# Twilio Inc.

**TWLO**

NYSE; business equipment; SIC 7372, Services-Prepackaged Software; CIK 0001447669

**B**

**second fifth of 497 graded peers in business equipment**

rank 172 of 497; percentile 34.5; sampling error 2.2 points; lower is stronger

A B C D E

**B, the elk**



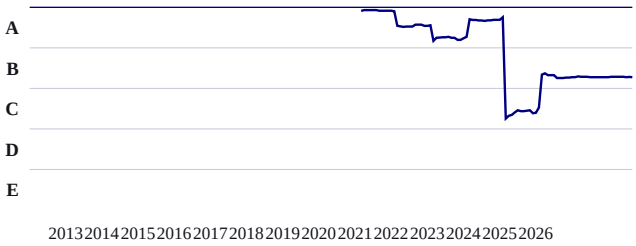
| Scoreboard | |
|---|---|
| **Profitability** | C<br>percentile 48.2 |
| **Solvency** | B<br>percentile 32.0 |
| **Growth and financing** | C<br>percentile 51.2 |
| **Reliability** | 0.94 AUC<br>filers with over $2.67B assets; 95% interval 0.88 to 0.97; 61 events, 2020 to 2025 |
| **Peer failure rate** | 0.52% a year<br>Item 1.03 bankruptcies, same asset band, 2012 to 2025 |
| **Size band** | over $2.67B assets<br>total assets $9.8B |
| **Standard universe** | inside<br>revenue above $1M and assets above $10M |
| **Warnings** | none triggered<br>not computable: distress |
| **Inputs computable** | 10 of 14 |
| **Graded from** | filings received through Feb 24, 2026<br>241 days before the rescan; latest periodic filing 10-Q received Aug 7, 2026 |
| **Last close** | $253.81<br>2026-10-22; market equity $39.0B; 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 24, 2026*

We envision a world in which every digital interaction is amazing. By combining our leading communications capabilities with rich contextual data and artificial intelligence ("AI"), we provide the infrastructure for businesses of all sizes to revolutionize how they engage with their customers by delivering seamless, trusted, and personalized customer experiences at scale.

## 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 48.2** | | | | | | |
| Gross profitability | 25.4% | 28.6% | | 52.6 | 558 | 2025-12-31 |
| Return on invested capital | 1.2% | 11.2% | | 77.4 | 134 | 2025-12-31 |
| Accruals ratio | (9.9%) | (7.4%) | | 42.1 | 621 | 2025-12-31 |
| Gross margin stability, five years | 1.2 pts | 2.3 pts | | 20.7 | 427 | 2025-12-31 |
| **Solvency, sleeve percentile 32.0** | | | | | | |

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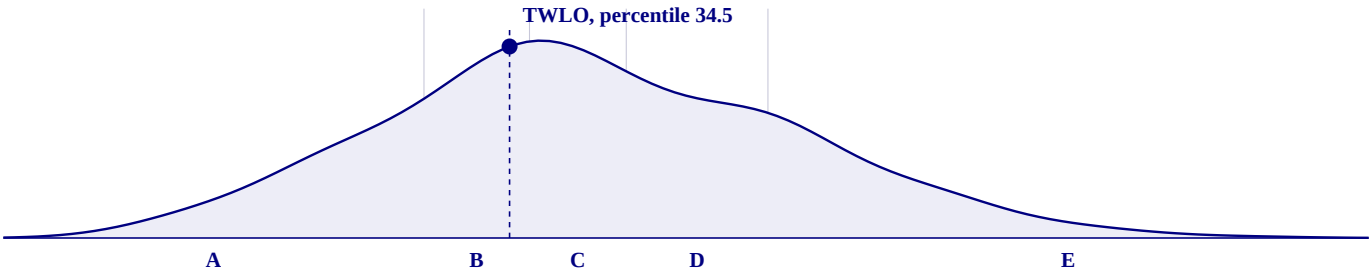
| | | | | | | |
|---|---|---|---|---|---|---|
| Twelve-month failure probability | not computable | 0.05% | | | | |
| *latest liabilities, cash plus short-term investments, book equity, and shares are required* | | | | | | |
| Altman Z double-prime | 3.34 | 2.16 | | 33.0 | 565 | 2025-12-31 |
| Net debt to EBITDA | 0.88x | 1.11x | | 40.4 | 147 | 2025-12-31 |
| Interest coverage | not computable | 3.77x | | | | |
| *one or more required annual facts are missing* | | | | | | |
| Current ratio | 4.03x | 2.01x | | 22.7 | 665 | 2025-12-31 |
| **Growth and financing, sleeve percentile 51.2** | | | | | | |
| Revenue growth, three-year compound | 9.8% | 6.4% | | 40.5 | 537 | 2025-12-31 |
| Free cash flow growth, three-year compound | not computable | 18.0% | | | | |
| *current FCF must be positive and base FCF must exceed $100,000* | | | | | | |
| Reinvestment rate | not computable | 14.3% | | | | |
| *NOPAT must exceed $100,000* | | | | | | |
| Asset growth, three years | (8.0%) | 5.0% | | 80.2 | 562 | 2025-12-31 |
| Net share issuance, one year | (0.7%) | 0.5% | | 32.8 | 410 | 2026-02-10 |

## Among 497 peers

*business equipment; 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 |
|---|---|---|---|---|
| 167 | Coursera, Inc. (COUR) | 33.5 | B | |
| 168 | Consensus Cloud Solutions, Inc. (CCSI) | 33.7 | B | |
| 169 | Celestica Inc. (CLS) | 33.9 | B | |
| 170 | Verisign Inc/Ca (VRSN) | 34.1 | B | fortress balance sheet |
| 171 | Extreme Networks Inc. (EXTR) | 34.3 | B | fortress balance sheet |
| 172 | Twilio Inc. (TWLO) | 34.5 | B | |
| 173 | Fabrinet (FN) | 34.7 | B | fortress balance sheet |
| 174 | Texas Instruments Inc. (TXN) | 34.9 | B | |
| 175 | Paylocity Holding Corp. (PCTY) | 35.1 | B | fortress balance sheet |
| 176 | Egain Corp. (EGAN) | 35.3 | B | |
| 177 | Kewaunee Scientific Corp. (KEQU) | 35.5 | B | |

## 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 | 135.4% | 2.2% | 94 |
| Distance from 52-week high | (15.8%) | (33.0%) | 72 |
| EBIT to enterprise value | 0.4% | 1.5% | 40 |
| Free cash flow yield | (0.3%) | 2.8% | 24 |
| Book value to price | 0.23 | 0.26 | 45 |
| Sales to price | 0.13 | 0.31 | 24 |
| Composite equity issuance, five years | not computable | 4.2% | |
| Relative strength against the sector, log excess return | 0.57 | (0.26) | 94 |

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## 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 | pass |
| Operating cash flow exceeds net income | pass |
| Long-term leverage fell | fail |
| Current ratio improved | fail |
| No new shares issued | pass |
| Gross margin improved | fail |
| Asset turnover improved | pass |
| **Cash, filings, liquidity** | |
| Cash and equivalents | $823.3M |
| Operating cash flow, four quarters | $1.1B |
| Months of runway | not finite |
| Days since last periodic filing | 77 (10-Q received Aug 7, 2026) |
| Median daily dollar volume, 63 sessions | $537.2M |

## 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 | $2.5B | 2025-12-31 | 2026-02-24 | 10-K | 26-000021 |
| 2 | assets | us-gaap:Assets | $9.8B | 2025-12-31 | 2026-02-24 | 10-K | 26-000021 |
| 3 | operating income | us-gaap:OperatingIncomeLoss | $157.8M | 2025-12-31 | 2026-02-24 | 10-K | 26-000021 |
| 4 | pretax income | us-gaap:IncomeLossFromContinuingOperationsBeforeInc... | $55.1M | 2025-12-31 | 2026-02-24 | 10-K | 26-000021 |
| 5 | income tax | us-gaap:IncomeTaxExpenseBenefit | $21.3M | 2025-12-31 | 2026-02-24 | 10-K | 26-000021 |
| 6 | total debt | us-gaap:LongTermDebt | $992.3M | 2025-12-31 | 2026-02-24 | 10-K | 26-000021 |
| 7 | book equity | us-gaap:StockholdersEquity | $7.8B | 2025-12-31 | 2026-02-24 | 10-K | 26-000021 |
| 8 | cash | us-gaap:CashAndCashEquivalentsAtCarryingValue | $682.3M | 2025-12-31 | 2026-02-24 | 10-K | 26-000021 |
| 9 | total debt | us-gaap:LongTermDebt | $990.6M | 2024-12-31 | 2026-02-24 | 10-K | 26-000021 |
| 10 | book equity | us-gaap:StockholdersEquity | $8.0B | 2024-12-31 | 2026-02-24 | 10-K | 26-000021 |
| 11 | cash | us-gaap:CashAndCashEquivalentsAtCarryingValue | $421.3M | 2024-12-31 | 2026-02-24 | 10-K | 26-000021 |
| 12 | net income | us-gaap:NetIncomeLoss | $33.8M | 2025-12-31 | 2026-02-24 | 10-K | 26-000021 |
| 13 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $1.0B | 2025-12-31 | 2026-02-24 | 10-K | 26-000021 |
| 14 | assets | us-gaap:Assets | $9.9B | 2024-12-31 | 2026-02-24 | 10-K | 26-000021 |
| 15 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $5.1B | 2025-12-31 | 2026-02-24 | 10-K | 26-000021 |
| 16 | gross profit | us-gaap:GrossProfit | $2.3B | 2024-12-31 | 2026-02-24 | 10-K | 26-000021 |
| 17 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $4.5B | 2024-12-31 | 2026-02-24 | 10-K | 26-000021 |
| 18 | gross profit | us-gaap:GrossProfit | $2.0B | 2023-12-31 | 2026-02-24 | 10-K | 26-000021 |
| 19 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $4.2B | 2023-12-31 | 2026-02-24 | 10-K | 26-000021 |
| 20 | gross profit | us-gaap:GrossProfit | $1.8B | 2022-12-31 | 2025-02-26 | 10-K | 25-000035 |
| 21 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $3.8B | 2022-12-31 | 2025-02-26 | 10-K | 25-000035 |
| 22 | gross profit | us-gaap:GrossProfit | $1.4B | 2021-12-31 | 2024-02-27 | 10-K | 24-000034 |
| 23 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $2.8B | 2021-12-31 | 2024-02-27 | 10-K | 24-000034 |
| 24 | current assets | us-gaap:AssetsCurrent | $3.6B | 2025-12-31 | 2026-02-24 | 10-K | 26-000021 |
| 25 | current liabilities | us-gaap:LiabilitiesCurrent | $887.0M | 2025-12-31 | 2026-02-24 | 10-K | 26-000021 |
| 26 | retained earnings | us-gaap:RetainedEarningsAccumulatedDeficit | -$8.3B | 2025-12-31 | 2026-02-24 | 10-K | 26-000021 |
| 27 | liabilities | us-gaap:Liabilities | $1.9B | 2025-12-31 | 2026-02-24 | 10-K | 26-000021 |
| 28 | depreciation amortization | us-gaap:DepreciationDepletionAndAmortization | $195.4M | 2025-12-31 | 2026-02-24 | 10-K | 26-000021 |
| 29 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | -$58.2M | 2021-12-31 | 2024-02-27 | 10-K | 24-000034 |
| 30 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $46.0M | 2021-12-31 | 2022-02-22 | 10-K | 22-000049 |
| 31 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $32.7M | 2020-12-31 | 2023-02-27 | 10-K | 23-000049 |

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| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| 32 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $25.8M | 2020-12-31 | 2022-02-22 | 10-K | 22-000049 |
| 33 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $14.0M | 2019-12-31 | 2022-02-22 | 10-K | 22-000049 |
| 34 | capital expenditure | us-gaap:PaymentsToAcquireProductiveAssets | $45.4M | 2019-12-31 | 2020-03-02 | 10-K | 20-000045 |
| 35 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $8.0M | 2018-12-31 | 2021-02-26 | 10-K | 21-000070 |
| 36 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $5.1M | 2018-12-31 | 2021-02-26 | 10-K | 21-000070 |
| 37 | depreciation amortization | us-gaap:DepreciationDepletionAndAmortization | $258.4M | 2021-12-31 | 2024-02-27 | 10-K | 24-000034 |
| 38 | operating income | us-gaap:OperatingIncomeLoss | -$915.6M | 2021-12-31 | 2024-02-27 | 10-K | 24-000034 |
| 39 | pretax income | us-gaap:IncomeLossFromContinuingOperationsBeforeInc... | -$960.9M | 2021-12-31 | 2024-02-27 | 10-K | 24-000034 |
| 40 | income tax | us-gaap:IncomeTaxExpenseBenefit | -$11.0M | 2021-12-31 | 2024-02-27 | 10-K | 24-000034 |
| 41 | current assets | us-gaap:AssetsCurrent | $5.9B | 2021-12-31 | 2023-02-27 | 10-K | 23-000049 |
| 42 | current liabilities | us-gaap:LiabilitiesCurrent | $703.5M | 2021-12-31 | 2023-02-27 | 10-K | 23-000049 |
| 43 | current assets | us-gaap:AssetsCurrent | $3.4B | 2020-12-31 | 2022-02-22 | 10-K | 22-000049 |
| 44 | current liabilities | us-gaap:LiabilitiesCurrent | $448.3M | 2020-12-31 | 2022-02-22 | 10-K | 22-000049 |
| 45 | assets | us-gaap:Assets | $11.6B | 2023-12-31 | 2025-02-26 | 10-K | 25-000035 |
| 46 | assets | us-gaap:Assets | $12.6B | 2022-12-31 | 2024-02-27 | 10-K | 24-000034 |
| 47 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 151,513,999 | 2026-02-10 | 2026-02-24 | 10-K | 26-000021 |
| 48 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 152,633,605 | 2025-02-14 | 2025-02-26 | 10-K | 25-000035 |

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