# Advance Auto Parts Inc.

**AAP**

NYSE; shops; SIC 5531, Retail-Auto & Home Supply Stores; CIK 0001158449

**D**

**fourth fifth of 256 graded peers in shops**

rank 197 of 256; percentile 76.9; sampling error 2.9 points; lower is stronger

A B C D E

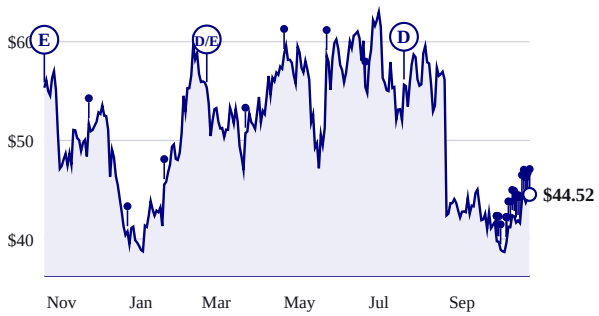
**D, the sloth**



## Scoreboard

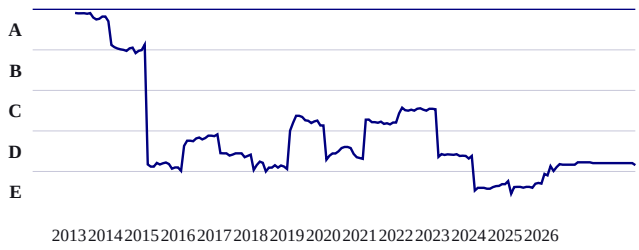
| | |
|---|---|
| **Profitability** | D/E<br>percentile 78.6 |
| **Solvency** | B/C<br>percentile 37.2 |
| **Growth and financing** | D<br>percentile 66.9 |
| **Reliability** | 0.94 AUC<br>filers with over $2.67B assets; 95% interval 0.88 to 0.97; 61 events, 2020 to 2025 |
| **Peer failure rate** | 0.52% a year<br>Item 1.03 bankruptcies, same asset band, 2012 to 2025 |
| **Size band** | over $2.67B assets<br>total assets $11.8B |
| **Standard universe** | inside<br>revenue above $1M and assets above $10M |
| **Warnings** | none triggered<br>not computable: short runway, distress |
| **Inputs computable** | 8 of 14 |
| **Graded from** | filings received through Feb 13, 2026<br>251 days before the rescan; latest periodic filing 10-Q received Aug 20, 2026 |
| **Last close** | $44.50<br>2026-10-21; market equity $2.7B; 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 13, 2026*

Unless the context otherwise requires, the "Company," "Advance," and similar terms refer to Advance Auto Parts, Inc., its subsidiaries and their respective operations on a consolidated basis. The Company's fiscal year consists of 52 or 53 weeks ending on the Saturday closest to December 31st each year. The Company's fiscal year ended January 3, 2026 ("2025") included fifty-three weeks of operations. The Company's previous two fiscal years ended on December 28, 2024 ("2024") and December 30, 2023 ("2023"), respectively, each included fifty-two weeks of operations. Advance Auto Parts, Inc.

## The fourteen inputs

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

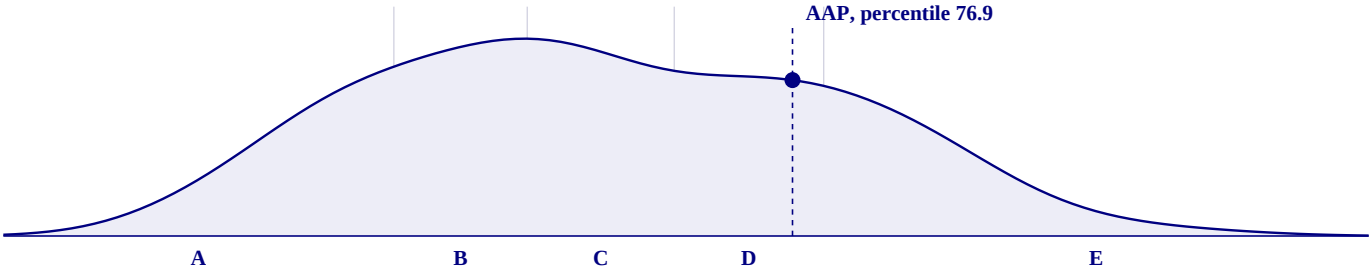
| Input | Value | Peer median | Percentile, 0 to 100 | Pct | Peers | Period end |
|---|---|---|---|---|---|---|
| **Profitability, sleeve percentile 78.6** | | | | | | |
| Gross profitability | 31.6% | 42.6% | | 66.1 | 240 | 2026-01-03 |
| Return on invested capital | not computable | 10.9% | | | | |
| *prior invested-capital observation is 4389 days earlier* | | | | | | |

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| | | | | | | |
|---|---|---|---|---|---|---|
| Accruals ratio | 0.8% | (4.9%) | | 90.5 | 286 | 2026-01-03 |
| Gross margin stability, five years | 3.0 pts | 1.2 pts | | 79.3 | 218 | 2026-01-03 |
| **Solvency, sleeve percentile 37.2** | | | | | | |
| Twelve-month failure probability | not computable | 0.04% | | | | |
| *four consecutive discrete net-income quarters are required; found 4* | | | | | | |
| Altman Z double-prime | 3.09 | 1.93 | | 32.0 | 207 | 2026-01-03 |
| Net debt to EBITDA | 1.26x | 1.84x | | 45.5 | 100 | 2026-01-03 |
| Interest coverage | not computable | 2.28x | | | | |
| *latest aligned inputs end 2016-01-02; latest annual assets end 2026-01-03* | | | | | | |
| Current ratio | 1.75x | 1.38x | | 34.1 | 294 | 2026-01-03 |
| **Growth and financing, sleeve percentile 66.9** | | | | | | |
| Revenue growth, three-year compound | (2.0%) | 1.6% | | 66.5 | 267 | 2026-01-03 |
| Free cash flow growth, three-year compound | not computable | 5.6% | | | | |
| *current FCF must be positive and base FCF must exceed $100,000* | | | | | | |
| Reinvestment rate | not computable | 7.3% | | | | |
| *pretax income must exceed the validity floor and imply a 0%-100% tax rate* | | | | | | |
| Asset growth, three years | not computable | 3.4% | | | | |
| *four consecutive annual observations are required* | | | | | | |
| Net share issuance, one year | 0.5% | (0.6%) | | 67.3 | 209 | 2026-02-09 |

## Among 256 peers

*shops; 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 |
|---|---|---|---|---|
| 192 | Cracker Barrel OLD Country Store, Inc. (CBRL) | 74.9 | D | |
| 193 | Alliance Entertainment Holding Corp. (AENT) | 75.5 | D | |
| 194 | Alliance Entertainment Holding Corp. (AENTW) | 75.5 | D | |
| 195 | Nextnrg, Inc. (NXXT) | 76.1 | D | dilution, late filer |
| 196 | 1 800 Flowers COM Inc. (FLWS) | 76.5 | D | |
| 197 | Advance Auto Parts Inc. (AAP) | 76.9 | D | |
| 198 | Petco Health & Wellness Company, Inc. (WOOF) | 77.3 | D/E | |
| 199 | Service Corp. International (SCI) | 77.6 | D/E | |
| 200 | RED Robin Gourmet Burgers Inc. (RRGB) | 78.0 | D/E | |
| 201 | Ashland Inc. (ASH) | 78.4 | D/E | |
| 202 | Global Partners L.P. (GLP) | 78.8 | D/E | |

## What the price implies

*at the 2026-10-21 close; none of these enters the grade*

| Measure | Value | Peer median | Percentile |
|---|---|---|---|
| Twelve-month price change, skipping the latest month | (29.9%) | 0.6% | 18 |
| Distance from 52-week high | (29.4%) | (21.0%) | 42 |
| EBIT to enterprise value | (1.4%) | 5.4% | 16 |
| Free cash flow yield | (11.1%) | 4.1% | 11 |

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| | | | |
|---|---|---|---|
| Book value to price | 0.84 | 0.35 | 77 |
| Sales to price | 3.20 | 1.70 | 70 |
| Composite equity issuance, five years | (20.9%) | (16.8%) | 36 |
| Relative strength against the sector, log excess return | (0.33) | 0.03 | 18 |

## Diagnostics

*shown on every report; none enters the grade*

| Measure | Value |
|---|---|
| **Piotroski F-score 5 of 9, period end 2026-01-03** | |
| Return on assets above zero | pass |
| Operating cash flow above zero | fail |
| Return on assets improved | pass |
| Operating cash flow exceeds net income | fail |
| Long-term leverage fell | fail |
| Current ratio improved | pass |
| No new shares issued | fail |
| Gross margin improved | pass |
| 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 | 63 (10-Q received Aug 20, 2026) |
| Median daily dollar volume, 63 sessions | $69.9M |

## 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 | 2026-01-03 | 2026-02-13 | 10-K | 26-051305 |
| 2 | assets | us-gaap:Assets | $11.8B | 2026-01-03 | 2026-02-13 | 10-K | 26-051305 |
| 3 | operating income | us-gaap:OperatingIncomeLoss | -$43.0M | 2026-01-03 | 2026-02-13 | 10-K | 26-051305 |
| 4 | pretax income | us-gaap:IncomeLossFromContinuingOperationsBeforeInc... | -$91.0M | 2026-01-03 | 2026-02-13 | 10-K | 26-051305 |
| 5 | income tax | us-gaap:IncomeTaxExpenseBenefit | -$159.0M | 2026-01-03 | 2026-02-13 | 10-K | 26-051305 |
| 6 | total debt | us-gaap:LongTermDebt | $3.4B | 2026-01-03 | 2026-02-13 | 10-K | 26-051305 |
| 7 | book equity | us-gaap:StockholdersEquity | $2.2B | 2026-01-03 | 2026-02-13 | 10-K | 26-051305 |
| 8 | cash | us-gaap:CashAndCashEquivalentsAtCarryingValue | $3.1B | 2026-01-03 | 2026-02-13 | 10-K | 26-051305 |
| 9 | total debt | us-gaap:LongTermDebt | $1.1B | 2013-12-28 | 2014-02-25 | 10-K | 14-000058 |
| 10 | book equity | us-gaap:StockholdersEquity | $1.5B | 2013-12-28 | 2017-02-28 | 10-K | 17-000034 |
| 11 | cash | us-gaap:CashAndCashEquivalentsAtCarryingValue | $1.1B | 2013-12-28 | 2017-02-28 | 10-K | 17-000034 |
| 12 | net income | us-gaap:NetIncomeLoss | $44.0M | 2026-01-03 | 2026-02-13 | 10-K | 26-051305 |
| 13 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | -$46.0M | 2026-01-03 | 2026-02-13 | 10-K | 26-051305 |
| 14 | assets | us-gaap:Assets | $10.8B | 2024-12-28 | 2026-02-13 | 10-K | 26-051305 |
| 15 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $8.6B | 2026-01-03 | 2026-02-13 | 10-K | 26-051305 |
| 16 | gross profit | us-gaap:GrossProfit | $3.4B | 2024-12-28 | 2026-02-13 | 10-K | 26-051305 |
| 17 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $9.1B | 2024-12-28 | 2026-02-13 | 10-K | 26-051305 |
| 18 | gross profit | us-gaap:GrossProfit | $3.9B | 2023-12-30 | 2026-02-13 | 10-K | 26-051305 |
| 19 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $9.2B | 2023-12-30 | 2026-02-13 | 10-K | 26-051305 |
| 20 | gross profit | us-gaap:GrossProfit | $4.2B | 2022-12-31 | 2025-02-26 | 10-K | 25-000064 |
| 21 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $9.1B | 2022-12-31 | 2025-02-26 | 10-K | 25-000064 |
| 22 | gross profit | us-gaap:GrossProfit | $4.9B | 2022-01-01 | 2024-05-30 | 10-K/A | 24-000128 |
| 23 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $11.0B | 2022-01-01 | 2024-05-30 | 10-K/A | 24-000128 |
| 24 | current assets | us-gaap:AssetsCurrent | $7.3B | 2026-01-03 | 2026-02-13 | 10-K | 26-051305 |
| 25 | current liabilities | us-gaap:LiabilitiesCurrent | $4.2B | 2026-01-03 | 2026-02-13 | 10-K | 26-051305 |
| 26 | retained earnings | us-gaap:RetainedEarningsAccumulatedDeficit | $4.1B | 2026-01-03 | 2026-02-13 | 10-K | 26-051305 |

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| | | | | | | | |
|---|---|---|---|---|---|---|---|
| 27 | liabilities | us-gaap:Liabilities | $9.6B | 2026-01-03 | 2026-02-13 | 10-K | 26-051305 |
| 28 | depreciation amortization | us-gaap:DepreciationDepletionAndAmortization | $272.0M | 2026-01-03 | 2026-02-13 | 10-K | 26-051305 |
| 29 | operating income | us-gaap:OperatingIncomeLoss | $825.8M | 2016-01-02 | 2018-02-21 | 10-K | 18-000039 |
| 30 | interest expense | us-gaap:InterestExpense | $65.4M | 2016-01-02 | 2016-03-01 | 10-K | 16-000299 |
| 31 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $252.0M | 2026-01-03 | 2026-02-13 | 10-K | 26-051305 |
| 32 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $85.0M | 2024-12-28 | 2026-02-13 | 10-K | 26-051305 |
| 33 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $181.0M | 2024-12-28 | 2026-02-13 | 10-K | 26-051305 |
| 34 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $287.0M | 2023-12-30 | 2026-02-13 | 10-K | 26-051305 |
| 35 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $226.0M | 2023-12-30 | 2026-02-13 | 10-K | 26-051305 |
| 36 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $736.6M | 2022-12-31 | 2025-02-26 | 10-K | 25-000064 |
| 37 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $398.8M | 2022-12-31 | 2025-02-26 | 10-K | 25-000064 |
| 38 | current assets | us-gaap:AssetsCurrent | $6.1B | 2024-12-28 | 2026-02-13 | 10-K | 26-051305 |
| 39 | current liabilities | us-gaap:LiabilitiesCurrent | $4.7B | 2024-12-28 | 2026-02-13 | 10-K | 26-051305 |
| 40 | assets | us-gaap:Assets | $12.3B | 2023-12-30 | 2025-02-26 | 10-K | 25-000064 |
| 41 | assets | us-gaap:Assets | $12.2B | 2023-10-07 | 2024-05-30 | 10-K/A | 24-000128 |
| 42 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 60,100,000 | 2026-02-09 | 2026-02-13 | 10-K | 26-051305 |
| 43 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 59,792,946 | 2025-02-19 | 2025-02-26 | 10-K | 25-000064 |

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