# Mcgrath Rentcorp

**MGRC**

Nasdaq; other; SIC 7359, Services-Equipment Rental & Leasing, NEC; CIK 0000752714

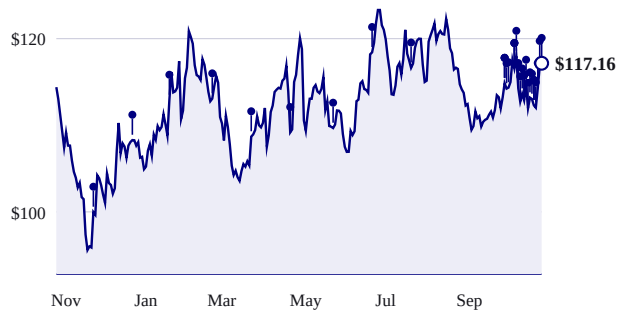
# None

### No letter

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

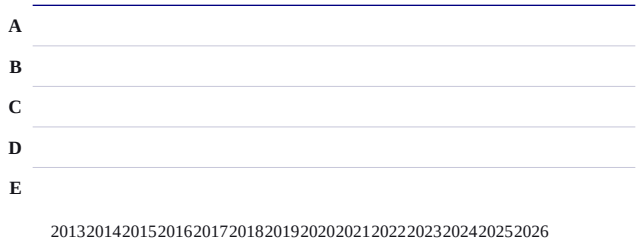
| Scoreboard | |
|---|---|
| **Reliability** | 0.91 AUC<br>filers with $591M to $2.67B assets; 95% interval 0.88 to 0.94; 160 events, 2020 to 2025 |
| **Peer failure rate** | 1.01% a year<br>Item 1.03 bankruptcies, same asset band, 2012 to 2025 |
| **Size band** | $591M to $2.67B assets<br>total assets $2.4B |
| **Standard universe** | inside<br>revenue above $1M and assets above $10M |
| **Warnings** | none triggered<br>not computable: distress |
| **Inputs computable** | 7 of 14 |
| **Graded from** | filings received through Feb 25, 2026<br>243 days before the rescan; latest periodic filing 10-Q received Jul 29, 2026 |
| **Last close** | $117.20<br>2026-10-23; market equity $2.9B; 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 25, 2026*

McGrath RentCorp (the "Company") is a California corporation organized in 1979 with corporate offices located in Livermore, California. The Company's common stock is traded on the NASDAQ Global Select Market under the symbol "MGRC". References in this report to the "Company", "we", "us", and "ours" refer to McGrath RentCorp and its subsidiaries, unless the context requires otherwise. The Company is a diversified business-to-business rental company with three rental divisions: relocatable modular buildings, portable storage containers and electronic test equipment. Although the Company's primary emphasis is on equipment rentals, sales of equipment occur in the normal course of business.

## 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 72.8** | | | | | | |
| Gross profitability | 19.3% | 27.1% | | 60.4 | 286 | 2025-12-31 |
| Return on invested capital | not computable | 10.0% | | | | |

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| | | | | | |
|---|---|---|---|---|---|
| *a prior annual debt, equity, and cash observation is required* | | | | | |
| Accruals ratio | (4.3%) | (5.8%) | 60.1 | 502 | 2025-12-31 |
| Gross margin stability, five years | 69.5 pts | 2.2 pts | 98.0 | 205 | 2025-12-31 |
| **Solvency** | | | | | |
| 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 | not computable | 2.05 | | | |
| *one or more required annual facts are missing* | | | | | |
| Net debt to EBITDA | not computable | 2.52x | | | |
| *latest aligned inputs end 2012-12-31; latest annual assets end 2025-12-31* | | | | | |
| Interest coverage | not computable | 2.18x | | | |
| *latest aligned inputs end 2013-12-31; latest annual assets end 2025-12-31* | | | | | |
| Current ratio | not computable | 1.33x | | | |
| *one or more required annual facts are missing* | | | | | |
| **Growth and financing, sleeve percentile 33.5** | | | | | |
| Revenue growth, three-year compound | 82.6% | 5.1% | 1.0 | 399 | 2025-12-31 |
| Free cash flow growth, three-year compound | 6.1% | 8.9% | 54.1 | 219 | 2025-12-31 |
| Reinvestment rate | not computable | 11.9% | | | |
| *one or more required annual facts are missing* | | | | | |
| Asset growth, three years | 11.3% | 4.1% | 26.0 | 435 | 2025-12-31 |
| Net share issuance, one year | 0.2% | (0.5%) | 53.0 | 354 | 2026-02-24 |

## 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 | (2.5%) | 2.0% | 46 |
| Distance from 52-week high | (5.0%) | (25.2%) | 83 |
| EBIT to enterprise value | 7.7% | 4.3% | 79 |
| Free cash flow yield | 7.4% | 4.1% | 73 |
| Book value to price | 0.44 | 0.34 | 61 |
| Sales to price | 0.33 | 0.72 | 30 |
| Composite equity issuance, five years | (9.3%) | (8.8%) | 49 |
| Relative strength against the sector, log excess return | (0.17) | (0.13) | 46 |

## 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 | fail |
| Gross margin improved | pass |
| Asset turnover improved | pass |
| **Cash, filings, liquidity** | |
| Cash and equivalents | $4.4M |
| Operating cash flow, four quarters | $251.7M |
| Months of runway | not finite |
| Days since last periodic filing | 89 (10-Q received Jul 29, 2026) |

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| | |
|---|---|
| Median daily dollar volume, 63 sessions | $16.2M |

## 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 | $455.0M | 2025-12-31 | 2026-02-25 | 10-K | 26-071463 |
| 2 | assets | us-gaap:Assets | $2.4B | 2025-12-31 | 2026-02-25 | 10-K | 26-071463 |
| 3 | operating income | us-gaap:OperatingIncomeLoss | $82.0M | 2012-12-31 | 2015-02-26 | 10-K | 15-065598 |
| 4 | pretax income | us-gaap:IncomeLossFromContinuingOperationsBeforeInc... | $72.9M | 2012-12-31 | 2015-02-26 | 10-K | 15-065598 |
| 5 | income tax | us-gaap:IncomeTaxExpenseBenefit | $28.1M | 2012-12-31 | 2015-02-26 | 10-K | 15-065598 |
| 6 | total debt | us-gaap:LongTermDebt | $302.0M | 2012-12-31 | 2013-02-22 | 10-K | 13-071624 |
| 7 | book equity | us-gaap:StockholdersEquity | $364.7M | 2012-12-31 | 2016-02-25 | 10-K | 16-013379 |
| 8 | cash | us-gaap:CashAndCashEquivalentsAtCarryingValue | $1.6M | 2012-12-31 | 2016-02-25 | 10-K | 16-013379 |
| 9 | net income | us-gaap:NetIncomeLoss | $156.3M | 2025-12-31 | 2026-02-25 | 10-K | 26-071463 |
| 10 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $255.7M | 2025-12-31 | 2026-02-25 | 10-K | 26-071463 |
| 11 | assets | us-gaap:Assets | $2.3B | 2024-12-31 | 2026-02-25 | 10-K | 26-071463 |
| 12 | revenue | us-gaap:Revenues | $944.2M | 2025-12-31 | 2026-02-25 | 10-K | 26-071463 |
| 13 | gross profit | us-gaap:GrossProfit | $435.4M | 2024-12-31 | 2026-02-25 | 10-K | 26-071463 |
| 14 | revenue | us-gaap:Revenues | $910.9M | 2024-12-31 | 2026-02-25 | 10-K | 26-071463 |
| 15 | gross profit | us-gaap:GrossProfit | $393.6M | 2023-12-31 | 2026-02-25 | 10-K | 26-071463 |
| 16 | revenue | us-gaap:Revenues | $831.8M | 2023-12-31 | 2026-02-25 | 10-K | 26-071463 |
| 17 | gross profit | us-gaap:GrossProfit | $290.2M | 2022-12-31 | 2025-02-19 | 10-K | 25-023116 |
| 18 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $155.2M | 2022-12-31 | 2023-02-22 | 10-K | 23-003738 |
| 19 | gross profit | us-gaap:GrossProfit | $247.3M | 2021-12-31 | 2024-02-21 | 10-K | 24-017876 |
| 20 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $128.8M | 2021-12-31 | 2023-02-22 | 10-K | 23-003738 |
| 21 | depreciation amortization | us-gaap:DepreciationDepletionAndAmortization | $72.5M | 2012-12-31 | 2015-02-26 | 10-K | 15-065598 |
| 22 | operating income | us-gaap:OperatingIncomeLoss | $80.2M | 2013-12-31 | 2016-02-25 | 10-K | 16-013379 |
| 23 | interest expense | us-gaap:InterestExpense | $8.7M | 2013-12-31 | 2014-02-28 | 10-K | 14-077423 |
| 24 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $44.4M | 2025-12-31 | 2026-02-25 | 10-K | 26-071463 |
| 25 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $374.4M | 2024-12-31 | 2026-02-25 | 10-K | 26-071463 |
| 26 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $40.2M | 2024-12-31 | 2026-02-25 | 10-K | 26-071463 |
| 27 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $95.3M | 2023-12-31 | 2026-02-25 | 10-K | 26-071463 |
| 28 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $44.0M | 2023-12-31 | 2026-02-25 | 10-K | 26-071463 |
| 29 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $194.4M | 2022-12-31 | 2025-02-19 | 10-K | 25-023116 |
| 30 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $17.6M | 2022-12-31 | 2025-02-19 | 10-K | 25-023116 |
| 31 | assets | us-gaap:Assets | $2.2B | 2023-12-31 | 2025-02-19 | 10-K | 25-023116 |
| 32 | assets | us-gaap:Assets | $1.7B | 2022-12-31 | 2024-02-21 | 10-K | 24-017876 |
| 33 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 24,611,657 | 2026-02-24 | 2026-02-25 | 10-K | 26-071463 |
| 34 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 24,551,184 | 2025-02-18 | 2025-02-19 | 10-K | 25-023116 |

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