# Applied Industrial Technologies Inc. AIT

NYSE; shops; SIC 5080, Wholesale-Machinery, Equipment & Supplies; CIK 0000109563

**A**

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

rank 17 of 256; percentile 6.3; sampling error 2.9 points; lower is stronger

A B C D E

**A, the bull**



## Scoreboard

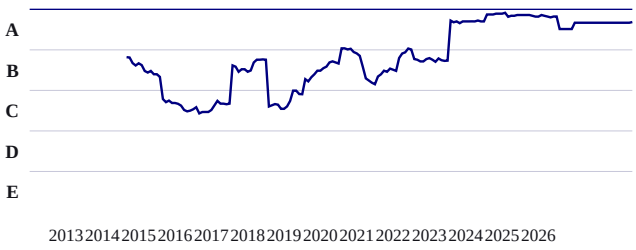
| | |
|---|---|
| **Profitability** | C<br>percentile 43.9 |
| **Solvency** | A<br>percentile 10.0 |
| **Growth and financing** | C<br>percentile 46.7 |
| **Reliability** | 0.94 AUC<br>filers with over $2.67B assets; 95% interval 0.88 to 0.97; 61 events, 2020 to 2025 |
| **Peer failure rate** | 0.52% a year<br>Item 1.03 bankruptcies, same asset band, 2012 to 2025 |
| **Size band** | over $2.67B assets<br>total assets $3.0B |
| **Standard universe** | inside<br>revenue above $1M and assets above $10M |
| **Warnings** | none triggered<br>not computable: short runway, fortress balance sheet |
| **Inputs computable** | 11 of 14 |
| **Graded from** | filings received through Aug 13, 2026<br>70 days before the rescan; latest periodic filing 10-K received Aug 13, 2026 |
| **Last close** | $339.02<br>2026-10-21; market equity $12.4B; 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 Aug 13, 2026*

In this Annual Report on Form 10-K for the year ended June 30, 2026 (this "Annual Report"), "Applied" refers to Applied Industrial Technologies, Inc., an Ohio corporation. References to "we," "us," "our," and "the Company" refer to Applied and its subsidiaries. Headquartered in Cleveland, Ohio, Applied and its predecessor companies have engaged in business since 1923. Applied operates on a fiscal year ending June 30. We are a leading value-added distributor and technical solutions provider of industrial motion, fluid power, flow control, automation technologies and related maintenance supplies.

## 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 43.9** | | | | | | |
| Gross profitability | 50.1% | 42.6% | | 37.2 | 240 | 2026-06-30 |
| Return on invested capital | not computable | 10.9% | | | | |

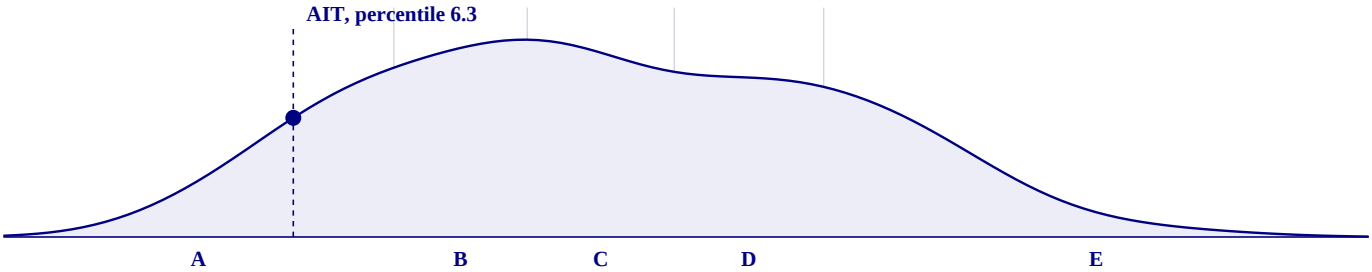
*one or more required annual facts are missing*

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| | | | | | |
|---|---|---|---|---|---|
| Accruals ratio | (2.2%) | (4.9%) | 77.9 | 286 | 2026-06-30 |
| Gross margin stability, five years | 0.5 pts | 1.2 pts | 16.6 | 218 | 2026-06-30 |
| **Solvency, sleeve percentile 10.0** | | | | | |
| Twelve-month failure probability | 0.02% | 0.04% | 5.3 | 20 | 2026-06-30 |
| Altman Z double-prime | 8.06 | 1.93 | 5.8 | 207 | 2026-06-30 |
| Net debt to EBITDA | not computable | 1.84x | | | |
| *one or more required annual facts are missing* | | | | | |
| Interest coverage | not computable | 2.28x | | | |
| *latest aligned inputs end 2025-06-30; latest annual assets end 2026-06-30* | | | | | |
| Current ratio | 2.58x | 1.38x | 18.8 | 294 | 2026-06-30 |
| **Growth and financing, sleeve percentile 46.7** | | | | | |
| Revenue growth, three-year compound | 4.0% | 1.6% | 37.2 | 267 | 2026-06-30 |
| Free cash flow growth, three-year compound | 13.2% | 5.6% | 35.6 | 147 | 2026-06-30 |
| Reinvestment rate | (61.5%) | 7.3% | 86.8 | 152 | 2026-06-30 |
| Asset growth, three years | 3.1% | 3.4% | 48.0 | 270 | 2026-06-30 |
| Net share issuance, one year | (2.8%) | (0.6%) | 26.0 | 209 | 2026-07-31 |

## 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 |
|---|---|---|---|---|
| 12 | SiteOne Landscape Supply, Inc. (SITE) | 4.3 | A | |
| 13 | Costco Wholesale Corp. (COST) | 4.7 | A | fortress balance sheet |
| 14 | Tractor Supply Co. (TSCO) | 5.1 | A | fortress balance sheet |
| 15 | Chipotle Mexican Grill Inc. (CMG) | 5.5 | A | fortress balance sheet |
| 16 | W.W. Grainger, Inc. (GWW) | 5.9 | A | |
| 17 | Applied Industrial Technologies Inc. (AIT) | 6.3 | A | |
| 18 | Weis Markets Inc. (WMK) | 6.7 | A | late filer |
| 19 | Rave Restaurant Group, Inc. (RAVE) | 7.1 | A | |
| 20 | Winmark Corp. (WINA) | 7.5 | A | |
| 21 | Best BUY Co. Inc. (BBY) | 7.8 | A | fortress balance sheet |
| 22 | Urban Outfitters Inc. (URBN) | 8.2 | A | |

## 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 | 24.9% | 0.6% | 72 |
| Distance from 52-week high | (6.4%) | (21.0%) | 85 |
| EBIT to enterprise value | not computable | 5.4% | |
| Free cash flow yield | 3.7% | 4.1% | 46 |
| Book value to price | 0.15 | 0.35 | 30 |
| Sales to price | 0.40 | 1.70 | 12 |
| Composite equity issuance, five years | (9.6%) | (16.8%) | 62 |

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| | | | |
|---|---|---|---|
| Relative strength against the sector, log excess return | 0.25 | 0.03 | 72 |

## Diagnostics

*shown on every report; none enters the grade*

| Measure | Value |
|---|---|
| **Piotroski F-score 7 of 9, period end 2026-06-30** | |
| 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 | pass |
| Current ratio improved | fail |
| No new shares issued | pass |
| 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 | 70 (10-K received Aug 13, 2026) |
| Median daily dollar volume, 63 sessions | $78.7M |

## 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 | $1.5B | 2026-06-30 | 2026-08-13 | 10-K | 26-000033 |
| 2 | assets | us-gaap:Assets | $3.0B | 2026-06-30 | 2026-08-13 | 10-K | 26-000033 |
| 3 | net income | us-gaap:NetIncomeLoss | $414.5M | 2026-06-30 | 2026-08-13 | 10-K | 26-000033 |
| 4 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $484.1M | 2026-06-30 | 2026-08-13 | 10-K | 26-000033 |
| 5 | assets | us-gaap:Assets | $3.2B | 2025-06-30 | 2026-08-13 | 10-K | 26-000033 |
| 6 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $5.0B | 2026-06-30 | 2026-08-13 | 10-K | 26-000033 |
| 7 | gross profit | us-gaap:GrossProfit | $1.4B | 2025-06-30 | 2026-08-13 | 10-K | 26-000033 |
| 8 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $4.6B | 2025-06-30 | 2026-08-13 | 10-K | 26-000033 |
| 9 | gross profit | us-gaap:GrossProfit | $1.3B | 2024-06-30 | 2026-08-13 | 10-K | 26-000033 |
| 10 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $4.5B | 2024-06-30 | 2026-08-13 | 10-K | 26-000033 |
| 11 | gross profit | us-gaap:GrossProfit | $1.3B | 2023-06-30 | 2025-08-15 | 10-K | 25-000080 |
| 12 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $4.4B | 2023-06-30 | 2025-08-15 | 10-K | 25-000080 |
| 13 | gross profit | us-gaap:GrossProfit | $1.1B | 2022-06-30 | 2024-09-10 | 10-K/A | 24-000092 |
| 14 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $3.8B | 2022-06-30 | 2024-09-10 | 10-K/A | 24-000092 |
| 15 | current assets | us-gaap:AssetsCurrent | $1.6B | 2026-06-30 | 2026-08-13 | 10-K | 26-000033 |
| 16 | current liabilities | us-gaap:LiabilitiesCurrent | $612.4M | 2026-06-30 | 2026-08-13 | 10-K | 26-000033 |
| 17 | retained earnings | us-gaap:RetainedEarningsAccumulatedDeficit | $2.8B | 2026-06-30 | 2026-08-13 | 10-K | 26-000033 |
| 18 | operating income | us-gaap:OperatingIncomeLoss | $549.5M | 2026-06-30 | 2026-08-13 | 10-K | 26-000033 |
| 19 | book equity | us-gaap:StockholdersEquity | $1.9B | 2026-06-30 | 2026-08-13 | 10-K | 26-000033 |
| 20 | liabilities | us-gaap:Liabilities | $1.1B | 2026-06-30 | 2026-08-13 | 10-K | 26-000033 |
| 21 | operating income | us-gaap:OperatingIncomeLoss | $498.5M | 2025-06-30 | 2026-08-13 | 10-K | 26-000033 |
| 22 | interest expense | us-gaap:InterestExpense | $18.2M | 2025-06-30 | 2025-08-15 | 10-K | 25-000080 |
| 23 | capital expenditure | us-gaap:PaymentsToAcquireProductiveAssets | $23.6M | 2026-06-30 | 2026-08-13 | 10-K | 26-000033 |
| 24 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $492.4M | 2025-06-30 | 2026-08-13 | 10-K | 26-000033 |
| 25 | capital expenditure | us-gaap:PaymentsToAcquireProductiveAssets | $27.2M | 2025-06-30 | 2026-08-13 | 10-K | 26-000033 |
| 26 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $371.4M | 2024-06-30 | 2026-08-13 | 10-K | 26-000033 |
| 27 | capital expenditure | us-gaap:PaymentsToAcquireProductiveAssets | $24.9M | 2024-06-30 | 2026-08-13 | 10-K | 26-000033 |
| 28 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $344.0M | 2023-06-30 | 2025-08-15 | 10-K | 25-000080 |
| 29 | capital expenditure | us-gaap:PaymentsToAcquireProductiveAssets | $26.5M | 2023-06-30 | 2025-08-15 | 10-K | 25-000080 |
| 30 | depreciation amortization | us-gaap:Depreciation | $25.9M | 2026-06-30 | 2026-08-13 | 10-K | 26-000033 |

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| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| 31 | pretax income | us-gaap:IncomeLossFromContinuingOperationsBeforeInc... | $544.3M | 2026-06-30 | 2026-08-13 | 10-K | 26-000033 |
| 32 | income tax | us-gaap:IncomeTaxExpenseBenefit | $129.7M | 2026-06-30 | 2026-08-13 | 10-K | 26-000033 |
| 33 | current assets | us-gaap:AssetsCurrent | $1.7B | 2025-06-30 | 2026-08-13 | 10-K | 26-000033 |
| 34 | current liabilities | us-gaap:LiabilitiesCurrent | $526.2M | 2025-06-30 | 2026-08-13 | 10-K | 26-000033 |
| 35 | assets | us-gaap:Assets | $3.0B | 2024-06-30 | 2026-08-13 | 10-K | 26-000033 |
| 36 | assets | us-gaap:Assets | $2.7B | 2023-06-30 | 2025-08-15 | 10-K | 25-000080 |
| 37 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 36,698,856 | 2026-07-31 | 2026-08-13 | 10-K | 26-000033 |
| 38 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 37,752,947 | 2025-08-01 | 2025-08-15 | 10-K | 25-000080 |

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