# Carters Inc.

**CRI**

NYSE; consumer nondurables; SIC 2300, Apparel & Other Finishd Prods of Fabrics & Similar Matl; CIK 0001060822

**B**

**second fifth of 124 graded peers in consumer nondurables**

rank 45 of 124; percentile 35.8; sampling error 3.8 points; lower is stronger

A B C D E

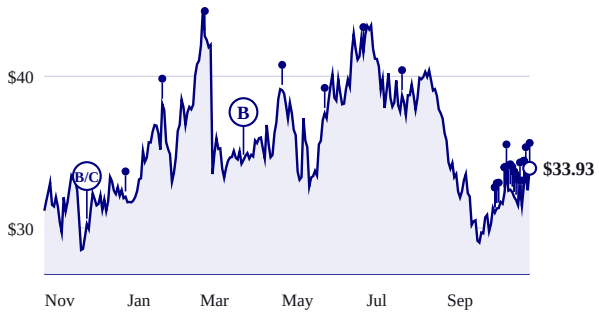
**B, the elk**



## Scoreboard

| | |
|---|---|
| **Profitability** | B/C<br>percentile 39.4 |
| **Solvency** | B<br>percentile 34.0 |
| **Growth and financing** | C<br>percentile 50.8 |
| **Reliability** | 0.91 AUC<br>filers with $591M to $2.67B assets; 95% interval 0.88 to 0.94; 160 events, 2020 to 2025 |
| **Peer failure rate** | 1.01% a year<br>Item 1.03 bankruptcies, same asset band, 2012 to 2025 |
| **Size band** | $591M to $2.67B assets<br>total assets $2.6B |
| **Standard universe** | inside<br>revenue above $1M and assets above $10M |
| **Warnings** | none triggered<br>not computable: distress, fortress balance sheet |
| **Inputs computable** | 11 of 14 |
| **Graded from** | filings received through Feb 27, 2026<br>238 days before the rescan; latest periodic filing 10-Q received Jul 31, 2026 |
| **Last close** | $33.91<br>2026-10-22; market equity $1.2B; 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 27, 2026*

We are North America's largest and most-enduring apparel company exclusively for babies and young children. Our core brands are Carter's and OshKosh B'gosh (or "OshKosh"), iconic and among the sector's most trusted names. Our exclusive Carter's brands, which consist of Child of Mine, Just One You, and Simple Joys, are developed for Walmart, Target, and Amazon. Our emerging brands include Little Planet, crafted with organic fabrics and sustainable materials, Otter Avenue, a toddler-focused apparel brand, and Skip Hop, baby essentials from tubs to toys.

## 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 39.4** | | | | | | |
| Gross profitability | 51.2% | 29.8% | | 23.2 | 143 | 2026-01-03 |
| Return on invested capital | not computable | 5.6% | | | | |

*one or more required annual facts are missing*

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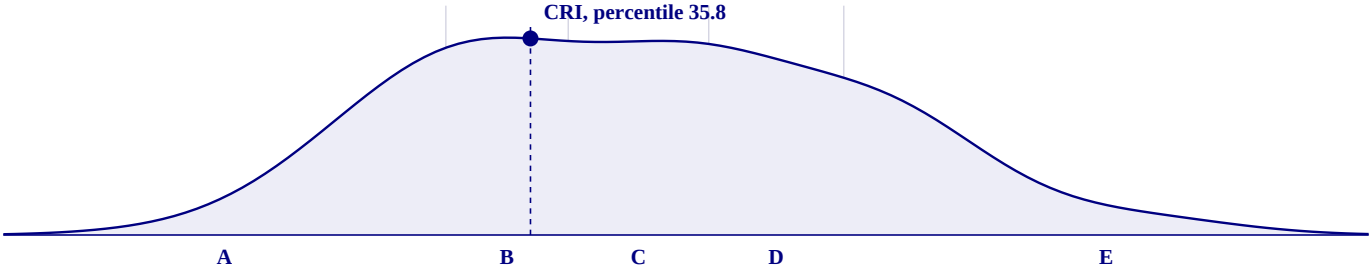
| | | | | | |
|---|---|---|---|---|---|
| Accruals ratio | (1.2%) | (5.0%) | 78.5 | 150 | 2026-01-03 |
| Gross margin stability, five years | 1.1 pts | 1.9 pts | 16.5 | 116 | 2026-01-03 |
| **Solvency, sleeve percentile 34.0** | | | | | |
| Twelve-month failure probability | not computable | 0.03% | | | |
| *latest liabilities, cash plus short-term investments, book equity, and shares are required* | | | | | |
| Altman Z double-prime | 4.11 | 3.11 | 36.4 | 119 | 2026-01-03 |
| Net debt to EBITDA | not computable | 2.54x | | | |
| *one or more required annual facts are missing* | | | | | |
| Interest coverage | 4.21x | 2.51x | 38.1 | 43 | 2026-01-03 |
| Current ratio | 2.51x | 1.81x | 27.5 | 154 | 2026-01-03 |
| **Growth and financing, sleeve percentile 50.8** | | | | | |
| Revenue growth, three-year compound | (3.4%) | 0.2% | 72.0 | 133 | 2026-01-03 |
| Free cash flow growth, three-year compound | 12.7% | 14.9% | 55.4 | 66 | 2026-01-03 |
| Reinvestment rate | 114.7% | 10.7% | 13.0 | 70 | 2026-01-03 |
| Asset growth, three years | 1.7% | 0.5% | 42.9 | 134 | 2026-01-03 |
| Net share issuance, one year | 1.0% | 0.05% | 70.9 | 104 | 2026-02-20 |

## Among 124 peers

*consumer nondurables; 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 |
|---|---|---|---|---|
| 40 | Acushnet Holdings Corp. (GOLF) | 31.7 | B | |
| 41 | Levi Strauss & Co. (LEVI) | 32.5 | B | |
| 42 | Cal-Maine Foods Inc. (CALM) | 33.3 | B | fortress balance sheet |
| 43 | Coffee Holding Co. Inc. (JVA) | 34.1 | B | late filer |
| 44 | Mohawk Industries Inc. (MHK) | 35.0 | B | |
| 45 | Carters Inc. (CRI) | 35.8 | B | |
| 46 | Ingredion Inc. (INGR) | 36.6 | B/C | |
| 47 | Coca-Cola Consolidated, Inc. (COKE) | 37.4 | B/C | |
| 48 | PVH Corp. (PVH) | 38.2 | B/C | |
| 49 | Johnson Outdoors Inc. (JOUT) | 39.0 | B/C | fortress balance sheet |
| 50 | Coca Cola Co. (KO) | 39.8 | B/C | |

## What the price implies

*at the 2026-10-22 close; none of these enters the grade*

| Measure | Value | Peer median | Percentile |
|---|---|---|---|
| Twelve-month price change, skipping the latest month | 16.4% | (0.2%) | 67 |
| Distance from 52-week high | (23.5%) | (21.8%) | 46 |
| EBIT to enterprise value | not computable | 4.1% | |
| Free cash flow yield | 5.5% | 4.5% | 55 |
| Book value to price | 0.82 | 0.56 | 66 |
| Sales to price | 2.33 | 1.18 | 79 |
| Composite equity issuance, five years | (38.5%) | (16.3%) | 5 |

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| | | | |
|---|---|---|---|
| Relative strength against the sector, log excess return | 0.06 | (0.10) | 67 |

## Diagnostics

*shown on every report; none enters the grade*

| Measure | Value |
|---|---|
| **Piotroski F-score 4 of 9, period end 2026-01-03** | |
| 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 | fail |
| Gross margin improved | fail |
| Asset turnover improved | fail |
| **Cash, filings, liquidity** | |
| Cash and equivalents | $653.6M |
| Operating cash flow, four quarters | $333.0M |
| Months of runway | not finite |
| Days since last periodic filing | 84 (10-Q received Jul 31, 2026) |
| Median daily dollar volume, 63 sessions | $41.6M |

## 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 | $1.3B | 2026-01-03 | 2026-02-27 | 10-K | 26-000016 |
| 2 | assets | us-gaap:Assets | $2.6B | 2026-01-03 | 2026-02-27 | 10-K | 26-000016 |
| 3 | net income | us-gaap:NetIncomeLoss | $91.8M | 2026-01-03 | 2026-02-27 | 10-K | 26-000016 |
| 4 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $122.3M | 2026-01-03 | 2026-02-27 | 10-K | 26-000016 |
| 5 | assets | us-gaap:Assets | $2.4B | 2024-12-28 | 2026-02-27 | 10-K | 26-000016 |
| 6 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $2.9B | 2026-01-03 | 2026-02-27 | 10-K | 26-000016 |
| 7 | gross profit | us-gaap:GrossProfit | $1.4B | 2024-12-28 | 2026-02-27 | 10-K | 26-000016 |
| 8 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $2.8B | 2024-12-28 | 2026-02-27 | 10-K | 26-000016 |
| 9 | gross profit | us-gaap:GrossProfit | $1.4B | 2023-12-30 | 2026-02-27 | 10-K | 26-000016 |
| 10 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $2.9B | 2023-12-30 | 2026-02-27 | 10-K | 26-000016 |
| 11 | gross profit | us-gaap:GrossProfit | $1.5B | 2022-12-31 | 2025-02-25 | 10-K | 25-000030 |
| 12 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $3.2B | 2022-12-31 | 2025-02-25 | 10-K | 25-000030 |
| 13 | gross profit | us-gaap:GrossProfit | $1.7B | 2022-01-01 | 2024-02-27 | 10-K | 24-000062 |
| 14 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $3.5B | 2022-01-01 | 2024-02-27 | 10-K | 24-000062 |
| 15 | current assets | us-gaap:AssetsCurrent | $1.3B | 2026-01-03 | 2026-02-27 | 10-K | 26-000016 |
| 16 | current liabilities | us-gaap:LiabilitiesCurrent | $506.0M | 2026-01-03 | 2026-02-27 | 10-K | 26-000016 |
| 17 | retained earnings | us-gaap:RetainedEarningsAccumulatedDeficit | $929.5M | 2026-01-03 | 2026-02-27 | 10-K | 26-000016 |
| 18 | operating income | us-gaap:OperatingIncomeLoss | $143.9M | 2026-01-03 | 2026-02-27 | 10-K | 26-000016 |
| 19 | book equity | us-gaap:StockholdersEquity | $925.0M | 2026-01-03 | 2026-02-27 | 10-K | 26-000016 |
| 20 | liabilities | us-gaap:Liabilities | $1.6B | 2026-01-03 | 2026-02-27 | 10-K | 26-000016 |
| 21 | interest expense | us-gaap:InterestExpense | $34.2M | 2026-01-03 | 2026-02-27 | 10-K | 26-000016 |
| 22 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $53.7M | 2026-01-03 | 2026-02-27 | 10-K | 26-000016 |
| 23 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $298.8M | 2024-12-28 | 2026-02-27 | 10-K | 26-000016 |
| 24 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $56.2M | 2024-12-28 | 2026-02-27 | 10-K | 26-000016 |
| 25 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $529.1M | 2023-12-30 | 2026-02-27 | 10-K | 26-000016 |
| 26 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $59.9M | 2023-12-30 | 2026-02-27 | 10-K | 26-000016 |
| 27 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $88.4M | 2022-12-31 | 2025-02-25 | 10-K | 25-000030 |
| 28 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $40.4M | 2022-12-31 | 2025-02-25 | 10-K | 25-000030 |
| 29 | depreciation amortization | us-gaap:DepreciationDepletionAndAmortization | $51.5M | 2026-01-03 | 2026-02-27 | 10-K | 26-000016 |
| 30 | pretax income | us-gaap:IncomeLossFromContinuingOperationsBeforeInc... | $113.8M | 2026-01-03 | 2026-02-27 | 10-K | 26-000016 |

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| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| 31 | income tax | us-gaap:IncomeTaxExpenseBenefit | $22.0M | 2026-01-03 | 2026-02-27 | 10-K | 26-000016 |
| 32 | current assets | us-gaap:AssetsCurrent | $1.1B | 2024-12-28 | 2026-02-27 | 10-K | 26-000016 |
| 33 | current liabilities | us-gaap:LiabilitiesCurrent | $508.8M | 2024-12-28 | 2026-02-27 | 10-K | 26-000016 |
| 34 | assets | us-gaap:Assets | $2.4B | 2023-12-30 | 2025-02-25 | 10-K | 25-000030 |
| 35 | assets | us-gaap:Assets | $2.4B | 2022-12-31 | 2024-02-27 | 10-K | 24-000062 |
| 36 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 36,386,140 | 2026-02-20 | 2026-02-27 | 10-K | 26-000016 |
| 37 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 36,010,750 | 2025-02-18 | 2025-02-25 | 10-K | 25-000030 |

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