# Borgwarner Inc.

**BWA**

NYSE; consumer durables; SIC 3714, Motor Vehicle Parts & Accessories; CIK 0000908255

**A**

**strongest fifth of 460 graded peers in the pooled consumer gr...**

rank 38 of 460; percentile 8.5; sampling error 2.3 points; lower is stronger

A B C D E

**A, the bull**



## Scoreboard

| | |
|---|---|
| **Profitability** | B<br>percentile 32.8 |
| **Solvency** | B<br>percentile 30.5 |
| **Growth and financing** | B/C<br>percentile 37.9 |
| **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 $13.8B |
| **Standard universe** | inside<br>revenue above $1M and assets above $10M |
| **Warnings** | none triggered<br>not computable: short runway, distress |
| **Inputs computable** | 10 of 14 |
| **Graded from** | filings received through Feb 11, 2026<br>250 days before the rescan; latest periodic filing 10-Q received Aug 5, 2026 |
| **Last close** | $58.12<br>2026-10-16; market equity $11.8B; 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 11, 2026*

BorgWarner Inc. (collectively with its consolidated subsidiaries, the "Company" or "BorgWarner") is a Delaware corporation incorporated in 1987. The Company is a global product leader in clean and efficient technology solutions for combustion, hybrid and electric vehicles. BorgWarner's products help improve vehicle performance, propulsion efficiency, stability and air quality. The Company manufactures and sells these products worldwide, primarily to original equipment manufacturers ("OEMs") of light vehicles (passenger cars, sport-utility vehicles, vans and light trucks).

## 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 32.8** | | | | | | |
| Gross profitability | 19.4% | 34.4% | | 71.2 | 476 | 2025-12-31 |
| Return on invested capital | not computable | 8.9% | | | | |

*latest aligned inputs end 2021-12-31; latest annual assets end 2025-12-31*

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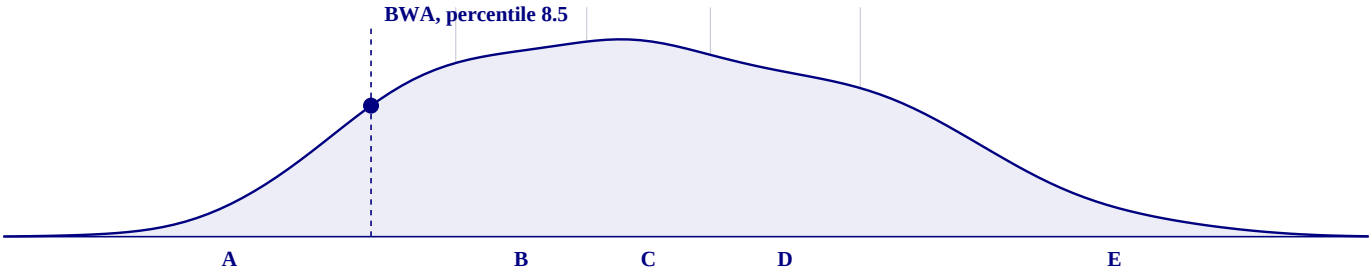
| | | | | | |
|---|---|---|---|---|---|
| Accruals ratio | (9.9%) | (5.1%) | 25.1 | 526 | 2025-12-31 |
| Gross margin stability, five years | 0.3 pts | 1.7 pts | 2.0 | 408 | 2025-12-31 |
| **Solvency, sleeve percentile 30.5** | | | | | |
| Twelve-month failure probability | not computable | 0.04% | | | |
| *latest liabilities, cash plus short-term investments, book equity, and shares are required* | | | | | |
| Altman Z double-prime | 4.19 | 2.11 | 27.6 | 403 | 2025-12-31 |
| Net debt to EBITDA | not computable | 2.11x | | | |
| *latest aligned inputs end 2021-12-31; latest annual assets end 2025-12-31* | | | | | |
| Interest coverage | not computable | 2.57x | | | |
| *latest aligned inputs end 2022-12-31; latest annual assets end 2025-12-31* | | | | | |
| Current ratio | 2.07x | 1.56x | 33.5 | 542 | 2025-12-31 |
| **Growth and financing, sleeve percentile 37.9** | | | | | |
| Revenue growth, three-year compound | 4.3% | 1.4% | 34.7 | 482 | 2025-12-31 |
| Free cash flow growth, three-year compound | 7.6% | 8.3% | 51.4 | 250 | 2025-12-31 |
| Reinvestment rate | 113.2% | 12.0% | 13.6 | 265 | 2025-12-31 |
| Asset growth, three years | (6.8%) | 1.7% | 78.4 | 487 | 2025-12-31 |
| Net share issuance, one year | (5.3%) | (0.3%) | 11.6 | 381 | 2026-01-30 |

## Among 460 peers

*consumer durables; 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 |
|---|---|---|---|---|
| 33 | Lifeway Foods, Inc. (LWAY) | 7.3 | A | fortress balance sheet |
| 34 | Weis Markets Inc. (WMK) | 7.4 | A | late filer |
| 35 | Best BUY Co. Inc. (BBY) | 7.8 | A | fortress balance sheet |
| 36 | Jerash Holdings (Us), Inc. (JRSH) | 8.1 | A | fortress balance sheet |
| 37 | Urban Outfitters Inc. (URBN) | 8.2 | A | |
| 38 | Borgwarner Inc. (BWA) | 8.5 | A | |
| 39 | Pricesmart Inc. (PSMT) | 8.6 | A | fortress balance sheet |
| 40 | Brady Corp. (BRC) | 8.7 | A | fortress balance sheet |
| 41 | Sanfilippo John B & SON Inc. (JBSS) | 8.9 | A | |
| 42 | QXO, Inc. (QXO) | 9.1 | A | |
| 43 | QXO, Inc. (QXO-PB) | 9.1 | A | |

## What the price implies

*at the 2026-10-16 close; none of these enters the grade*

| Measure | Value | Peer median | Percentile |
|---|---|---|---|
| Twelve-month price change, skipping the latest month | 46.9% | (0.1%) | 86 |
| Distance from 52-week high | (24.5%) | (24.7%) | 50 |
| EBIT to enterprise value | 3.8% | 4.9% | 40 |
| Free cash flow yield | 10.0% | 4.4% | 77 |
| Book value to price | 0.47 | 0.44 | 51 |
| Sales to price | 1.21 | 1.49 | 43 |

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| | | | |
|---|---|---|---|
| Composite equity issuance, five years | (36.6%) | (16.0%) | 12 |
| Relative strength against the sector, log excess return | 0.41 | (0.01) | 88 |

## Diagnostics

*shown on every report; none enters the grade*

| Measure | Value |
|---|---|
| **Piotroski F-score 6 of 9, period end 2025-12-31** | |
| 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 | pass |
| No new shares issued | pass |
| Gross margin improved | fail |
| Asset turnover improved | pass |
| **Cash, filings, liquidity** | |
| Cash and equivalents | n/a |
| Operating cash flow, four quarters | n/a |
| Months of runway | not finite |
| Days since last periodic filing | 75 (10-Q received Aug 5, 2026) |
| Median daily dollar volume, 63 sessions | $134.5M |

## 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 | $2.7B | 2025-12-31 | 2026-02-11 | 10-K | 26-000011 |
| 2 | assets | us-gaap:Assets | $13.8B | 2025-12-31 | 2026-02-11 | 10-K | 26-000011 |
| 3 | operating income | us-gaap:OperatingIncomeLoss | $914.0M | 2021-12-31 | 2024-02-08 | 10-K | 24-000007 |
| 4 | pretax income | us-gaap:IncomeLossFromContinuingOperationsBeforeInc... | $510.0M | 2021-12-31 | 2024-02-08 | 10-K | 24-000007 |
| 5 | income tax | us-gaap:IncomeTaxExpenseBenefit | $65.0M | 2021-12-31 | 2024-02-08 | 10-K | 24-000007 |
| 6 | total debt | us-gaap:LongTermDebtAndCapitalLeaseObligations | $4.3B | 2021-12-31 | 2023-02-09 | 10-K | 23-000013 |
| 7 | book equity | us-gaap:StockholdersEquity | $6.9B | 2021-12-31 | 2023-02-09 | 10-K | 23-000013 |
| 8 | cash | us-gaap:CashAndCashEquivalentsAtCarryingValue | $1.8B | 2021-12-31 | 2022-02-15 | 10-K | 22-000009 |
| 9 | total debt | us-gaap:LongTermDebtAndCapitalLeaseObligations | $3.7B | 2020-12-31 | 2022-02-15 | 10-K | 22-000009 |
| 10 | book equity | us-gaap:StockholdersEquity | $6.4B | 2020-12-31 | 2022-02-15 | 10-K | 22-000009 |
| 11 | cash | us-gaap:CashAndCashEquivalentsAtCarryingValue | $1.6B | 2020-12-31 | 2022-02-15 | 10-K | 22-000009 |
| 12 | net income | us-gaap:NetIncomeLoss | $277.0M | 2025-12-31 | 2026-02-11 | 10-K | 26-000011 |
| 13 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivitiesC... | $1.6B | 2025-12-31 | 2026-02-11 | 10-K | 26-000011 |
| 14 | assets | us-gaap:Assets | $14.0B | 2024-12-31 | 2026-02-11 | 10-K | 26-000011 |
| 15 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $14.3B | 2025-12-31 | 2026-02-11 | 10-K | 26-000011 |
| 16 | gross profit | us-gaap:GrossProfit | $2.6B | 2024-12-31 | 2026-02-11 | 10-K | 26-000011 |
| 17 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $14.1B | 2024-12-31 | 2026-02-11 | 10-K | 26-000011 |
| 18 | gross profit | us-gaap:GrossProfit | $2.6B | 2023-12-31 | 2026-02-11 | 10-K | 26-000011 |
| 19 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $14.2B | 2023-12-31 | 2026-02-11 | 10-K | 26-000011 |
| 20 | gross profit | us-gaap:GrossProfit | $2.4B | 2022-12-31 | 2025-02-06 | 10-K | 25-000007 |
| 21 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $12.6B | 2022-12-31 | 2025-02-06 | 10-K | 25-000007 |
| 22 | gross profit | us-gaap:GrossProfit | $2.2B | 2021-12-31 | 2024-02-08 | 10-K | 24-000007 |
| 23 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $11.8B | 2021-12-31 | 2024-02-08 | 10-K | 24-000007 |
| 24 | current assets | us-gaap:AssetsCurrent | $6.8B | 2025-12-31 | 2026-02-11 | 10-K | 26-000011 |
| 25 | current liabilities | us-gaap:LiabilitiesCurrent | $3.3B | 2025-12-31 | 2026-02-11 | 10-K | 26-000011 |
| 26 | retained earnings | us-gaap:RetainedEarningsAccumulatedDeficit | $6.6B | 2025-12-31 | 2026-02-11 | 10-K | 26-000011 |
| 27 | operating income | us-gaap:OperatingIncomeLoss | $536.0M | 2025-12-31 | 2026-02-11 | 10-K | 26-000011 |
| 28 | book equity | us-gaap:StockholdersEquity | $5.4B | 2025-12-31 | 2026-02-11 | 10-K | 26-000011 |
| 29 | liabilities | us-gaap:Liabilities | $8.2B | 2025-12-31 | 2026-02-11 | 10-K | 26-000011 |

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| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| 30 | depreciation amortization | us-gaap:DepreciationDepletionAndAmortization | $574.0M | 2021-12-31 | 2024-02-08 | 10-K | 24-000007 |
| 31 | operating income | us-gaap:OperatingIncomeLoss | $1.0B | 2022-12-31 | 2025-02-06 | 10-K | 25-000007 |
| 32 | interest expense | us-gaap:InterestAndDebtExpense | $52.0M | 2022-12-31 | 2023-02-09 | 10-K | 23-000013 |
| 33 | capital expenditure | us-gaap:PaymentsToAcquireProductiveAssets | $469.0M | 2025-12-31 | 2026-02-11 | 10-K | 26-000011 |
| 34 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivitiesC... | $1.4B | 2024-12-31 | 2026-02-11 | 10-K | 26-000011 |
| 35 | capital expenditure | us-gaap:PaymentsToAcquireProductiveAssets | $671.0M | 2024-12-31 | 2026-02-11 | 10-K | 26-000011 |
| 36 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivitiesC... | $1.4B | 2023-12-31 | 2026-02-11 | 10-K | 26-000011 |
| 37 | capital expenditure | us-gaap:PaymentsToAcquireProductiveAssets | $832.0M | 2023-12-31 | 2026-02-11 | 10-K | 26-000011 |
| 38 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $1.6B | 2022-12-31 | 2023-02-09 | 10-K | 23-000013 |
| 39 | capital expenditure | us-gaap:PaymentsToAcquireProductiveAssets | $622.0M | 2022-12-31 | 2025-02-06 | 10-K | 25-000007 |
| 40 | depreciation amortization | us-gaap:DepreciationDepletionAndAmortization | $719.0M | 2025-12-31 | 2026-02-11 | 10-K | 26-000011 |
| 41 | pretax income | us-gaap:IncomeLossFromContinuingOperationsBeforeInc... | $524.0M | 2025-12-31 | 2026-02-11 | 10-K | 26-000011 |
| 42 | income tax | us-gaap:IncomeTaxExpenseBenefit | $189.0M | 2025-12-31 | 2026-02-11 | 10-K | 26-000011 |
| 43 | current assets | us-gaap:AssetsCurrent | $6.5B | 2024-12-31 | 2026-02-11 | 10-K | 26-000011 |
| 44 | current liabilities | us-gaap:LiabilitiesCurrent | $3.6B | 2024-12-31 | 2026-02-11 | 10-K | 26-000011 |
| 45 | assets | us-gaap:Assets | $14.5B | 2023-12-31 | 2026-02-11 | 10-K | 26-000011 |
| 46 | assets | us-gaap:Assets | $17.0B | 2022-12-31 | 2024-02-08 | 10-K | 24-000007 |
| 47 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 207,048,768 | 2026-01-30 | 2026-02-11 | 10-K | 26-000011 |
| 48 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 218,684,028 | 2025-01-31 | 2025-02-06 | 10-K | 25-000007 |

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