# Zoom Communications, Inc. ZM

Nasdaq; business equipment; SIC 7370, Services-Computer Programming, Data Processing, Etc.; CIK 0001585521

**A**

**strongest fifth of 468 graded peers in business equipment**

rank 72 of 468; percentile 15.2; sampling error 2.3 points; lower is stronger

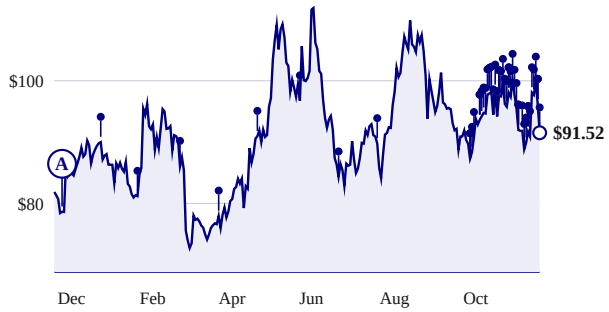
A B C D E

**A, the bull**



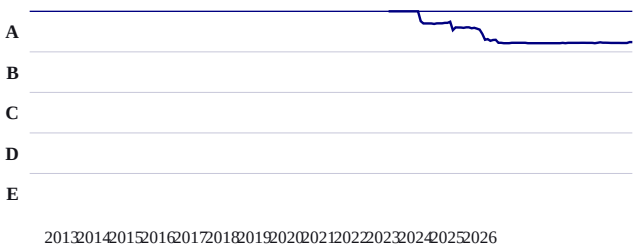
| Scoreboard | |
|---|---|
| **Profitability** | C<br>percentile 47.4 |
| **Solvency** | A<br>percentile 14.2 |
| **Growth and financing** | C<br>percentile 49.2 |
| **Reliability** | 0.94 AUC<br>filers with over $2.67B assets; 95% interval 0.88 to 0.97; 61 events, 2020 to 2025 |
| **Peer failure rate** | 0.52% a year<br>Item 1.03 bankruptcies, same asset band, 2012 to 2025 |
| **Size band** | over $2.67B assets<br>total assets $12.0B |
| **Standard universe** | inside<br>revenue above $1M and assets above $10M |
| **Warnings** | none triggered<br>not computable: dilution, distress, fortress balance sheet |
| **Inputs computable** | 9 of 13 |
| **Graded from** | filings received through Feb 27, 2026<br>264 days before the rescan; latest periodic filing 10-Q received Aug 26, 2026 |
| **Last close** | $91.48<br>2026-11-17; market equity $0; 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 27, 2026*

Zoom is redefining modern work as a system of action, turning live collaboration into completed results. From entrepreneurs to global enterprises, customers choose Zoom to seamlessly collaborate, communicate, and drive outcomes across meetings, chat, phone, contact center, events, and more - all with the built-in assistance of Zoom AI Companion. Our mission to deliver happiness, grounded in our core value of care, is fundamental to everything we do at Zoom.

## The thirteen inputs

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

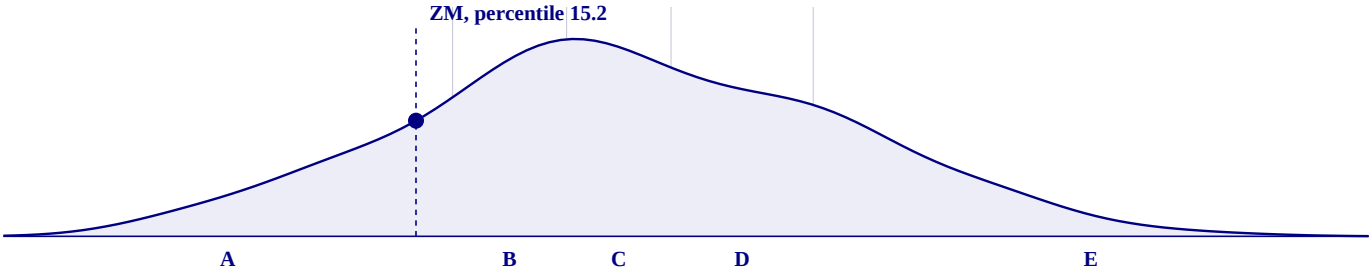
| Input | Value | Peer median | Percentile, 0 to 100 | Pct | Peers | Period end |
|---|---|---|---|---|---|---|
| **Profitability, sleeve percentile 47.4** | | | | | | |
| Gross profitability | 31.4% | 29.2% | | 43.1 | 511 | 2026-01-31 |
| Return on invested capital | not computable | 11.2% | | | | |
| *one or more required annual facts are missing* | | | | | | |
| Accruals ratio | (0.8%) | (7.4%) | | 84.6 | 565 | 2026-01-31 |

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| | | | | | | |
|---|---|---|---|---|---|---|
| Gross margin stability, five years | 1.0 pts | 2.3 pts | | 14.6 | 405 | 2026-01-31 |
| **Solvency, sleeve percentile 14.2** | | | | | | |
| Altman Z double-prime | 10.62 | 2.21 | | 8.4 | 515 | 2026-01-31 |
| Net debt to EBITDA | not computable | 1.11x | | | | |
| *one or more required annual facts are missing* | | | | | | |
| Interest coverage | not computable | 4.90x | | | | |
| *one or more required annual facts are missing* | | | | | | |
| Current ratio | 4.33x | 1.98x | | 20.1 | 599 | 2026-01-31 |
| **Growth and financing, sleeve percentile 49.2** | | | | | | |
| Revenue growth, three-year compound | 3.5% | 6.5% | | 58.0 | 501 | 2026-01-31 |
| Free cash flow growth, three-year compound | 17.5% | 17.5% | | 50.0 | 253 | 2026-01-31 |
| Reinvestment rate | (20.6%) | 15.1% | | 61.1 | 212 | 2026-01-31 |
| Asset growth, three years | 13.7% | 5.0% | | 27.7 | 518 | 2026-01-31 |
| Net share issuance, one year | not computable | 0.5% | | | | |
| *two annual share counts are required; found 0* | | | | | | |

## Among 468 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 |
|---|---|---|---|---|
| 67 | Microsoft Corp. (MSFT) | 14.1 | A | |
| 68 | Grindr Inc. (GRND) | 14.3 | A | |
| 69 | Lattice Semiconductor Corp. (LSCC) | 14.6 | A | |
| 70 | Sitime Corp. (SITM) | 14.8 | A | |
| 71 | Onto Innovation Inc. (ONTO) | 15.0 | A | fortress balance sheet |
| 72 | Zoom Communications, Inc. (ZM) | 15.2 | A | |
| 73 | Photronics Inc. (PLAB) | 15.4 | A | fortress balance sheet |
| 74 | Nextdoor Holdings, Inc. (NXDR) | 15.6 | A | |
| 75 | Zedge, Inc. (ZDGE) | 15.8 | A | |
| 76 | Ibex Ltd. (IBEX) | 16.1 | A | fortress balance sheet |
| 77 | Manhattan Associates Inc. (MANH) | 16.3 | A | |

## What the price implies

*at the 2026-11-17 close; none of these enters the grade*

| Measure | Value | Peer median | Percentile |
|---|---|---|---|
| Twelve-month price change, skipping the latest month | 4.1% | (2.2%) | 56 |
| Distance from 52-week high | (18.2%) | (37.6%) | 75 |
| EBIT to enterprise value | not computable | 1.8% | |
| Free cash flow yield | not computable | 3.0% | |
| Book value to price | not computable | 0.27 | |
| Sales to price | not computable | 0.32 | |
| Composite equity issuance, five years | not computable | 4.3% | |
| Relative strength against the sector, log excess return | (0.23) | (0.29) | 56 |

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| | | |
|---|---|---|
| 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 2026-01-31** | |
| 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 | fail |
| No new shares issued | fail |
| Gross margin improved | pass |
| Asset turnover improved | fail |
| **Cash, filings, liquidity** | |
| Cash and equivalents | $932.0M |
| Operating cash flow, four quarters | $2.0B |
| Months of runway | not finite |
| Days since last periodic filing | 84 (10-Q received Aug 26, 2026) |
| Median daily dollar volume, 63 sessions | $246.4M |

## 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 | $3.7B | 2026-01-31 | 2026-02-27 | 10-K | 26-000030 |
| 2 | assets | us-gaap:Assets | $12.0B | 2026-01-31 | 2026-02-27 | 10-K | 26-000030 |
| 3 | net income | us-gaap:NetIncomeLoss | $1.9B | 2026-01-31 | 2026-02-27 | 10-K | 26-000030 |
| 4 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $2.0B | 2026-01-31 | 2026-02-27 | 10-K | 26-000030 |
| 5 | assets | us-gaap:Assets | $11.0B | 2025-01-31 | 2026-02-27 | 10-K | 26-000030 |
| 6 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $4.9B | 2026-01-31 | 2026-02-27 | 10-K | 26-000030 |
| 7 | gross profit | us-gaap:GrossProfit | $3.5B | 2025-01-31 | 2026-02-27 | 10-K | 26-000030 |
| 8 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $4.7B | 2025-01-31 | 2026-02-27 | 10-K | 26-000030 |
| 9 | gross profit | us-gaap:GrossProfit | $3.4B | 2024-01-31 | 2026-02-27 | 10-K | 26-000030 |
| 10 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $4.5B | 2024-01-31 | 2026-02-27 | 10-K | 26-000030 |
| 11 | gross profit | us-gaap:GrossProfit | $3.3B | 2023-01-31 | 2025-02-28 | 10-K | 25-000042 |
| 12 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $4.4B | 2023-01-31 | 2025-02-28 | 10-K | 25-000042 |
| 13 | gross profit | us-gaap:GrossProfit | $3.0B | 2022-01-31 | 2024-03-04 | 10-K | 24-000030 |
| 14 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $4.1B | 2022-01-31 | 2024-03-04 | 10-K | 24-000030 |
| 15 | current assets | us-gaap:AssetsCurrent | $8.7B | 2026-01-31 | 2026-02-27 | 10-K | 26-000030 |
| 16 | current liabilities | us-gaap:LiabilitiesCurrent | $2.0B | 2026-01-31 | 2026-02-27 | 10-K | 26-000030 |
| 17 | retained earnings | us-gaap:RetainedEarningsAccumulatedDeficit | $5.7B | 2026-01-31 | 2026-02-27 | 10-K | 26-000030 |
| 18 | operating income | us-gaap:OperatingIncomeLoss | $1.1B | 2026-01-31 | 2026-02-27 | 10-K | 26-000030 |
| 19 | book equity | us-gaap:StockholdersEquity | $9.8B | 2026-01-31 | 2026-02-27 | 10-K | 26-000030 |
| 20 | liabilities | us-gaap:Liabilities | $2.2B | 2026-01-31 | 2026-02-27 | 10-K | 26-000030 |
| 21 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $65.0M | 2026-01-31 | 2026-02-27 | 10-K | 26-000030 |
| 22 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $1.9B | 2025-01-31 | 2026-02-27 | 10-K | 26-000030 |
| 23 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $136.6M | 2025-01-31 | 2026-02-27 | 10-K | 26-000030 |
| 24 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $1.6B | 2024-01-31 | 2026-02-27 | 10-K | 26-000030 |
| 25 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $127.0M | 2024-01-31 | 2026-02-27 | 10-K | 26-000030 |
| 26 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $1.3B | 2023-01-31 | 2025-02-28 | 10-K | 25-000042 |
| 27 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $103.8M | 2023-01-31 | 2025-02-28 | 10-K | 25-000042 |
| 28 | depreciation amortization | us-gaap:DepreciationDepletionAndAmortization | $132.8M | 2026-01-31 | 2026-02-27 | 10-K | 26-000030 |
| 29 | pretax income | us-gaap:IncomeLossFromContinuingOperationsBeforeInc... | $2.4B | 2026-01-31 | 2026-02-27 | 10-K | 26-000030 |
| 30 | income tax | us-gaap:IncomeTaxExpenseBenefit | $522.1M | 2026-01-31 | 2026-02-27 | 10-K | 26-000030 |

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| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| 31 | current assets | us-gaap:AssetsCurrent | $8.7B | 2025-01-31 | 2026-02-27 | 10-K | 26-000030 |
| 32 | current liabilities | us-gaap:LiabilitiesCurrent | $1.9B | 2025-01-31 | 2026-02-27 | 10-K | 26-000030 |
| 33 | assets | us-gaap:Assets | $9.9B | 2024-01-31 | 2025-02-28 | 10-K | 25-000042 |
| 34 | assets | us-gaap:Assets | $8.1B | 2023-01-31 | 2024-03-04 | 10-K | 24-000030 |

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