# Healthstream Inc.

**HSTM**

Nasdaq; business equipment; SIC 7370, Services-Computer Programming, Data Processing, Etc.; CIK 0001095565

**E**

**weakest fifth of 496 graded peers in business equipment**

rank 411 of 496; percentile 82.8; sampling error 2.2 points; lower is stronger

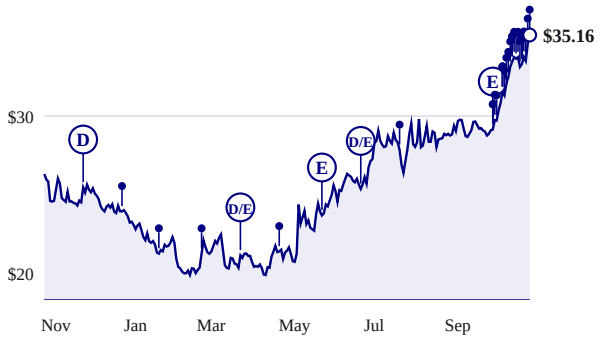
A B C D E

**E, the bear**



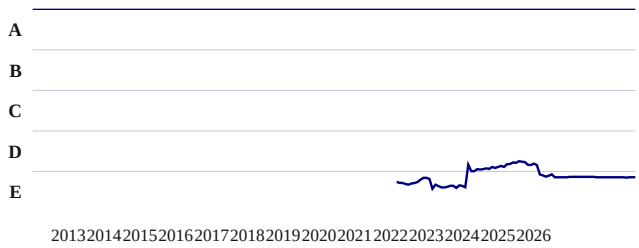
| Scoreboard | |
|---|---|
| **Profitability** | C<br>percentile 48.0 |
| **Solvency** | E<br>percentile 82.7 |
| **Growth and financing** | C<br>percentile 56.8 |
| **Reliability** | 0.87 AUC<br>filers with $120M to $591M assets; 95% interval 0.83 to 0.90; 206 events, 2020 to 2025 |
| **Peer failure rate** | 1.03% a year<br>Item 1.03 bankruptcies, same asset band, 2012 to 2025 |
| **Size band** | $120M to $591M assets<br>total assets $520.4M |
| **Standard universe** | inside<br>revenue above $1M and assets above $10M |
| **Warnings** | none triggered<br>not computable: distress, fortress balance sheet |
| **Inputs computable** | 7 of 14 |
| **Graded from** | filings received through Feb 27, 2026<br>240 days before the rescan; latest periodic filing 10-Q received Aug 6, 2026 |
| **Last close** | $35.19<br>2026-10-23; market equity $1.0B; 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 27, 2026*

HealthStream's focus is and has always been on improving the quality of healthcare through the development and support of the dedicated individuals who deliver care. Like healthcare itself, our mission remains constant, but how we accomplish that mission continues to evolve and improve over time. Originally, we pioneered the use of online learning to hospitals, which began with courses specifically tailored to educate healthcare professionals and meet hospitals' required regulatory needs, and we remain a leading innovator in those areas today.

## The fourteen inputs

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

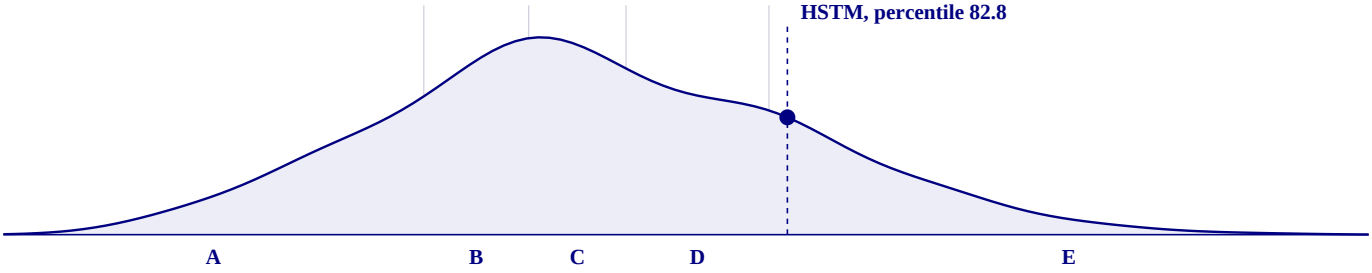
| Input | Value | Peer median | Percentile, 0 to 100 | Pct | Peers | Period end |
|---|---|---|---|---|---|---|
| **Profitability, sleeve percentile 48.0** | | | | | | |
| Gross profitability | not computable | 28.6% | | | | |
| *latest aligned inputs end 2012-12-31; latest annual assets end 2025-12-31* | | | | | | |
| Return on invested capital | not computable | 11.2% | | | | |

Not investment advice. Informational and educational only. Data from SEC EDGAR, may contain errors, is not warranted. The grade ranks reported financial condition and is not a return forecast.

| | | | | | | |
|---|---|---|---|---|---|---|
| *one or more required annual facts are missing* | | | | | | |
| Accruals ratio | (8.7%) | (7.3%) | | 48.0 | 620 | 2025-12-31 |
| Gross margin stability, five years | not computable | 2.3 pts | | | | |
| *five annual gross margins are required; found 2* | | | | | | |
| **Solvency, sleeve percentile 82.7** | | | | | | |
| Twelve-month failure probability | not computable | 0.05% | | | | |
| *liabilities and a nearby cover-page share count are required at 2026-06-30* | | | | | | |
| Altman Z double-prime | not computable | 2.15 | | | | |
| *one or more required annual facts are missing* | | | | | | |
| Net debt to EBITDA | not computable | 1.11x | | | | |
| *one or more required annual facts are missing* | | | | | | |
| Interest coverage | not computable | 3.77x | | | | |
| *one or more required annual facts are missing* | | | | | | |
| Current ratio | 0.96x | 2.01x | | 82.7 | 664 | 2025-12-31 |
| **Growth and financing, sleeve percentile 56.8** | | | | | | |
| Revenue growth, three-year compound | 4.5% | 6.4% | | 54.6 | 536 | 2025-12-31 |
| Free cash flow growth, three-year compound | 6.5% | 18.1% | | 65.4 | 264 | 2025-12-31 |
| Reinvestment rate | (511.1%) | 14.3% | | 93.7 | 224 | 2025-12-31 |
| Asset growth, three years | 1.5% | 5.1% | | 57.7 | 561 | 2025-12-31 |
| Net share issuance, one year | (3.5%) | 0.5% | | 12.5 | 409 | 2026-02-20 |

## Among 496 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 |
|---|---|---|---|---|
| 406 | Dragonfly Energy Holdings Corp. (DFLIW) | 81.7 | D/E | short runway, late filer |
| 407 | Blink Charging Co. (BLNK) | 82.0 | D/E | late filer, fortress balance sheet |
| 408 | TaoWeave, Inc. (TWAV) | 82.2 | E | dilution, short runway |
| 409 | NCR Atleos Corp. (NATL) | 82.4 | E | |
| 410 | Ribbon Communications Inc. (RBBN) | 82.6 | E | |
| 411 | Healthstream Inc. (HSTM) | 82.8 | E | |
| 412 | Microvision, Inc. (MVIS) | 83.0 | E | short runway, fortress balance sheet |
| 413 | Synaptics Inc. (SYNA) | 83.2 | E | |
| 414 | Vontier Corp. (VNT) | 83.4 | E | |
| 415 | SCWorx Corp. (WORX) | 83.6 | E | dilution |
| 416 | Marqeta, Inc. (MQ) | 83.8 | E | |

## What the price implies

*at the 2026-10-23 close; none of these enters the grade*

| Measure | Value | Peer median | Percentile |
|---|---|---|---|
| Twelve-month price change, skipping the latest month | 3.5% | 2.2% | 51 |
| Distance from 52-week high | 0.0% | (32.8%) | 94 |
| EBIT to enterprise value | not computable | 1.6% | |

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| | | | |
|---|---|---|---|
| Free cash flow yield | 5.8% | 2.9% | 72 |
| Book value to price | 0.35 | 0.26 | 60 |
| Sales to price | 0.30 | 0.32 | 48 |
| Composite equity issuance, five years | (9.1%) | 4.2% | 27 |
| Relative strength against the sector, log excess return | (0.25) | (0.26) | 51 |

## Diagnostics

*shown on every report; none enters the grade*

| Measure | Value |
|---|---|
| **Piotroski F-score None of 9, period end 2025-12-31** | |
| 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 | pass |
| Gross margin improved | fail |
| Asset turnover improved | pass |
| **Cash, filings, liquidity** | |
| Cash and equivalents | $46.2M |
| Operating cash flow, four quarters | $71.8M |
| Months of runway | not finite |
| Days since last periodic filing | 80 (10-Q received Aug 6, 2026) |
| Median daily dollar volume, 63 sessions | $5.7M |

## 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 | revenue | us-gaap:SalesRevenueNet | $103.7M | 2012-12-31 | 2015-02-27 | 10-K | 15-069659 |
| 2 | cost of revenue | us-gaap:CostOfGoodsAndServicesSold | $41.7M | 2012-12-31 | 2013-03-01 | 10-K | 13-086559 |
| 3 | assets | us-gaap:Assets | $174.5M | 2012-12-31 | 2015-02-27 | 10-K | 15-069659 |
| 4 | net income | us-gaap:NetIncomeLoss | $18.3M | 2025-12-31 | 2026-02-27 | 10-K | 26-005916 |
| 5 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $63.3M | 2025-12-31 | 2026-02-27 | 10-K | 26-005916 |
| 6 | assets | us-gaap:Assets | $520.4M | 2025-12-31 | 2026-02-27 | 10-K | 26-005916 |
| 7 | assets | us-gaap:Assets | $510.8M | 2024-12-31 | 2026-02-27 | 10-K | 26-005916 |
| 8 | current assets | us-gaap:AssetsCurrent | $119.7M | 2025-12-31 | 2026-02-27 | 10-K | 26-005916 |
| 9 | current liabilities | us-gaap:LiabilitiesCurrent | $124.1M | 2025-12-31 | 2026-02-27 | 10-K | 26-005916 |
| 10 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $304.1M | 2025-12-31 | 2026-02-27 | 10-K | 26-005916 |
| 11 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $291.6M | 2024-12-31 | 2026-02-27 | 10-K | 26-005916 |
| 12 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $279.1M | 2023-12-31 | 2026-02-27 | 10-K | 26-005916 |
| 13 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $266.8M | 2022-12-31 | 2025-02-28 | 10-K | 25-005705 |
| 14 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $3.7M | 2025-12-31 | 2026-02-27 | 10-K | 26-005916 |
| 15 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $57.7M | 2024-12-31 | 2026-02-27 | 10-K | 26-005916 |
| 16 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $1.4M | 2024-12-31 | 2026-02-27 | 10-K | 26-005916 |
| 17 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $64.0M | 2023-12-31 | 2026-02-27 | 10-K | 26-005916 |
| 18 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $2.2M | 2023-12-31 | 2026-02-27 | 10-K | 26-005916 |
| 19 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $51.2M | 2022-12-31 | 2025-02-28 | 10-K | 25-005705 |
| 20 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $1.8M | 2022-12-31 | 2025-02-28 | 10-K | 25-005705 |
| 21 | depreciation amortization | us-gaap:DepreciationDepletionAndAmortization | $43.5M | 2025-12-31 | 2026-02-27 | 10-K | 26-005916 |
| 22 | operating income | us-gaap:OperatingIncomeLoss | $20.2M | 2025-12-31 | 2026-02-27 | 10-K | 26-005916 |
| 23 | pretax income | us-gaap:IncomeLossFromContinuingOperationsBeforeInc... | $23.2M | 2025-12-31 | 2026-02-27 | 10-K | 26-005916 |
| 24 | income tax | us-gaap:IncomeTaxExpenseBenefit | $4.9M | 2025-12-31 | 2026-02-27 | 10-K | 26-005916 |
| 25 | current assets | us-gaap:AssetsCurrent | $153.1M | 2024-12-31 | 2026-02-27 | 10-K | 26-005916 |

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| | | | | | | | |
|---|---|---|---|---|---|---|---|
| 26 | current liabilities | us-gaap:LiabilitiesCurrent | $115.7M | 2024-12-31 | 2026-02-27 | 10-K | 26-005916 |
| 27 | assets | us-gaap:Assets | $499.9M | 2023-12-31 | 2025-02-28 | 10-K | 25-005705 |
| 28 | assets | us-gaap:Assets | $497.7M | 2022-12-31 | 2024-02-26 | 10-K | 24-005530 |
| 29 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 29,356,350 | 2026-02-20 | 2026-02-27 | 10-K | 26-005916 |
| 30 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 30,434,310 | 2025-02-21 | 2025-02-28 | 10-K | 25-005705 |

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