)	26.7	B	
127	Epam Systems, Inc. (EPAM)	26.9	B	fortress balance sheet
128	Diebold Nixdorf, Inc. (DBD)	27.1	B	

What the price implies

at the 2026-11-16 close; none of these enters the grade

Measure	Value	Peer median	Percentile
Twelve-month price change, skipping the latest month	34.7%	(2.0%)	73
Distance from 52-week high	(2.1%)	(36.5%)	94
EBIT to enterprise value	not computable	1.8%	
Free cash flow yield	2.4%	2.9%	42
Book value to price	0.08	0.28	17
Sales to price	0.11	0.32	18

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Composite equity issuance, five years	18.8%	4.4%	68
Relative strength against the sector, log excess return	0.03	(0.29)	73
Twelve-month failure probability, CHS model	not computable	0.05%	

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	fail
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	fail
Gross margin improved	fail
Asset turnover improved	fail
Cash, filings, liquidity	
Cash and equivalents	$271.0M
Operating cash flow, four quarters	$133.0M
Months of runway	not finite
Days since last periodic filing	13 (10-Q received Nov 4, 2026)
Median daily dollar volume, 63 sessions	$88.0M

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	$491.6M	2025-12-31	2026-02-04	10-K	26-005450
2	assets	us-gaap:Assets	$1.8B	2025-12-31	2026-02-04	10-K	26-005450
3	net income	us-gaap:NetIncomeLoss	-$129.3M	2025-12-31	2026-02-04	10-K	26-005450
4	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$147.4M	2025-12-31	2026-02-04	10-K	26-005450
5	assets	us-gaap:Assets	$1.7B	2024-12-31	2026-02-04	10-K	26-005450
6	revenue	us-gaap:RevenueFromContractWithCustomerIncludingAs...	$623.5M	2025-12-31	2026-02-04	10-K	26-005450
7	gross profit	us-gaap:GrossProfit	$457.1M	2024-12-31	2026-02-04	10-K	26-005450
8	revenue	us-gaap:RevenueFromContractWithCustomerIncludingAs...	$551.0M	2024-12-31	2026-02-04	10-K	26-005450
9	gross profit	us-gaap:GrossProfit	$427.4M	2023-12-31	2026-02-04	10-K	26-005450
10	revenue	us-gaap:RevenueFromContractWithCustomerIncludingAs...	$499.2M	2023-12-31	2026-02-04	10-K	26-005450
11	gross profit	us-gaap:GrossProfit	$403.8M	2022-12-31	2025-02-06	10-K	25-004187
12	revenue	us-gaap:RevenueFromContractWithCustomerIncludingAs...	$473.6M	2022-12-31	2025-02-06	10-K	25-004187
13	gross profit	us-gaap:GrossProfit	$330.7M	2021-12-31	2024-02-06	10-K	24-003498
14	revenue	us-gaap:RevenueFromContractWithCustomerIncludingAs...	$390.1M	2021-12-31	2024-02-06	10-K	24-003498
15	current assets	us-gaap:AssetsCurrent	$1.3B	2025-12-31	2026-02-04	10-K	26-005450
16	current liabilities	us-gaap:LiabilitiesCurrent	$659.0M	2025-12-31	2026-02-04	10-K	26-005450
17	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$12.6M	2025-12-31	2026-02-04	10-K	26-005450
18	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$115.2M	2024-12-31	2026-02-04	10-K	26-005450
19	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$6.7M	2024-12-31	2026-02-04	10-K	26-005450
20	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$59.4M	2023-12-31	2026-02-04	10-K	26-005450
21	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$5.1M	2023-12-31	2026-02-04	10-K	26-005450
22	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$11.9M	2022-12-31	2025-02-06	10-K	25-004187
23	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$11.4M	2022-12-31	2025-02-06	10-K	25-004187
24	depreciation amortization	us-gaap:DepreciationDepletionAndAmortization	$12.3M	2025-12-31	2026-02-04	10-K	26-005450
25	operating income	us-gaap:OperatingIncomeLoss	-$146.5M	2025-12-31	2026-02-04	10-K	26-005450
26	pretax income	us-gaap:IncomeLossFromContinuingOperationsBeforeInc...	-$116.3M	2025-12-31	2026-02-04	10-K	26-005450
27	income tax	us-gaap:IncomeTaxExpenseBenefit	$13.0M	2025-12-31	2026-02-04	10-K	26-005450

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28	current assets	us-gaap:AssetsCurrent	$878.1M	2024-12-31	2026-02-04	10-K	26-005450
29	current liabilities	us-gaap:LiabilitiesCurrent	$709.9M	2024-12-31	2026-02-04	10-K	26-005450
30	assets	us-gaap:Assets	$1.1B	2023-12-31	2025-02-06	10-K	25-004187
31	assets	us-gaap:Assets	$1.0B	2022-12-31	2024-02-06	10-K	24-003498
32	shares outstanding	dei:EntityCommonStockSharesOutstanding	117,447,726	2026-01-30	2026-02-04	10-K	26-005450
33	shares outstanding	dei:EntityCommonStockSharesOutstanding	112,550,156	2025-01-31	2025-02-06	10-K	25-004187

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