# Applied Materials Inc.

**AMAT**

Nasdaq; business equipment; SIC 3674, Semiconductors & Related Devices; CIK 0000006951

**A**

**strongest fifth of 496 graded peers in business equipment**

rank 50 of 496; percentile 9.9; sampling error 2.2 points; lower is stronger

A B C D E

**A, the bull**



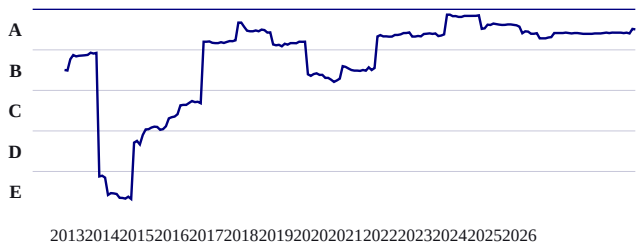
| Scoreboard | |
|---|---|
| **Profitability** | B/C<br>percentile 38.5 |
| **Solvency** | A/B<br>percentile 20.1 |
| **Growth and financing** | C<br>percentile 43.0 |
| **Reliability** | 0.94 AUC<br>filers with over $2.67B assets; 95% interval 0.88 to 0.97; 61 events, 2020 to 2025 |
| **Peer failure 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 $36.3B |
| **Standard universe** | inside<br>revenue above $1M and assets above $10M |
| **Warnings** | none triggered |
| **Inputs computable** | 11 of 14 |
| **Graded from** | filings received through Dec 12, 2025<br>323 days before the rescan; latest periodic filing 10-Q received Aug 20, 2026 |
| **Last close** | $389.14<br>2026-10-30; market equity $308.8B; 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 Dec 12, 2025*

Applied Materials, Inc. is the leader in the materials engineering solutions used to produce virtually every semiconductor in the world. Semiconductors provide the foundation for advances in technology that are reshaping the global economy, including artificial intelligence, the internet of things, robotics, electric and autonomous vehicles, and clean energy. We are experts in the design, development, production, and servicing of the critical wafer fabrication tools our customers need to manufacture semiconductors.

## 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 38.5** | | | | | | |
| Gross profitability | 38.0% | 28.7% | | 30.9 | 554 | 2025-10-26 |
| Return on invested capital | not computable | 11.4% | | | | |
| *latest aligned inputs end 2020-10-25; latest annual assets end 2025-10-26* | | | | | | |
| Accruals ratio | (2.7%) | (7.3%) | | 76.3 | 617 | 2025-10-26 |

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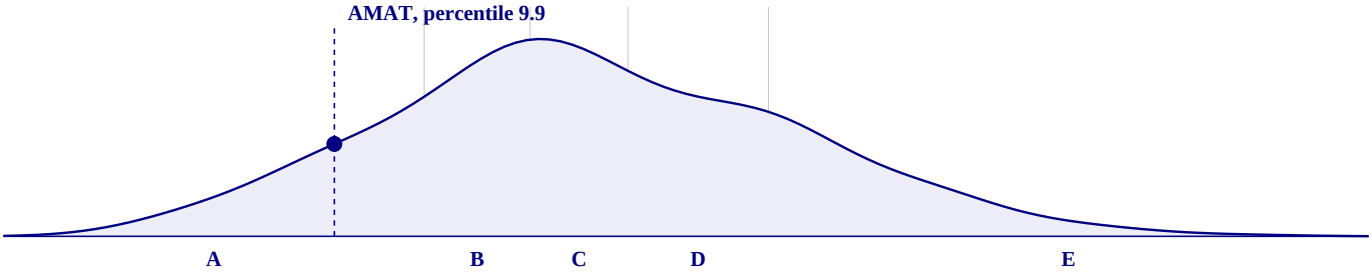
| | | | | | |
|---|---|---|---|---|---|
| Gross margin stability, five years | 0.8 pts | 2.3 pts | 8.3 | 425 | 2025-10-26 |
| **Solvency, sleeve percentile 20.1** | | | | | |
| Twelve-month failure probability | 0.03% | 0.05% | 15.5 | 104 | 2026-07-26 |
| Altman Z double-prime | 10.17 | 2.15 | 8.3 | 564 | 2025-10-26 |
| Net debt to EBITDA | not computable | 1.09x | | | |
| *latest aligned inputs end 2020-10-25; latest annual assets end 2025-10-26* | | | | | |
| Interest coverage | not computable | 3.77x | | | |
| *latest aligned inputs end 2023-10-29; latest annual assets end 2025-10-26* | | | | | |
| Current ratio | 2.61x | 2.01x | 36.5 | 661 | 2025-10-26 |
| **Growth and financing, sleeve percentile 43.0** | | | | | |
| Revenue growth, three-year compound | 3.2% | 6.4% | 58.9 | 534 | 2025-10-26 |
| Free cash flow growth, three-year compound | 7.3% | 18.1% | 62.4 | 264 | 2025-10-26 |
| Reinvestment rate | 32.0% | 13.5% | 42.8 | 223 | 2025-10-26 |
| Asset growth, three years | 10.7% | 5.1% | 33.0 | 559 | 2025-10-26 |
| Net share issuance, one year | (2.5%) | 0.5% | 18.2 | 408 | 2025-12-05 |

## Among 496 peers

*business equipment; 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 |
|---|---|---|---|---|
| 45 | MongoDB, Inc. (MDB) | 8.9 | A | |
| 46 | Autodesk, Inc. (ADSK) | 9.1 | A | |
| 47 | Badger Meter Inc. (BMI) | 9.3 | A | |
| 48 | Sandisk Corp. (SNDK) | 9.5 | A | fortress balance sheet |
| 49 | Workiva Inc. (WK) | 9.7 | A | fortress balance sheet |
| 50 | Applied Materials Inc. (AMAT) | 9.9 | A | |
| 51 | Alphabet Inc. (GOOG) | 10.4 | A | |
| 52 | Alphabet Inc. (GOOGL) | 10.4 | A | |
| 53 | Alphabet Inc. (GOOGM) | 10.4 | A | |
| 54 | Alphabet Inc. (GOOGN) | 10.4 | A | |
| 55 | Super Micro Computer, Inc. (SMCI) | 11.0 | A | late filer, fortress balance sheet |

## What the price implies

*at the 2026-10-30 close; none of these enters the grade*

| Measure | Value | Peer median | Percentile |
|---|---|---|---|
| Twelve-month price change, skipping the latest month | 125.1% | 2.2% | 94 |
| Distance from 52-week high | (46.0%) | (32.4%) | 35 |
| EBIT to enterprise value | 2.7% | 1.6% | 58 |
| Free cash flow yield | 1.8% | 2.8% | 39 |
| Book value to price | 0.08 | 0.27 | 19 |
| Sales to price | 0.09 | 0.31 | 16 |
| Composite equity issuance, five years | (18.8%) | 4.3% | 14 |
| Relative strength against the sector, log excess return | 0.53 | (0.26) | 94 |

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## Diagnostics

*shown on every report; none enters the grade*

| Measure | Value |
|---|---|
| **Piotroski F-score 6 of 9, period end 2025-10-26** | |
| 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 | pass |
| Gross margin improved | pass |
| Asset turnover improved | fail |
| **Cash, filings, liquidity** | |
| Cash and equivalents | $7.0B |
| Operating cash flow, four quarters | $8.4B |
| Months of runway | not finite |
| Days since last periodic filing | 72 (10-Q received Aug 20, 2026) |
| Median daily dollar volume, 63 sessions | $2.9B |

## 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 | $13.8B | 2025-10-26 | 2025-12-12 | 10-K | 25-056742 |
| 2 | assets | us-gaap:Assets | $36.3B | 2025-10-26 | 2025-12-12 | 10-K | 25-056742 |
| 3 | operating income | us-gaap:OperatingIncomeLoss | $4.4B | 2020-10-25 | 2022-12-16 | 10-K | 22-000043 |
| 4 | pretax income | us-gaap:IncomeLossFromContinuingOperationsBeforeInc... | $4.2B | 2020-10-25 | 2020-12-11 | 10-K | 20-000048 |
| 5 | income tax | us-gaap:IncomeTaxExpenseBenefit | $547.0M | 2020-10-25 | 2022-12-16 | 10-K | 22-000043 |
| 6 | total debt | us-gaap:LongTermDebt | $5.4B | 2020-10-25 | 2020-12-11 | 10-K | 20-000048 |
| 7 | book equity | us-gaap:StockholdersEquity | $10.6B | 2020-10-25 | 2023-12-15 | 10-K | 23-000041 |
| 8 | cash | us-gaap:CashAndCashEquivalentsAtCarryingValue | $5.4B | 2020-10-25 | 2022-12-16 | 10-K | 22-000043 |
| 9 | total debt | us-gaap:LongTermDebt | $5.3B | 2019-10-27 | 2020-12-11 | 10-K | 20-000048 |
| 10 | book equity | us-gaap:StockholdersEquity | $8.2B | 2019-10-27 | 2022-12-16 | 10-K | 22-000043 |
| 11 | cash | us-gaap:CashAndCashEquivalentsAtCarryingValue | $3.1B | 2019-10-27 | 2021-12-17 | 10-K | 21-000043 |
| 12 | net income | us-gaap:NetIncomeLoss | $7.0B | 2025-10-26 | 2025-12-12 | 10-K | 25-056742 |
| 13 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $8.0B | 2025-10-26 | 2025-12-12 | 10-K | 25-056742 |
| 14 | assets | us-gaap:Assets | $34.4B | 2024-10-27 | 2025-12-12 | 10-K | 25-056742 |
| 15 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $28.4B | 2025-10-26 | 2025-12-12 | 10-K | 25-056742 |
| 16 | gross profit | us-gaap:GrossProfit | $12.9B | 2024-10-27 | 2025-12-12 | 10-K | 25-056742 |
| 17 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $27.2B | 2024-10-27 | 2025-12-12 | 10-K | 25-056742 |
| 18 | gross profit | us-gaap:GrossProfit | $12.4B | 2023-10-29 | 2025-12-12 | 10-K | 25-056742 |
| 19 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $26.5B | 2023-10-29 | 2025-12-12 | 10-K | 25-056742 |
| 20 | gross profit | us-gaap:GrossProfit | $12.0B | 2022-10-30 | 2024-12-13 | 10-K | 24-000044 |
| 21 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $25.8B | 2022-10-30 | 2024-12-13 | 10-K | 24-000044 |
| 22 | gross profit | us-gaap:GrossProfit | $10.9B | 2021-10-31 | 2023-12-15 | 10-K | 23-000041 |
| 23 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $23.1B | 2021-10-31 | 2023-12-15 | 10-K | 23-000041 |
| 24 | current assets | us-gaap:AssetsCurrent | $20.9B | 2025-10-26 | 2025-12-12 | 10-K | 25-056742 |
| 25 | current liabilities | us-gaap:LiabilitiesCurrent | $8.0B | 2025-10-26 | 2025-12-12 | 10-K | 25-056742 |
| 26 | retained earnings | us-gaap:RetainedEarningsAccumulatedDeficit | $55.2B | 2025-10-26 | 2025-12-12 | 10-K | 25-056742 |
| 27 | operating income | us-gaap:OperatingIncomeLoss | $8.3B | 2025-10-26 | 2025-12-12 | 10-K | 25-056742 |
| 28 | book equity | us-gaap:StockholdersEquity | $20.4B | 2025-10-26 | 2025-12-12 | 10-K | 25-056742 |
| 29 | liabilities | us-gaap:Liabilities | $15.9B | 2025-10-26 | 2025-12-12 | 10-K | 25-056742 |
| 30 | depreciation amortization | us-gaap:Depreciation | $320.0M | 2020-10-25 | 2022-12-16 | 10-K | 22-000043 |
| 31 | operating income | us-gaap:OperatingIncomeLoss | $7.7B | 2023-10-29 | 2025-12-12 | 10-K | 25-056742 |

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| | | | | | | | |
|---|---|---|---|---|---|---|---|
| 32 | interest expense | us-gaap:InterestExpense | $238.0M | 2023-10-29 | 2023-12-15 | 10-K | 23-000041 |
| 33 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $2.3B | 2025-10-26 | 2025-12-12 | 10-K | 25-056742 |
| 34 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $8.7B | 2024-10-27 | 2025-12-12 | 10-K | 25-056742 |
| 35 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $1.2B | 2024-10-27 | 2025-12-12 | 10-K | 25-056742 |
| 36 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $8.7B | 2023-10-29 | 2025-12-12 | 10-K | 25-056742 |
| 37 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $1.1B | 2023-10-29 | 2025-12-12 | 10-K | 25-056742 |
| 38 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $5.4B | 2022-10-30 | 2024-12-13 | 10-K | 24-000044 |
| 39 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $787.0M | 2022-10-30 | 2024-12-13 | 10-K | 24-000044 |
| 40 | depreciation amortization | us-gaap:Depreciation | $389.0M | 2025-10-26 | 2025-12-12 | 10-K | 25-056742 |
| 41 | pretax income | us-gaap:IncomeLossFromContinuingOperationsBeforeInc... | $9.3B | 2025-10-26 | 2025-12-12 | 10-K | 25-056742 |
| 42 | income tax | us-gaap:IncomeTaxExpenseBenefit | $2.3B | 2025-10-26 | 2025-12-12 | 10-K | 25-056742 |
| 43 | current assets | us-gaap:AssetsCurrent | $21.2B | 2024-10-27 | 2025-12-12 | 10-K | 25-056742 |
| 44 | current liabilities | us-gaap:LiabilitiesCurrent | $8.5B | 2024-10-27 | 2025-12-12 | 10-K | 25-056742 |
| 45 | assets | us-gaap:Assets | $30.7B | 2023-10-29 | 2024-12-13 | 10-K | 24-000044 |
| 46 | assets | us-gaap:Assets | $26.7B | 2022-10-30 | 2023-12-15 | 10-K | 23-000041 |
| 47 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 792,943,366 | 2025-12-05 | 2025-12-12 | 10-K | 25-056742 |
| 48 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 813,684,638 | 2024-12-06 | 2024-12-13 | 10-K | 24-000044 |

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