American Electric Power Co. Inc.

AEP

Nasdaq; utilities; SIC 4911, Electric Services; CIK 0000004904

D/E

on the D/E boundary of 148 graded peers in the pooled energ...

rank 117 of 148; percentile 78.9; sampling error 3.6 points; lower is stronger

A B C D E

D/E, the sloth



Scoreboard

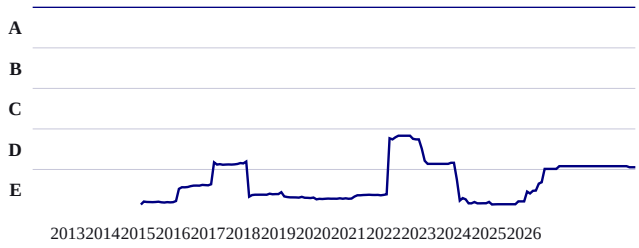
Profitability	C	percentile 53.7
Solvency	D	percentile 66.9
Growth and financing	C/D	percentile 56.9
Reliability	0.94 AUC	filers with over $2.67B assets; 95% interval 0.88 to 0.97; 61 events, 2020 to 2025
Peer failure rate	0.52% a year	Item 1.03 bankruptcies, same asset band, 2012 to 2025
Size band	over $2.67B assets	total assets $114.5B
Standard universe	inside	revenue above $1M and assets above $10M
Warnings	none triggered	
Inputs computable	10 of 14	
Graded from	filings received through Feb 12, 2026	259 days before the rescan; latest periodic filing 10-Q received Oct 28, 2026
Last close	$128.20	2026-10-28; market equity $69.8B; 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 12, 2026

AEP was incorporated under the laws of the State of New York in 1906 and reorganized in 1925. It is a public utility holding company that directly owns all of the outstanding common stock of the public utility subsidiaries identified below. The service areas of AEP's public utility subsidiaries cover portions of the states of Arkansas, Indiana, Kentucky, Louisiana, Michigan, Ohio, Oklahoma, Tennessee, Texas, Virginia and West Virginia. Transmission networks are interconnected with extensive distribution facilities in the territories served.

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 53.7						
Gross profitability	not computable	17.5%				
one or more required annual facts are missing						
Return on invested capital	7.0%	6.0%		32.2	91	2025-12-31

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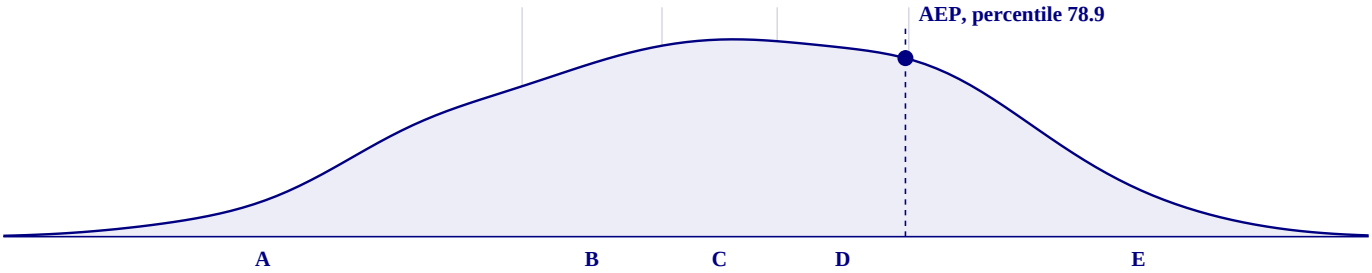
Accruals ratio	(3.0%)	(5.0%)	75.2	271	2025-12-31
Gross margin stability, five years	not computable	4.6 pts			
five annual gross margins are required; found 0					
Solvency, sleeve percentile 66.9					
Twelve-month failure probability	0.04%	0.06%	36.4	12	2026-03-31
Altman Z double-prime	0.73	1.48	60.3	152	2025-12-31
Net debt to EBITDA	5.45x	3.63x	78.4	117	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	0.45x	0.97x	92.5	282	2025-12-31
Growth and financing, sleeve percentile 56.9					
Revenue growth, three-year compound	3.4%	0.7%	45.2	222	2025-12-31
Free cash flow growth, three-year compound	not computable	(11.8%)			
four consecutive annual FCF observations are required; found 12					
Reinvestment rate	1.7%	59.0%	74.6	72	2025-12-31
Asset growth, three years	7.0%	6.4%	50.6	246	2025-12-31
Net share issuance, one year	1.5%	0.4%	57.1	157	2025-12-31

Among 148 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
112	Southern Co. (SOJC)	76.5	D/E	
113	Southern Co. (SOJD)	76.5	D/E	
114	Southern Co. (SOJE)	76.5	D/E	
115	Southern Co. (SOJF)	76.5	D/E	
116	Southern Co. (SOMN)	76.5	D/E	
117	American Electric Power Co. Inc. (AEP)	78.9	D/E	
118	MDU Resources Group Inc. (MDU)	79.6	D/E	
119	Global Water Resources, Inc. (GWRS)	80.3	D/E	
120	Duke Energy Corp. (DUK)	82.0	D/E	
121	Duke Energy Corp. (DUK-PA)	82.0	D/E	
122	Duke Energy Corp. (DUKB)	82.0	D/E	

What the price implies

at the 2026-10-28 close; none of these enters the grade

Measure	Value	Peer median	Percentile
Twelve-month price change, skipping the latest month	12.2%	15.5%	45
Distance from 52-week high	(7.6%)	(13.1%)	72
EBIT to enterprise value	4.5%	4.5%	50
Free cash flow yield	5.0%	1.4%	72
Book value to price	0.46	0.52	35
Sales to price	0.31	0.44	33

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Composite equity issuance, five years	(11.4%)	(7.2%)	41
Relative strength against the sector, log excess return	0.13	0.04	65

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	pass
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	pass
Cash, filings, liquidity	
Cash and equivalents	$306.0M
Operating cash flow, four quarters	$7.0B
Months of runway	not finite
Days since last periodic filing	1 (10-Q received Oct 28, 2026)
Median daily dollar volume, 63 sessions	$405.3M

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	operating income	us-gaap:OperatingIncomeLoss	$5.3B	2025-12-31	2026-02-12	10-K	26-000013
2	pretax income	us-gaap:IncomeLossFromContinuingOperationsBeforeInc...	$3.8B	2025-12-31	2026-02-12	10-K	26-000013
3	income tax	us-gaap:IncomeTaxExpenseBenefit	$129.0M	2025-12-31	2026-02-12	10-K	26-000013
4	total debt	us-gaap:LongTermDebt	$47.3B	2025-12-31	2026-02-12	10-K	26-000013
5	book equity	us-gaap:StockholdersEquity	$31.1B	2025-12-31	2026-02-12	10-K	26-000013
6	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	$197.0M	2025-12-31	2026-02-12	10-K	26-000013
7	total debt	us-gaap:LongTermDebt	$42.6B	2024-12-31	2026-02-12	10-K	26-000013
8	book equity	us-gaap:StockholdersEquity	$26.9B	2024-12-31	2026-02-12	10-K	26-000013
9	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	$203.0M	2024-12-31	2026-02-12	10-K	26-000013
10	net income	us-gaap:ProfitLoss	$3.7B	2025-12-31	2026-02-12	10-K	26-000013
11	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$6.9B	2025-12-31	2026-02-12	10-K	26-000013
12	assets	us-gaap:Assets	$114.5B	2025-12-31	2026-02-12	10-K	26-000013
13	assets	us-gaap:Assets	$103.1B	2024-12-31	2026-02-12	10-K	26-000013
14	current assets	us-gaap:AssetsCurrent	$6.1B	2025-12-31	2026-02-12	10-K	26-000013
15	current liabilities	us-gaap:LiabilitiesCurrent	$13.3B	2025-12-31	2026-02-12	10-K	26-000013
16	retained earnings	us-gaap:RetainedEarningsAccumulatedDeficit	$15.4B	2025-12-31	2026-02-12	10-K	26-000013
17	liabilities	us-gaap:Liabilities	$82.2B	2025-12-31	2026-02-12	10-K	26-000013
18	depreciation amortization	us-gaap:DepreciationDepletionAndAmortization	$3.3B	2025-12-31	2026-02-12	10-K	26-000013
19	operating income	us-gaap:OperatingIncomeLoss	$3.6B	2023-12-31	2026-02-12	10-K	26-000013
20	interest expense	us-gaap:InterestExpense	$1.8B	2023-12-31	2024-02-26	10-K	24-000020
21	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$21.7B	2025-12-31	2026-02-12	10-K	26-000013
22	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$20.0B	2024-12-31	2026-02-12	10-K	26-000013
23	revenue	us-gaap:Revenues	$19.0B	2023-12-31	2026-02-12	10-K	26-000013
24	revenue	us-gaap:Revenues	$19.6B	2022-12-31	2025-02-13	10-K	25-000027
25	capital expenditure	us-gaap:PaymentsToAcquireProductiveAssets	$3.5B	2025-12-31	2026-02-12	10-K	26-000013
26	current assets	us-gaap:AssetsCurrent	$5.8B	2024-12-31	2026-02-12	10-K	26-000013
27	current liabilities	us-gaap:LiabilitiesCurrent	$13.0B	2024-12-31	2026-02-12	10-K	26-000013
28	assets	us-gaap:Assets	$96.7B	2023-12-31	2025-02-13	10-K	25-000027
29	assets	us-gaap:Assets	$93.4B	2022-12-31	2024-02-26	10-K	24-000020

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30	shares outstanding	dei:EntityCommonStockSharesOutstanding	540,861,473	2025-12-31	2026-02-12	10-K	26-000013
31	shares outstanding	dei:EntityCommonStockSharesOutstanding	532,907,715	2024-12-31	2025-02-13	10-K	25-000027

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