

CLOUDFLARE INC.



Company Overview

Cloudflare Inc. (“Cloudflare”) is a leading connectivity cloud company providing a unified platform of cloud-native security, performance, networking, and developer services. Its global network protects and accelerates Internet applications without requiring customers to deploy additional hardware or modify existing code. Approximately 20% of Internet traffic runs through Cloudflare’s network infrastructure.

Operating segments include website and application services (security and performance), secure access service edge (SASE) and Zero Trust solutions, developer platform services (Cloudflare Workers and AI capabilities), and related subscription-based connectivity cloud offerings. Revenue is predominantly recurring and subscription-driven.

Competitive positioning is defined by Cloudflare’s globally distributed edge network, integrated security stack, strong developer ecosystem, and growing presence in enterprise accounts. The company competes across cybersecurity, networking, and application services while benefiting from a unified platform strategy and strong customer retention metrics.

Strategic focus centers on enterprise expansion, Zero Trust security adoption, generative AI and agentic AI enablement, monetization of its developer ecosystem, and continued margin expansion through operating leverage and sales productivity improvements.

Headquarters: San Francisco, California, United States

Number of employees: Approximately 3,800

1. Top 5 Competitors

- **Akamai Technologies Inc.** – Global content delivery and security provider with strong enterprise application security presence.
- **Palo Alto Networks Inc.** – Cybersecurity leader focused on network security, SASE, and cloud protection platforms.
- **Zscaler Inc.** – Zero Trust security specialist delivering secure web gateway and cloud-based access services.
- **Fortinet Inc.** – Cybersecurity firm offering integrated networking and security hardware and software solutions.
- **Fastly Inc.** – Edge cloud platform provider competing in content delivery and application performance markets.

2. Largest Institutional Shareholders

(Estimated from latest available institutional filings; percentages rounded.)

CLOUDFLARE INC.



Shareholder	% Ownership	Shares (Millions)
Capital World Investors	~11.3%	~35.8M
Vanguard Group Inc.	~10.2%	~32.3M
BlackRock Inc.	~5.0%	~15.9M
Baillie Gifford & Co	~5.3%	~16.8M
Morgan Stanley Investment Management	~4.9%	~15.7M
State Street Corp.	~3.8%	~12M
Fidelity (FMR)	~3.5%	~11M
T. Rowe Price Associates	~2.4%	~7M
Geode Capital Management	~2.2%	~7M
Wellington Management	~1.9%	~6M

Top 10 Institutional Ownership: ~50-53%

Total Institutional Ownership: ~88-90%

3. Management Team

- **Matthew Prince** – Co-Founder & Chief Executive Officer
- **Michelle Zatlyn** – Co-Founder & President & Chief Operating Officer
- **Thomas Seifert** – Chief Financial Officer
- **Mark Anderson** – President of Revenue
- **John Graham-Cumming** – Chief Technology Officer

Management remains focused on scaling enterprise sales, strengthening AI-driven infrastructure offerings, and improving operating margins while maintaining innovation velocity.

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4. Revenue

Latest fiscal year:

- FY2025 revenue totaled **\$2.17 billion**, representing approximately **30% year-over-year growth**.

Recent quarterly performance:

- Q4 2025 revenue reached **\$614.5 million**, up 34% year-over-year.
- Non-GAAP operating income was **\$89.6 million**, reflecting a 14.6% margin.
- Non-GAAP EPS was **\$0.28**, up from \$0.19 in the prior year quarter.
- Free cash flow for FY2025 totaled **\$260.6 million**, representing 12% margin.

Forward outlook:

- FY2026 revenue guidance of approximately **\$2.79 billion**, implying continued double-digit growth.
- Non-GAAP EPS guidance of approximately **\$1.11–\$1.12**.
- Management targets long-term non-GAAP operating margins above 20%.

Key revenue drivers:

- Enterprise customer expansion
- Zero Trust and SASE adoption
- AI and developer platform monetization
- International growth
- Increased wallet share within existing customers

5. Institutions with Buy Recommendations

- Argus Research
- Goldman Sachs
- Morgan Stanley
- UBS
- Jefferies
- Piper Sandler

Analysts highlight accelerating revenue growth, improving margins, strong AI positioning, and durable subscription-based cash flows.

6. Analyst Sentiment Summary

Consensus rating: Buy

Target price range:

- **Low:** ~\$135
- **Median:** ~\$233
- **High:** ~\$300

Analyst sentiment reflects confidence in Cloudflare's enterprise expansion, AI-driven platform differentiation, and improving profitability trajectory, despite premium valuation metrics.

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7. Insider Buying and Selling (Last 24 Months)

- Insider activity has been net negative, with periodic executive sales.
- Sales have primarily been associated with compensation-related equity vesting and scheduled trading plans.
- No sustained pattern of discretionary open-market insider accumulation has been observed.
- Insider activity remains consistent with executive compensation structures typical for high-growth technology firms.