# Cognizant Technology Solutions Corp. CTSH

Nasdaq; business equipment; SIC 7371, Services-Computer Programming Services; CIK 0001058290

**C**

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

rank 253 of 496; percentile 50.9; sampling error 2.2 points; lower is stronger

A B C D E

**C, the tortoise**



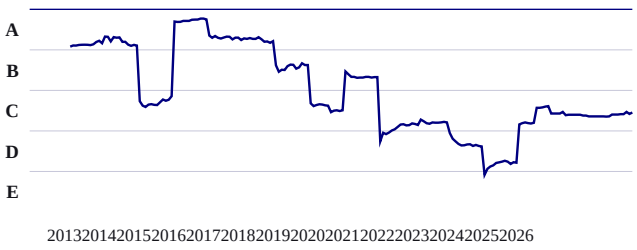
| Scoreboard | |
|---|---|
| **Profitability** | D<br>percentile 73.9 |
| **Solvency** | B<br>percentile 23.0 |
| **Growth and financing** | C<br>percentile 49.3 |
| **Reliability** | 0.94 AUC<br>filers with over $2.67B assets; 95% interval 0.88 to 0.97; 61 events, 2020 to 2025 |
| **Peer failure rate** | 0.52% a year<br>Item 1.03 bankruptcies, same asset band, 2012 to 2025 |
| **Size band** | over $2.67B assets<br>total assets $20.7B |
| **Standard universe** | inside<br>revenue above $1M and assets above $10M |
| **Warnings** | none triggered; fortress balance sheet |
| **Inputs computable** | 9 of 14 |
| **Graded from** | filings received through Feb 12, 2026<br>261 days before the rescan; latest periodic filing 10-Q received Oct 29, 2026 |
| **Last close** | $65.12<br>2026-10-30; market equity $29.1B; 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*

-Competition." We compete on the basis of reputation and experience, strategic advisory capabilities, digital and AI capabilities, performance and reliability, responsiveness to customer needs, financial stability, corporate governance and competitive pricing of services. The less we are able to differentiate our services and solutions and/or clearly convey the value of our services and solutions, the more difficulty we have in winning new work in sufficient volumes and at our target pricing and overall economics.

## 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 73.9** | | | | | | |
| Gross profitability | not computable | 28.7% | | | | |
| *one or more required annual facts are missing* | | | | | | |
| Return on invested capital | not computable | 11.4% | | | | |
| *latest aligned inputs end 2018-12-31; latest annual assets end 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 | (3.2%) | (7.3%) | 73.9 | 617 | 2025-12-31 |
| Gross margin stability, five years | not computable | 2.3 pts | | | |
| *five annual gross margins are required; found 0* | | | | | |
| **Solvency, sleeve percentile 23.0** | | | | | |
| Twelve-month failure probability | 0.02% | 0.05% | 10.7 | 104 | 2026-09-30 |
| Altman Z double-prime | 7.58 | 2.15 | 12.6 | 564 | 2025-12-31 |
| Net debt to EBITDA | not computable | 1.09x | | | |
| *latest aligned inputs end 2018-12-31; latest annual assets end 2025-12-31* | | | | | |
| Interest coverage | not computable | 3.77x | | | |
| *latest aligned inputs end 2023-12-31; latest annual assets end 2025-12-31* | | | | | |
| Current ratio | 2.14x | 2.01x | 45.6 | 661 | 2025-12-31 |
| **Growth and financing, sleeve percentile 49.3** | | | | | |
| Revenue growth, three-year compound | 2.8% | 6.4% | 60.2 | 534 | 2025-12-31 |
| Free cash flow growth, three-year compound | 5.1% | 18.1% | 68.8 | 264 | 2025-12-31 |
| Reinvestment rate | (1.0%) | 13.5% | 55.0 | 223 | 2025-12-31 |
| Asset growth, three years | 5.0% | 5.1% | 48.4 | 559 | 2025-12-31 |
| Net share issuance, one year | (3.3%) | 0.5% | 14.0 | 408 | 2026-02-06 |

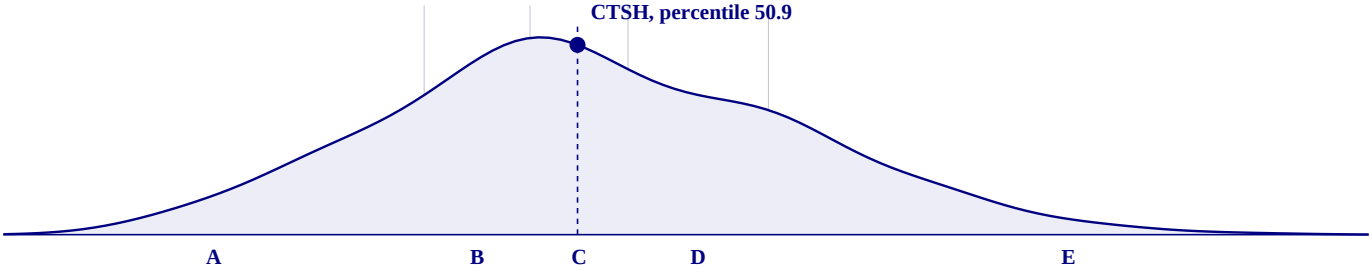
## Warnings

*1 of 7 checks triggered; none of them enters the letter*

| Check | Measured |
|---|---|
| Fortress balance sheet | cash minus debt is 411,000,000 USD; Altman Z is not used |

## 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 |
|---|---|---|---|---|
| 248 | Roper Technologies Inc. (ROP) | 49.9 | C | |
| 249 | Penguin Solutions, Inc. (PENG) | 50.1 | C | |
| 250 | Applied Digital Corp. (APLD) | 50.3 | C | fortress balance sheet |
| 251 | Mobileye Global Inc. (MBLY) | 50.5 | C | |
| 252 | Ultra Clean Holdings, Inc. (UCTT) | 50.7 | C | |
| 253 | Cognizant Technology Solutions Corp. (CTSH) | 50.9 | C | fortress balance sheet |
| 254 | Evertec, Inc. (EVTC) | 51.1 | C | |
| 255 | Amkor Technology, Inc. (AMKR) | 51.3 | C | |
| 256 | Hubbell Inc. (HUBB) | 51.5 | C | |
| 257 | Soundthinking, Inc. (SSTI) | 51.7 | C | |
| 258 | Alarm.com Holdings, Inc. (ALRM) | 51.9 | C | |

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## 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 | (1.5%) | 2.2% | 48 |
| Distance from 52-week high | (24.9%) | (32.4%) | 60 |
| EBIT to enterprise value | 12.0% | 1.6% | 96 |
| Free cash flow yield | 8.9% | 2.8% | 84 |
| Book value to price | 0.51 | 0.27 | 72 |
| Sales to price | 0.73 | 0.31 | 70 |
| Composite equity issuance, five years | (26.7%) | 4.3% | 5 |
| Relative strength against the sector, log excess return | (0.30) | (0.26) | 48 |

## 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 | pass |
| Current ratio improved | pass |
| No new shares issued | pass |
| Gross margin improved | fail |
| Asset turnover improved | fail |
| **Cash, filings, liquidity** | |
| Cash and equivalents | $1.5B |
| Operating cash flow, four quarters | $2.7B |
| Months of runway | not finite |
| Days since last periodic filing | 2 (10-Q received Oct 29, 2026) |
| Median daily dollar volume, 63 sessions | $372.9M |

## 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 | $2.8B | 2018-12-31 | 2021-02-12 | 10-K | 21-000031 |
| 2 | pretax income | us-gaap:IncomeLossFromContinuingOperationsBeforeInc... | $2.8B | 2018-12-31 | 2021-02-12 | 10-K | 21-000031 |
| 3 | income tax | us-gaap:IncomeTaxExpenseBenefit | $698.0M | 2018-12-31 | 2021-02-12 | 10-K | 21-000031 |
| 4 | total debt | us-gaap:LongTermDebt | $750.0M | 2018-12-31 | 2019-02-19 | 10-K | 19-000009 |
| 5 | book equity | us-gaap:StockholdersEquity | $11.4B | 2018-12-31 | 2022-02-16 | 10-K | 22-000023 |
| 6 | cash | us-gaap:CashAndCashEquivalentsAtCarryingValue | $1.2B | 2018-12-31 | 2020-02-14 | 10-K | 20-000008 |
| 7 | total debt | us-gaap:LongTermDebt | $800.0M | 2017-12-31 | 2018-02-27 | 10-K | 18-000009 |
| 8 | book equity | us-gaap:StockholdersEquity | $10.7B | 2017-12-31 | 2021-02-12 | 10-K | 21-000031 |
| 9 | cash | us-gaap:CashAndCashEquivalentsAtCarryingValue | $1.9B | 2017-12-31 | 2020-02-14 | 10-K | 20-000008 |
| 10 | net income | us-gaap:NetIncomeLoss | $2.2B | 2025-12-31 | 2026-02-12 | 10-K | 26-000008 |
| 11 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $2.9B | 2025-12-31 | 2026-02-12 | 10-K | 26-000008 |
| 12 | assets | us-gaap:Assets | $20.7B | 2025-12-31 | 2026-02-12 | 10-K | 26-000008 |
| 13 | assets | us-gaap:Assets | $20.0B | 2024-12-31 | 2026-02-12 | 10-K | 26-000008 |
| 14 | current assets | us-gaap:AssetsCurrent | $7.8B | 2025-12-31 | 2026-02-12 | 10-K | 26-000008 |
| 15 | current liabilities | us-gaap:LiabilitiesCurrent | $3.7B | 2025-12-31 | 2026-02-12 | 10-K | 26-000008 |
| 16 | retained earnings | us-gaap:RetainedEarningsAccumulatedDeficit | $15.2B | 2025-12-31 | 2026-02-12 | 10-K | 26-000008 |
| 17 | operating income | us-gaap:OperatingIncomeLoss | $3.4B | 2025-12-31 | 2026-02-12 | 10-K | 26-000008 |
| 18 | book equity | us-gaap:StockholdersEquity | $15.0B | 2025-12-31 | 2026-02-12 | 10-K | 26-000008 |

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| | | | | | | | |
|---|---|---|---|---|---|---|---|
| 19 | liabilities | us-gaap:Liabilities | $5.7B | 2025-12-31 | 2026-02-12 | 10-K | 26-000008 |
| 20 | depreciation amortization | us-gaap:DepreciationDepletionAndAmortization | $498.0M | 2018-12-31 | 2021-02-12 | 10-K | 21-000031 |
| 21 | operating income | us-gaap:OperatingIncomeLoss | $2.7B | 2023-12-31 | 2026-02-12 | 10-K | 26-000008 |
| 22 | interest expense | us-gaap:InterestExpense | $41.0M | 2023-12-31 | 2024-02-14 | 10-K | 24-000017 |
| 23 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $21.1B | 2025-12-31 | 2026-02-12 | 10-K | 26-000008 |
| 24 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $19.7B | 2024-12-31 | 2026-02-12 | 10-K | 26-000008 |
| 25 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $19.4B | 2023-12-31 | 2026-02-12 | 10-K | 26-000008 |
| 26 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $19.4B | 2022-12-31 | 2025-02-12 | 10-K | 25-000017 |
| 27 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $288.0M | 2025-12-31 | 2026-02-12 | 10-K | 26-000008 |
| 28 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $2.1B | 2024-12-31 | 2026-02-12 | 10-K | 26-000008 |
| 29 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $297.0M | 2024-12-31 | 2026-02-12 | 10-K | 26-000008 |
| 30 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $2.3B | 2023-12-31 | 2026-02-12 | 10-K | 26-000008 |
| 31 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $317.0M | 2023-12-31 | 2026-02-12 | 10-K | 26-000008 |
| 32 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $2.6B | 2022-12-31 | 2025-02-12 | 10-K | 25-000017 |
| 33 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $332.0M | 2022-12-31 | 2025-02-12 | 10-K | 25-000017 |
| 34 | depreciation amortization | us-gaap:DepreciationDepletionAndAmortization | $550.0M | 2025-12-31 | 2026-02-12 | 10-K | 26-000008 |
| 35 | pretax income | us-gaap:IncomeLossFromContinuingOperationsBeforeInc... | $3.5B | 2025-12-31 | 2026-02-12 | 10-K | 26-000008 |
| 36 | income tax | us-gaap:IncomeTaxExpenseBenefit | $1.3B | 2025-12-31 | 2026-02-12 | 10-K | 26-000008 |
| 37 | current assets | us-gaap:AssetsCurrent | $7.5B | 2024-12-31 | 2026-02-12 | 10-K | 26-000008 |
| 38 | current liabilities | us-gaap:LiabilitiesCurrent | $3.6B | 2024-12-31 | 2026-02-12 | 10-K | 26-000008 |
| 39 | assets | us-gaap:Assets | $18.5B | 2023-12-31 | 2025-02-12 | 10-K | 25-000017 |
| 40 | assets | us-gaap:Assets | $17.9B | 2022-12-31 | 2024-02-14 | 10-K | 24-000017 |
| 41 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 478,246,920 | 2026-02-06 | 2026-02-12 | 10-K | 26-000008 |
| 42 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 494,615,514 | 2025-02-07 | 2025-02-12 | 10-K | 25-000017 |

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