



## Qualys Inc (QLYS) — Research Summary

Technology | Software - Infrastructure | 2026-06-01

**Price:** \$114.02

**Signal:** BUY (7.54/10)

**Market:** bull\_tech

### Qualys Inc (QLYS) — Equity Research Summary

**Sector:** Technology / Software – Infrastructure | **Price:** \$114.02 | **Market Cap:** \$5.4B

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#### 1. Company Overview & Investment Thesis

Qualys is a cloud-based cybersecurity company that helps organizations find and fix vulnerabilities across their IT systems, cloud workloads, and networks. The company is interesting now because it pairs strong, consistent profitability with an emerging growth story built around AI-driven, autonomous security remediation — and the stock has recovered sharply off its 2026 lows following a strong Q1 beat, a raised full-year forecast, and a key government (FedRAMP High) certification.

#### 2. Fundamental Snapshot

- **Valuation:** Trailing P/E of 27.5 falls to a forward P/E of ~20.4, suggesting the market expects earnings growth. EV/EBITDA sits around 25x and price-to-sales at 7.9x — premium multiples typical of profitable software names, though more reasonable than many high-growth peers. Strong free cash flow supports the valuation.
- **Earnings trend:** Qualys has beaten estimates in each of the last four quarters, often by wide margins (+8.3%, +5.1%, +19.2%, +13.5%). Management raised full-year 2026 guidance alongside Q1 results — a clear positive signal.
- **Revenue & margins:** Revenue growth is modest at roughly 4–7% year-over-year, but profitability is exceptional: gross margin ~83%, operating margin in the mid-30s%, and a net profit margin near 29%. This is a "profitable but slower-growing" profile.
- **Balance sheet:** Very healthy. Roughly \$0.5B in cash against only \$0.1B in debt (net cash), with a minimal debt-to-equity ratio of 0.09.

#### 3. Technical Outlook

The stock trades at \$114.02, sitting near the middle of its wide 52-week range of \$74.51 to \$164.21. Momentum has turned distinctly positive: shares are up sharply from May lows near \$90, driven by a 16%+ post-earnings pop and renewed enthusiasm across software. Key levels to watch are **support around \$90** (recent basing area) and **resistance in the \$130–140 zone** on the way back toward its highs. The low beta (0.60) indicates the stock is historically less volatile than the broader market, though recent swings have been large.

## 4. News & Sentiment

**Overall sentiment: Slightly Bullish.**

Three key themes dominate recent coverage:

1. **Earnings-driven rebound** — The Q1 beat, guidance hike, and FedRAMP High Authorization for TotalCloud rekindled investor interest after a rough six-month stretch.
2. **AI narrative recovery** — Qualys has rallied alongside peers (Tenable, SentinelOne) as markets grow more comfortable that AI is an opportunity rather than a threat to established software vendors. Its own AI-driven and autonomous remediation tools are gaining adoption.
3. **M&A speculation** — Qualys is frequently named among pure-play cybersecurity vendors that could be acquisition targets in 2026's consolidation wave.

The market narrative is mixed but improving: bulls point to profitability, cash generation, and product momentum, while skeptics highlight slow revenue growth and a premium valuation. Notably, analyst consensus is cautious — mostly Holds (16 Hold vs. 4 Buy, 3 Sell), with a price target (\$114) essentially at the current price.

## 5. Bottom Line

- **Aerondight Systems Signal: BUY (7.54/10)**
- **Thesis:** A highly profitable, cash-rich cybersecurity provider with improving momentum, rising guidance, and a credible AI-remediation growth angle — trading at a reasonable forward multiple after a sharp recovery.
- **Key upcoming catalyst:** Next quarterly earnings report (further evidence that raised guidance and AI adoption are translating into accelerating growth); ongoing M&A speculation is a secondary wildcard.
- **Risk Level: Medium.** Strong balance sheet and profitability limit downside, but modest revenue growth, a premium valuation, and a cautious analyst consensus (target offering no upside from current levels) temper the upside case.

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