# 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

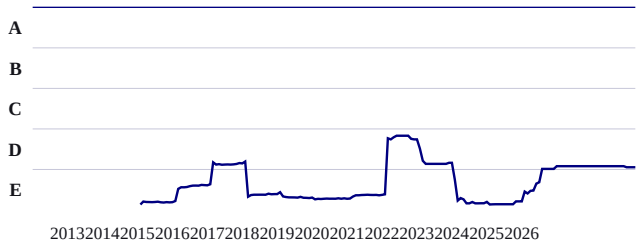
| | | |
|---|---|---|
| **Profitability** | C | percentile 53.7 |
| **Solvency** | D | percentile 66.9 |
| **Growth and financing** | C/D | percentile 56.9 |
| **Reliability** | 0.94 AUC | filers with over $2.67B assets; 95% interval 0.88 to 0.97; 61 events, 2020 to 2025 |
| **Peer failure rate** | 0.52% 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 | 260 days before the rescan; latest periodic filing 10-Q received Oct 28, 2026 |
| **Last close** | $129.34 | 2026-10-29; market equity $70.4B; 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*

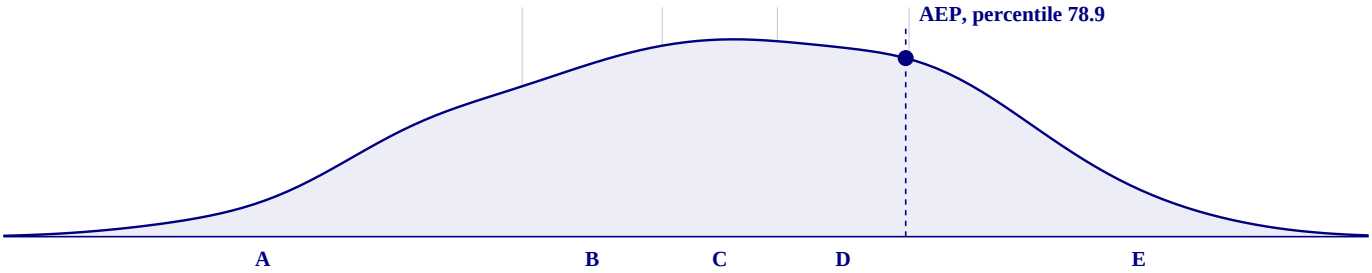
| Input | Value | Peer median | Percentile, 0 to 100 | Pct | Peers | Period end |
|---|---|---|---|---|---|---|
| **Profitability, sleeve percentile 53.7** | | | | | | |
| Gross profitability | not computable | 17.5% | | | | |
| *one or more required annual facts are missing* | | | | | | |
| Return on 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 2026-10-29 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 | (6.7%) | (12.6%) | 71 |
| EBIT to enterprise value | 4.4% | 4.4% | 50 |
| Free cash flow yield | 5.0% | 1.4% | 72 |
| Book value to price | 0.45 | 0.52 | 35 |
| Sales to price | 0.31 | 0.44 | 34 |

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| | | | |
|---|---|---|---|
| Composite equity issuance, five years | (11.4%) | (7.1%) | 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 | 2 (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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