# Worthington Steel, Inc.

**WS**

NYSE; manufacturing; SIC 3310, Steel Works, Blast Furnaces & Rolling & Finishing Mills; CIK 0001968487

# None

### No letter

6 of 14 inputs computable; 7 are required, with a score in every sleeve

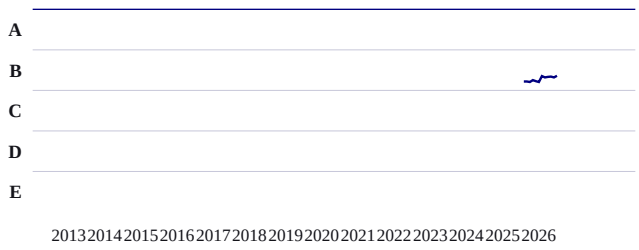
| Scoreboard | |
|---|---|
| **Reliability** | 0.91 AUC<br>filers with $591M to $2.67B assets; 95% interval 0.88 to 0.94; 160 events, 2020 to 2025 |
| **Peer failure rate** | 1.01% a year<br>Item 1.03 bankruptcies, same asset band, 2012 to 2025 |
| **Size band** | $591M to $2.67B assets<br>total assets $2.3B |
| **Standard universe** | inside<br>revenue above $1M and assets above $10M |
| **Warnings** | thin data; fortress balance sheet<br>not computable: distress |
| **Inputs computable** | 6 of 14 |
| **Graded from** | filings received through Jul 30, 2026<br>85 days before the rescan; latest periodic filing 10-Q received Oct 13, 2026 |
| **Last close** | $40.48<br>2026-10-22; market equity $2.1B; 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 Jul 30, 2026*

We are one of North America's premier value-added metals processors with the ability to provide a diversified range of products and services that span a variety of end markets. We maintain market-leading positions in the North American carbon flat-rolled steel and tailor welded blank industries and are one of the largest global producers of electrical steel laminations. For over 70 years, we have been delivering high-quality steel processing capabilities across a variety of end markets including automotive, heavy truck, agriculture, construction, and energy.

## 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 40.7** | | | | | | |
| Gross profitability | 17.9% | 21.9% | | 59.9 | 275 | 2026-05-31 |
| Return on invested capital | not computable | 9.7% | | | | |

*pretax income must exceed the validity floor and imply a 0%-100% tax rate*

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| | | | | | |
|---|---|---|---|---|---|
| Accruals ratio | (9.1%) | (3.5%) | 21.6 | 307 | 2026-05-31 |
| Gross margin stability, five years | not computable | 2.1 pts | | | |
| *five annual gross margins are required; found 3* | | | | | |
| **Solvency, sleeve percentile 48.3** | | | | | |
| 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 | 2.36 | 3.66 | 55.0 | 243 | 2026-05-31 |
| Net debt to EBITDA | (0.18x) | 1.78x | 15.8 | 121 | 2026-05-31 |
| Interest coverage | not computable | 5.09x | | | |
| *latest aligned inputs end 2025-05-31; latest annual assets end 2026-05-31* | | | | | |
| Current ratio | 1.46x | 2.25x | 74.0 | 324 | 2026-05-31 |
| **Growth and financing, sleeve percentile 54.8** | | | | | |
| Revenue growth, three-year compound | not computable | 2.2% | | | |
| *four annual observations are required; found 3* | | | | | |
| Free cash flow growth, three-year compound | not computable | 13.7% | | | |
| *four consecutive annual FCF observations are required; found 3* | | | | | |
| Reinvestment rate | not computable | 26.1% | | | |
| *pretax income must exceed the validity floor and imply a 0%-100% tax rate* | | | | | |
| Asset growth, three years | not computable | 4.3% | | | |
| *four annual observations are required; found 3* | | | | | |
| Net share issuance, one year | 0.1% | 0.01% | 54.8 | 242 | 2026-07-24 |

## Warnings

*2 of 7 checks triggered; none of them enters the letter*

| Check | Measured |
|---|---|
| Thin data | 6 of 14 grade factors are computable; minimum is 7 |
| Fortress balance sheet | cash minus debt is 13,200,000 USD; Altman Z is not used |

## 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 | 14.3% | 13.7% | 51 |
| Distance from 52-week high | (16.9%) | (26.7%) | 69 |
| EBIT to enterprise value | (0.04%) | 4.3% | 20 |
| Free cash flow yield | 3.9% | 3.3% | 56 |
| Book value to price | 0.50 | 0.36 | 63 |
| Sales to price | 1.66 | 0.55 | 83 |
| Composite equity issuance, five years | not computable | (9.5%) | |
| Relative strength against the sector, log excess return | 0.00 | (0.00) | 51 |

## Diagnostics

*shown on every report; none enters the grade*

| Measure | Value |
|---|---|
| **Piotroski F-score 4 of 9, period end 2026-05-31** | |
| 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 | fail |
| No new shares issued | fail |
| Gross margin improved | fail |

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| | |
|---|---|
| Asset turnover improved | pass |

**Cash, filings, liquidity**

| | |
|---|---|
| Cash and equivalents | $248.2M |
| Operating cash flow, four quarters | $201.5M |
| Months of runway | not finite |
| Days since last periodic filing | 10 (10-Q received Oct 13, 2026) |
| Median daily dollar volume, 63 sessions | $9.7M |

## 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 | $403.3M | 2026-05-31 | 2026-07-30 | 10-K | 26-000026 |
| 2 | assets | us-gaap:Assets | $2.3B | 2026-05-31 | 2026-07-30 | 10-K | 26-000026 |
| 3 | operating income | us-gaap:OperatingIncomeLoss | -$1.4M | 2026-05-31 | 2026-07-30 | 10-K | 26-000026 |
| 4 | pretax income | us-gaap:IncomeLossFromContinuingOperationsBeforeInc... | $7.1M | 2026-05-31 | 2026-07-30 | 10-K | 26-000026 |
| 5 | income tax | us-gaap:IncomeTaxExpenseBenefit | $20.0M | 2026-05-31 | 2026-07-30 | 10-K | 26-000026 |
| 6 | total debt | us-gaap:LongTermDebt | $71.4M | 2026-05-31 | 2026-07-30 | 10-K | 26-000026 |
| 7 | book equity | us-gaap:StockholdersEquity | $1.1B | 2026-05-31 | 2026-07-30 | 10-K | 26-000026 |
| 8 | cash | us-gaap:CashAndCashEquivalentsAtCarryingValue | $84.6M | 2026-05-31 | 2026-07-30 | 10-K | 26-000026 |
| 9 | total debt | us-gaap:LongTermDebt | $151.5M | 2025-05-31 | 2025-07-29 | 10-K | 25-099742 |
| 10 | book equity | us-gaap:StockholdersEquity | $1.1B | 2025-05-31 | 2026-07-30 | 10-K | 26-000026 |
| 11 | cash | us-gaap:CashAndCashEquivalentsAtCarryingValue | $38.0M | 2025-05-31 | 2026-07-30 | 10-K | 26-000026 |
| 12 | net income | us-gaap:NetIncomeLoss | $8.5M | 2026-05-31 | 2026-07-30 | 10-K | 26-000026 |
| 13 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $201.2M | 2026-05-31 | 2026-07-30 | 10-K | 26-000026 |
| 14 | assets | us-gaap:Assets | $2.0B | 2025-05-31 | 2026-07-30 | 10-K | 26-000026 |
| 15 | current assets | us-gaap:AssetsCurrent | $1.1B | 2026-05-31 | 2026-07-30 | 10-K | 26-000026 |
| 16 | current liabilities | us-gaap:LiabilitiesCurrent | $775.8M | 2026-05-31 | 2026-07-30 | 10-K | 26-000026 |
| 17 | retained earnings | us-gaap:RetainedEarningsAccumulatedDeficit | $140.0M | 2026-05-31 | 2026-07-30 | 10-K | 26-000026 |
| 18 | liabilities | us-gaap:Liabilities | $989.5M | 2026-05-31 | 2026-07-30 | 10-K | 26-000026 |
| 19 | depreciation amortization | us-gaap:Depreciation | $73.1M | 2026-05-31 | 2026-07-30 | 10-K | 26-000026 |
| 20 | operating income | us-gaap:OperatingIncomeLoss | $147.0M | 2025-05-31 | 2026-07-30 | 10-K | 26-000026 |
| 21 | interest expense | us-gaap:InterestExpense | $7.1M | 2025-05-31 | 2025-07-29 | 10-K | 25-099742 |
| 22 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $3.4B | 2026-05-31 | 2026-07-30 | 10-K | 26-000026 |
| 23 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $3.1B | 2025-05-31 | 2026-07-30 | 10-K | 26-000026 |
| 24 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $3.4B | 2024-05-31 | 2026-07-30 | 10-K | 26-000026 |
| 25 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $121.2M | 2026-05-31 | 2026-07-30 | 10-K | 26-000026 |
| 26 | current assets | us-gaap:AssetsCurrent | $1.0B | 2025-05-31 | 2026-07-30 | 10-K | 26-000026 |
| 27 | current liabilities | us-gaap:LiabilitiesCurrent | $631.5M | 2025-05-31 | 2026-07-30 | 10-K | 26-000026 |
| 28 | assets | us-gaap:Assets | $1.9B | 2024-05-31 | 2025-07-29 | 10-K | 25-099742 |
| 29 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 50,948,146 | 2026-07-24 | 2026-07-30 | 10-K | 26-000026 |
| 30 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 50,872,821 | 2025-07-25 | 2025-07-29 | 10-K | 25-099742 |

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