# YUM Brands Inc.

**YUM**

NYSE; shops; SIC 5812, Retail-Eating Places; CIK 0001041061

# B/C

**on the B/C boundary of 255 graded peers in shops**

rank 104 of 255; percentile 40.6; sampling error 3.0 points; lower is stronger

A B C D E

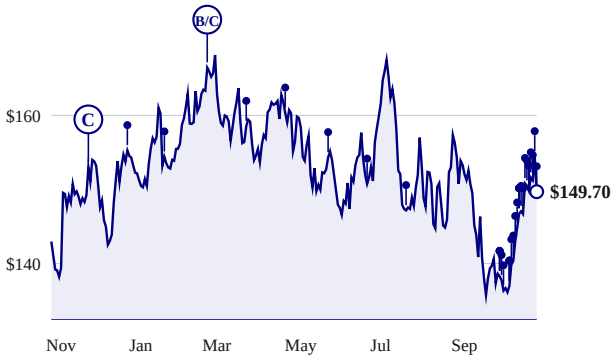
**B/C, the elk**



## Scoreboard

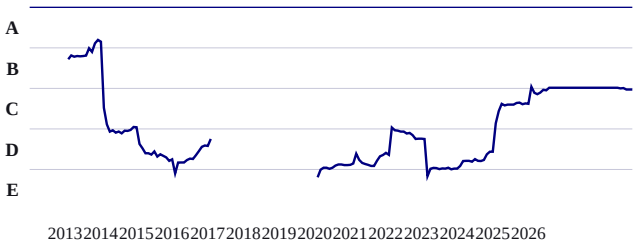
| | |
|---|---|
| **Profitability** | B<br>percentile 33.3 |
| **Solvency** | D<br>percentile 69.0 |
| **Growth and financing** | B<br>percentile 35.3 |
| **Reliability** | 0.94 AUC<br>filers with over $2.67B assets; 95% interval 0.88 to 0.97; 61 events, 2020 to 2025 |
| **Peer failure rate** | 0.52% a year<br>Item 1.03 bankruptcies, same asset band, 2012 to 2025 |
| **Size band** | over $2.67B assets<br>total assets $8.2B |
| **Standard universe** | inside<br>revenue above $1M and assets above $10M |
| **Warnings** | none triggered<br>not computable: distress |
| **Inputs computable** | 12 of 14 |
| **Graded from** | filings received through Feb 20, 2026<br>248 days before the rescan; latest periodic filing 10-Q received Aug 5, 2026 |
| **Last close** | $149.71<br>2026-10-23; market equity $40.9B; 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 20, 2026*

Yum! Brands, Inc. (referred to herein as "YUM", the "Registrant" or the "Company"), was incorporated under the laws of the state of North Carolina in 1997. The principal executive offices of YUM are located at 1441 Gardiner Lane, Louisville, Kentucky 40213, and the telephone number at that location is (502) 874-8300. Our website address is https://www.yum.com. YUM, together with its subsidiaries, is referred to in this Form 10-K annual report ("Form 10-K") as the Company. The terms "we," "us" and "our" are also used in the Form 10-K to refer to the Company. Throughout this Form 10-K, the terms "restaurants," "stores" and "units" are used interchangeably.

## The fourteen inputs

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

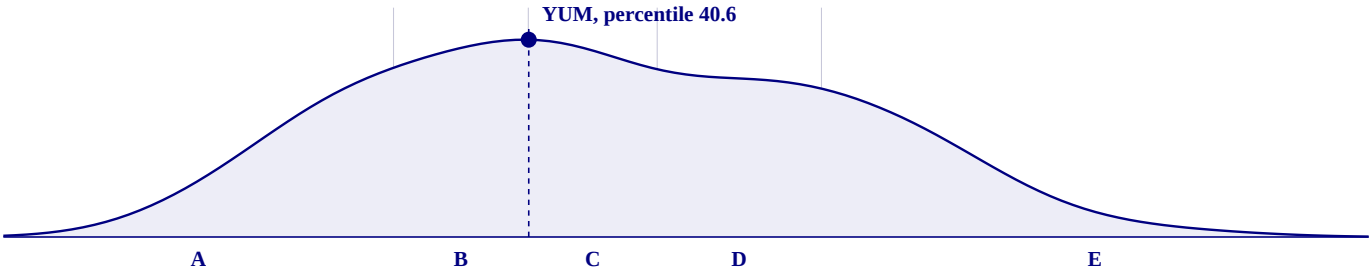
| Input | Value | Peer median | Percentile, 0 to 100 | Pct | Peers | Period end |
|---|---|---|---|---|---|---|
| **Profitability, sleeve percentile 33.3** | | | | | | |
| Gross profitability | 69.9% | 42.3% | | 18.8 | 240 | 2025-12-31 |
| Return on invested capital | 56.2% | 10.9% | | 6.0 | 84 | 2025-12-31 |

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.

| | | | | | | |
|---|---|---|---|---|---|---|
| Accruals ratio | (6.0%) | (4.9%) | | 43.0 | 285 | 2025-12-31 |
| Gross margin stability, five years | 1.9 pts | 1.2 pts | | 65.3 | 217 | 2025-12-31 |
| **Solvency, sleeve percentile 69.0** | | | | | | |
| 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 | (0.76) | 1.93 | | 71.8 | 207 | 2025-12-31 |
| Net debt to EBITDA | 4.02x | 1.84x | | 83.8 | 100 | 2025-12-31 |
| Interest coverage | not computable | 2.49x | | | | |
| *one or more required annual facts are missing* | | | | | | |
| Current ratio | 1.35x | 1.38x | | 51.2 | 294 | 2025-12-31 |
| **Growth and financing, sleeve percentile 35.3** | | | | | | |
| Revenue growth, three-year compound | 6.3% | 1.6% | | 26.8 | 266 | 2025-12-31 |
| Free cash flow growth, three-year compound | 12.6% | 5.5% | | 37.0 | 147 | 2025-12-31 |
| Reinvestment rate | 4.5% | 8.4% | | 57.0 | 152 | 2025-12-31 |
| Asset growth, three years | 11.9% | 3.4% | | 13.4 | 269 | 2025-12-31 |
| Net share issuance, one year | (1.0%) | (0.6%) | | 42.5 | 208 | 2026-02-17 |

## Among 255 peers

*shops; 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 |
|---|---|---|---|---|
| 99 | Haverty Furniture Companies Inc. (HVT-A) | 38.4 | B/C | fortress balance sheet |
| 100 | Openlane, Inc. (OPLN) | 39.0 | B/C | |
| 101 | Giftify, Inc. (GIFT) | 39.4 | B/C | |
| 102 | Murphy USA Inc. (MUSA) | 39.8 | B/C | |
| 103 | Dollar Tree, Inc. (DLTR) | 40.2 | B/C | |
| 104 | YUM Brands Inc. (YUM) | 40.6 | B/C | |
| 105 | Floor & Decor Holdings, Inc. (FND) | 40.9 | B/C | |
| 106 | Sysco Corp. (SYY) | 41.3 | B/C | |
| 107 | Henry Schein Inc. (HSIC) | 41.7 | B/C | |
| 108 | Wingstop Inc. (WING) | 42.1 | B/C | |
| 109 | Shoe Station Group Inc. (SHOE) | 42.5 | B/C | |

## 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 | 1.8% | 0.6% | 53 |
| Distance from 52-week high | (11.0%) | (22.7%) | 72 |
| EBIT to enterprise value | 5.2% | 5.3% | 49 |
| Free cash flow yield | 4.0% | 4.1% | 49 |
| Book value to price | (0.17) | 0.35 | 9 |
| Sales to price | 0.20 | 1.68 | 2 |
| Composite equity issuance, five years | (19.3%) | (16.8%) | 42 |

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| | | | |
|---|---|---|---|
| Relative strength against the sector, log excess return | 0.04 | 0.03 | 53 |

## 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 | fail |
| Operating cash flow exceeds net income | pass |
| Long-term leverage fell | pass |
| Current ratio improved | fail |
| No new shares issued | pass |
| Gross margin improved | fail |
| Asset turnover improved | pass |
| **Cash, filings, liquidity** | |
| Cash and equivalents | $674.0M |
| Operating cash flow, four quarters | $2.1B |
| Months of runway | not finite |
| Days since last periodic filing | 82 (10-Q received Aug 5, 2026) |
| Median daily dollar volume, 63 sessions | $342.7M |

## 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:Revenues | $8.2B | 2025-12-31 | 2026-02-20 | 10-K | 26-000084 |
| 2 | cost of revenue | us-gaap:CostOfGoodsAndServicesSold | $2.5B | 2025-12-31 | 2026-02-20 | 10-K | 26-000084 |
| 3 | assets | us-gaap:Assets | $8.2B | 2025-12-31 | 2026-02-20 | 10-K | 26-000084 |
| 4 | operating income | us-gaap:OperatingIncomeLoss | $2.6B | 2025-12-31 | 2026-02-20 | 10-K | 26-000084 |
| 5 | pretax income | us-gaap:IncomeLossFromContinuingOperationsBeforeInc... | $2.1B | 2025-12-31 | 2026-02-20 | 10-K | 26-000084 |
| 6 | income tax | us-gaap:IncomeTaxExpenseBenefit | $518.0M | 2025-12-31 | 2026-02-20 | 10-K | 26-000084 |
| 7 | total debt | us-gaap:LongTermDebtAndCapitalLeaseObligations | $11.9B | 2025-12-31 | 2026-02-20 | 10-K | 26-000084 |
| 8 | book equity | us-gaap:StockholdersEquityIncludingPortionAttributableT... | -$7.3B | 2025-12-31 | 2026-02-20 | 10-K | 26-000084 |
| 9 | cash | us-gaap:CashAndCashEquivalentsAtCarryingValue | $709.0M | 2025-12-31 | 2026-02-20 | 10-K | 26-000084 |
| 10 | total debt | us-gaap:LongTermDebtAndCapitalLeaseObligations | $11.3B | 2024-12-31 | 2026-02-20 | 10-K | 26-000084 |
| 11 | book equity | us-gaap:StockholdersEquityIncludingPortionAttributableT... | -$7.6B | 2024-12-31 | 2026-02-20 | 10-K | 26-000084 |
| 12 | cash | us-gaap:CashAndCashEquivalentsAtCarryingValue | $616.0M | 2024-12-31 | 2026-02-20 | 10-K | 26-000084 |
| 13 | net income | us-gaap:NetIncomeLoss | $1.6B | 2025-12-31 | 2026-02-20 | 10-K | 26-000084 |
| 14 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $2.0B | 2025-12-31 | 2026-02-20 | 10-K | 26-000084 |
| 15 | assets | us-gaap:Assets | $6.7B | 2024-12-31 | 2026-02-20 | 10-K | 26-000084 |
| 16 | revenue | us-gaap:Revenues | $7.5B | 2024-12-31 | 2026-02-20 | 10-K | 26-000084 |
| 17 | cost of revenue | us-gaap:CostOfGoodsAndServicesSold | $2.1B | 2024-12-31 | 2026-02-20 | 10-K | 26-000084 |
| 18 | revenue | us-gaap:Revenues | $7.1B | 2023-12-31 | 2026-02-20 | 10-K | 26-000084 |
| 19 | cost of revenue | us-gaap:CostOfGoodsAndServicesSold | $1.8B | 2023-12-31 | 2026-02-20 | 10-K | 26-000084 |
| 20 | revenue | us-gaap:Revenues | $6.8B | 2022-12-31 | 2025-02-19 | 10-K | 25-000013 |
| 21 | cost of revenue | us-gaap:CostOfGoodsAndServicesSold | $1.7B | 2022-12-31 | 2025-02-19 | 10-K | 25-000013 |
| 22 | revenue | us-gaap:Revenues | $6.6B | 2021-12-31 | 2024-02-20 | 10-K | 24-000011 |
| 23 | cost of revenue | us-gaap:CostOfGoodsAndServicesSold | $1.7B | 2021-12-31 | 2024-02-20 | 10-K | 24-000011 |
| 24 | current assets | us-gaap:AssetsCurrent | $2.0B | 2025-12-31 | 2026-02-20 | 10-K | 26-000084 |
| 25 | current liabilities | us-gaap:LiabilitiesCurrent | $1.5B | 2025-12-31 | 2026-02-20 | 10-K | 26-000084 |
| 26 | retained earnings | us-gaap:RetainedEarningsAccumulatedDeficit | -$7.0B | 2025-12-31 | 2026-02-20 | 10-K | 26-000084 |
| 27 | liabilities | us-gaap:Liabilities | $15.5B | 2025-12-31 | 2026-02-20 | 10-K | 26-000084 |
| 28 | depreciation amortization | us-gaap:DepreciationDepletionAndAmortization | $206.0M | 2025-12-31 | 2026-02-20 | 10-K | 26-000084 |
| 29 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $371.0M | 2025-12-31 | 2026-02-20 | 10-K | 26-000084 |
| 30 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $1.7B | 2024-12-31 | 2026-02-20 | 10-K | 26-000084 |

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| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| 31 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $257.0M | 2024-12-31 | 2026-02-20 | 10-K | 26-000084 |
| 32 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $1.6B | 2023-12-31 | 2026-02-20 | 10-K | 26-000084 |
| 33 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $285.0M | 2023-12-31 | 2026-02-20 | 10-K | 26-000084 |
| 34 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $1.4B | 2022-12-31 | 2025-02-19 | 10-K | 25-000013 |
| 35 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $279.0M | 2022-12-31 | 2025-02-19 | 10-K | 25-000013 |
| 36 | current assets | us-gaap:AssetsCurrent | $1.9B | 2024-12-31 | 2026-02-20 | 10-K | 26-000084 |
| 37 | current liabilities | us-gaap:LiabilitiesCurrent | $1.3B | 2024-12-31 | 2026-02-20 | 10-K | 26-000084 |
| 38 | assets | us-gaap:Assets | $6.2B | 2023-12-31 | 2025-02-19 | 10-K | 25-000013 |
| 39 | assets | us-gaap:Assets | $5.8B | 2022-12-31 | 2024-02-20 | 10-K | 24-000011 |
| 40 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 276,430,130 | 2026-02-17 | 2026-02-20 | 10-K | 26-000084 |
| 41 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 279,101,936 | 2025-02-17 | 2025-02-19 | 10-K | 25-000013 |

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