# Txnm Energy Inc.

**TXNM**

NYSE; utilities; SIC 4911, Electric Services; CIK 0001108426

**E**

**weakest fifth of 149 graded peers in the pooled energy and ut...**

rank 135 of 149; percentile 90.5; sampling error 3.6 points; lower is stronger

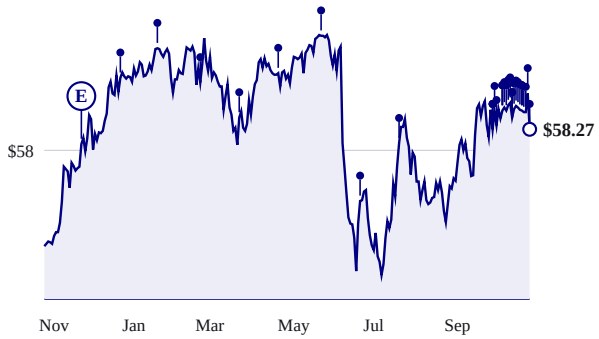
A B C D E

**E, the bear**



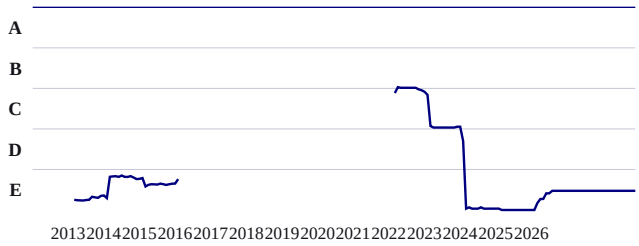
| Scoreboard | |
|---|---|
| **Profitability** | D<br>percentile 67.2 |
| **Solvency** | D/E<br>percentile 76.7 |
| **Growth and financing** | C<br>percentile 48.0 |
| **Reliability** | 0.94 AUC<br>filers with over $2.67B assets; 95% interval 0.88 to 0.97; 61 events, 2020 to 2025 |
| **Peer failure rate** | 0.52% a year<br>Item 1.03 bankruptcies, same asset band, 2012 to 2025 |
| **Size band** | over $2.67B assets<br>total assets $12.1B |
| **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 27, 2026<br>241 days before the rescan; latest periodic filing 10-Q received Jul 31, 2026 |
| **Last close** | $58.28<br>2026-10-23; market equity $6.5B; 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*

. TNMP provides transmission and distribution services to REPs that provide electric service to consumers in TNMP's service territories. References to customers in the risk factors discussed below also encompass the customers of these REPs who are the ultimate consumers of electricity transmitted and distributed through TNMP's facilities. The profitability of TXNM's utilities depends on being able to recover their costs through regulated rates and earn a fair return on invested capital, including investments in its generating plants.

## The fourteen inputs

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

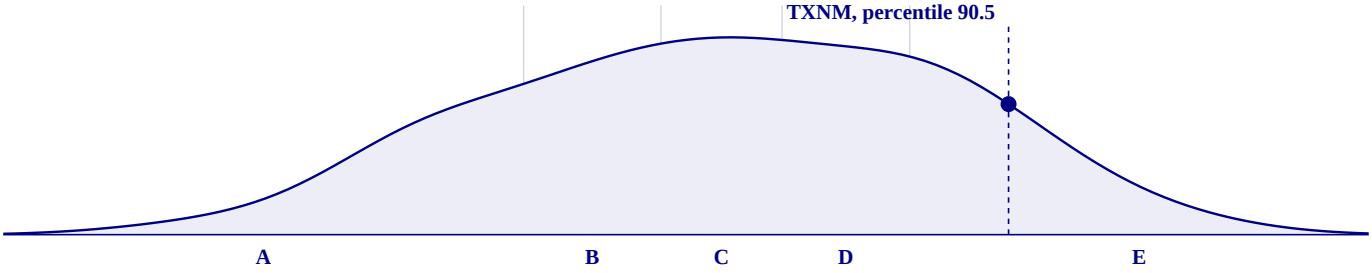
| Input | Value | Peer median | Percentile, 0 to 100 | Pct | Peers | Period end |
|---|---|---|---|---|---|---|
| **Profitability, sleeve percentile 67.2** | | | | | | |
| Gross profitability | not computable | 17.0% | | | | |
| *latest aligned inputs end 2023-12-31; latest annual assets end 2025-12-31* | | | | | | |
| Return on invested capital | not computable | 6.0% | | | | |

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.

| | | | | | | |
|---|---|---|---|---|---|---|
| *latest aligned inputs end 2014-12-31; latest annual assets end 2025-12-31* | | | | | | |
| Accruals ratio | (3.6%) | (5.0%) | | 67.2 | 272 | 2025-12-31 |
| Gross margin stability, five years | not computable | 4.6 pts | | | | |
| *five annual gross margins are required; found 2* | | | | | | |
| **Solvency, sleeve percentile 76.7** | | | | | | |
| Twelve-month failure probability | not computable | 0.06% | | | | |
| *latest liabilities, cash plus short-term investments, book equity, and shares are required* | | | | | | |
| Altman Z double-prime | 0.65 | 1.48 | | 66.4 | 153 | 2025-12-31 |
| Net debt to EBITDA | not computable | 3.63x | | | | |
| *latest aligned inputs end 2014-12-31; latest annual assets end 2025-12-31* | | | | | | |
| Interest coverage | not computable | 2.37x | | | | |
| *latest aligned inputs end 2023-12-31; latest annual assets end 2025-12-31* | | | | | | |
| Current ratio | 0.55x | 0.94x | | 86.9 | 283 | 2025-12-31 |
| **Growth and financing, sleeve percentile 48.0** | | | | | | |
| Revenue growth, three-year compound | (1.7%) | 0.7% | | 64.0 | 223 | 2025-12-31 |
| Free cash flow growth, three-year compound | not computable | (11.8%) | | | | |
| *current FCF must be positive and base FCF must exceed $100,000* | | | | | | |
| Reinvestment rate | 369.0% | 59.0% | | 4.2 | 72 | 2025-12-31 |
| Asset growth, three years | 9.2% | 6.3% | | 36.6 | 247 | 2025-12-31 |
| Net share issuance, one year | 17.6% | 0.4% | | 87.2 | 157 | 2026-02-13 |

## Among 149 peers

*utilities; 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 |
|---|---|---|---|---|
| 130 | Kinder Morgan, Inc. (EP-PC) | 87.5 | E | |
| 131 | Kinder Morgan, Inc. (KMI) | 87.5 | E | |
| 132 | WEC Energy Group, Inc. (WEC) | 88.5 | E | |
| 133 | H2O America (HTO) | 89.2 | E | |
| 134 | Dominion Energy, Inc. (D) | 89.9 | E | |
| 135 | Txnm Energy Inc. (TXNM) | 90.5 | E | |
| 136 | NGL Energy Partners L.P. (NGL) | 91.9 | E | |
| 137 | NGL Energy Partners L.P. (NGL-PB) | 91.9 | E | |
| 138 | NGL Energy Partners L.P. (NGL-PC) | 91.9 | E | |
| 139 | BIG SKY Industrial Inc. (BSIN) | 93.2 | E | dilution |
| 140 | Viking Global Technologies, Inc. (VGTK) | 93.9 | E | late filer |

## 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 | 4.9% | 15.5% | 37 |
| Distance from 52-week high | (2.0%) | (13.2%) | 85 |
| EBIT to enterprise value | 5.2% | 4.5% | 59 |

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| | | | |
|---|---|---|---|
| Free cash flow yield | (9.5%) | 1.4% | 10 |
| Book value to price | 0.54 | 0.52 | 55 |
| Sales to price | 0.33 | 0.44 | 35 |
| Composite equity issuance, five years | 8.1% | (7.2%) | 69 |
| Relative strength against the sector, log excess return | 0.07 | 0.04 | 57 |

## 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 | pass |
| No new shares issued | fail |
| Gross margin improved | fail |
| Asset turnover improved | fail |
| **Cash, filings, liquidity** | |
| Cash and equivalents | $5.6M |
| Operating cash flow, four quarters | $596.4M |
| Months of runway | not finite |
| Days since last periodic filing | 87 (10-Q received Jul 31, 2026) |
| Median daily dollar volume, 63 sessions | $65.3M |

## 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 | $655.8M | 2023-12-31 | 2024-02-29 | 10-K | 24-000008 |
| 2 | assets | us-gaap:Assets | $10.3B | 2023-12-31 | 2026-02-27 | 10-K | 26-000006 |
| 3 | operating income | us-gaap:OperatingIncomeLoss | $299.7M | 2014-12-31 | 2017-02-28 | 10-K | 17-000006 |
| 4 | pretax income | us-gaap:IncomeLossFromContinuingOperationsBeforeInc... | $200.6M | 2014-12-31 | 2017-02-28 | 10-K | 17-000006 |
| 5 | income tax | us-gaap:IncomeTaxExpenseBenefit | $69.7M | 2014-12-31 | 2017-02-28 | 10-K | 17-000006 |
| 6 | total debt | us-gaap:LongTermDebt | $2.0B | 2014-12-31 | 2015-02-27 | 10-K | 15-000008 |
| 7 | book equity | us-gaap:StockholdersEquity | $1.7B | 2014-12-31 | 2016-02-29 | 10-K | 16-000165 |
| 8 | cash | us-gaap:CashAndCashEquivalentsAtCarryingValue | $28.3M | 2014-12-31 | 2018-03-01 | 10-K | 18-000011 |
| 9 | total debt | us-gaap:LongTermDebt | $1.7B | 2013-12-31 | 2015-02-27 | 10-K | 15-000008 |
| 10 | book equity | us-gaap:StockholdersEquity | $1.7B | 2013-12-31 | 2015-02-27 | 10-K | 15-000008 |
| 11 | cash | us-gaap:CashAndCashEquivalentsAtCarryingValue | $2.5M | 2013-12-31 | 2017-02-28 | 10-K | 17-000006 |
| 12 | net income | us-gaap:ProfitLoss | $169.8M | 2025-12-31 | 2026-02-27 | 10-K | 26-000006 |
| 13 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $584.5M | 2025-12-31 | 2026-02-27 | 10-K | 26-000006 |
| 14 | assets | us-gaap:Assets | $12.1B | 2025-12-31 | 2026-02-27 | 10-K | 26-000006 |
| 15 | assets | us-gaap:Assets | $11.2B | 2024-12-31 | 2026-02-27 | 10-K | 26-000006 |
| 16 | current assets | us-gaap:AssetsCurrent | $564.7M | 2025-12-31 | 2026-02-27 | 10-K | 26-000006 |
| 17 | current liabilities | us-gaap:LiabilitiesCurrent | $1.0B | 2025-12-31 | 2026-02-27 | 10-K | 26-000006 |
| 18 | retained earnings | us-gaap:RetainedEarningsAccumulatedDeficit | $866.9M | 2025-12-31 | 2026-02-27 | 10-K | 26-000006 |
| 19 | operating income | us-gaap:OperatingIncomeLoss | $441.2M | 2025-12-31 | 2026-02-27 | 10-K | 26-000006 |
| 20 | book equity | us-gaap:StockholdersEquity | $3.4B | 2025-12-31 | 2026-02-27 | 10-K | 26-000006 |
| 21 | liabilities | us-gaap:Liabilities | $8.6B | 2025-12-31 | 2026-02-27 | 10-K | 26-000006 |
| 22 | depreciation amortization | us-gaap:DepreciationDepletionAndAmortization | $209.9M | 2014-12-31 | 2017-02-28 | 10-K | 17-000006 |
| 23 | operating income | us-gaap:OperatingIncomeLoss | $231.3M | 2023-12-31 | 2026-02-27 | 10-K | 26-000006 |
| 24 | interest expense | us-gaap:InterestExpense | $190.4M | 2023-12-31 | 2024-02-29 | 10-K | 24-000008 |
| 25 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $2.1B | 2025-12-31 | 2026-02-27 | 10-K | 26-000006 |

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| | | | | | | | |
|---|---|---|---|---|---|---|---|
| 26 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $2.0B | 2024-12-31 | 2026-02-27 | 10-K | 26-000006 |
| 27 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $1.9B | 2023-12-31 | 2026-02-27 | 10-K | 26-000006 |
| 28 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $2.3B | 2022-12-31 | 2025-02-28 | 10-K | 25-000014 |
| 29 | capital expenditure | us-gaap:PaymentsToAcquireProductiveAssets | $1.2B | 2025-12-31 | 2026-02-27 | 10-K | 26-000006 |
| 30 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $508.2M | 2024-12-31 | 2026-02-27 | 10-K | 26-000006 |
| 31 | capital expenditure | us-gaap:PaymentsToAcquireProductiveAssets | $1.2B | 2024-12-31 | 2026-02-27 | 10-K | 26-000006 |
| 32 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $551.2M | 2023-12-31 | 2026-02-27 | 10-K | 26-000006 |
| 33 | capital expenditure | us-gaap:PaymentsToAcquireProductiveAssets | $1.1B | 2023-12-31 | 2026-02-27 | 10-K | 26-000006 |
| 34 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $567.3M | 2022-12-31 | 2025-02-28 | 10-K | 25-000014 |
| 35 | capital expenditure | us-gaap:PaymentsToAcquireProductiveAssets | $912.6M | 2022-12-31 | 2025-02-28 | 10-K | 25-000014 |
| 36 | depreciation amortization | us-gaap:DepreciationDepletionAndAmortization | $483.4M | 2025-12-31 | 2026-02-27 | 10-K | 26-000006 |
| 37 | pretax income | us-gaap:IncomeLossFromContinuingOperationsBeforeInc... | $180.0M | 2025-12-31 | 2026-02-27 | 10-K | 26-000006 |
| 38 | income tax | us-gaap:IncomeTaxExpenseBenefit | $10.2M | 2025-12-31 | 2026-02-27 | 10-K | 26-000006 |
| 39 | current assets | us-gaap:AssetsCurrent | $498.8M | 2024-12-31 | 2026-02-27 | 10-K | 26-000006 |
| 40 | current liabilities | us-gaap:LiabilitiesCurrent | $1.8B | 2024-12-31 | 2026-02-27 | 10-K | 26-000006 |
| 41 | assets | us-gaap:Assets | $9.3B | 2022-12-31 | 2025-02-28 | 10-K | 25-000014 |
| 42 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 108,921,356 | 2026-02-13 | 2026-02-27 | 10-K | 26-000006 |
| 43 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 92,659,335 | 2025-02-14 | 2025-02-28 | 10-K | 25-000014 |

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