Leonardo DRS, Inc.

DRS

Nasdaq; business equipment; SIC 3812, Search, Detection, Navigation, Guidance, Aeronautical Sys; CIK 0001833756

B

second fifth of 496 graded peers in business equipment

rank 153 of 496; percentile 30.7; sampling error 2.2 points; lower is stronger

A B C D E

B, the elk



Scoreboard

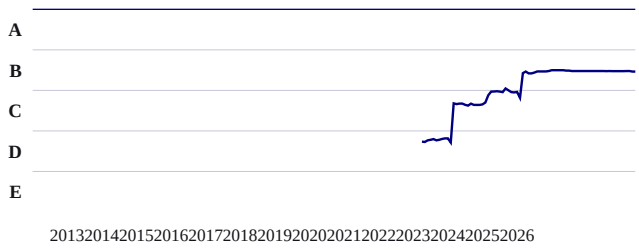
Profitability	C percentile 57.0
Solvency	B percentile 31.3
Growth and financing	B/C percentile 41.3
Reliability	0.94 AUC filers with over $2.67B assets; 95% interval 0.88 to 0.97; 61 events, 2020 to 2025
Peer failure rate	0.52% a year Item 1.03 bankruptcies, same asset band, 2012 to 2025
Size band	over $2.67B assets total assets $4.5B
Standard universe	inside revenue above $1M and assets above $10M
Warnings	none triggered; fortress balance sheet not computable: distress
Inputs computable	10 of 14
Graded from	filings received through Feb 27, 2026 247 days before the rescan; latest periodic filing 10-Q received Oct 29, 2026
Last close	$37.66 2026-10-30; market equity $10.0B; 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 27, 2026

Leonardo DRS, Inc. provides advanced defense technology to U.S. national security customers and allied defense forces worldwide. We specialize in the design, development, manufacture, and integration of advanced sensing, network computing, force protection, and electric power and propulsion technologies and solutions. As a mid-sized defense technology company, our combination of operational speed and agility, deep domain expertise, and established positions on priority defense platforms has resulted in a durable and diversified portfolio of programs across the DoW.

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 57.0						
Gross profitability	19.4%	28.7%		64.0	554	2025-12-31
Return on invested capital	12.2%	11.4%		46.2	133	2025-12-31
Accruals ratio	(2.0%)	(7.3%)		79.4	617	2025-12-31

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Gross margin stability, five years	1.7 pts	2.3 pts		38.4	425	2025-12-31
Solvency, sleeve percentile 31.3						
Twelve-month failure probability	not computable	0.05%				
liabilities and a nearby cover-page share count are required at 2026-09-30						
Altman Z double-prime	not computable	2.15				
one or more required annual facts are missing						
Net debt to EBITDA	(0.74x)	1.09x		10.3	146	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	1.89x	2.01x		52.3	661	2025-12-31
Growth and financing, sleeve percentile 41.3						
Revenue growth, three-year compound	10.6%	6.4%		37.5	534	2025-12-31
Free cash flow growth, three-year compound	not computable	18.1%				
current FCF must be positive and base FCF must exceed $100,000						
Reinvestment rate	32.6%	13.5%		42.3	223	2025-12-31
Asset growth, three years	6.9%	5.1%		41.8	559	2025-12-31
Net share issuance, one year	0.3%	0.5%		43.7	408	2026-02-24

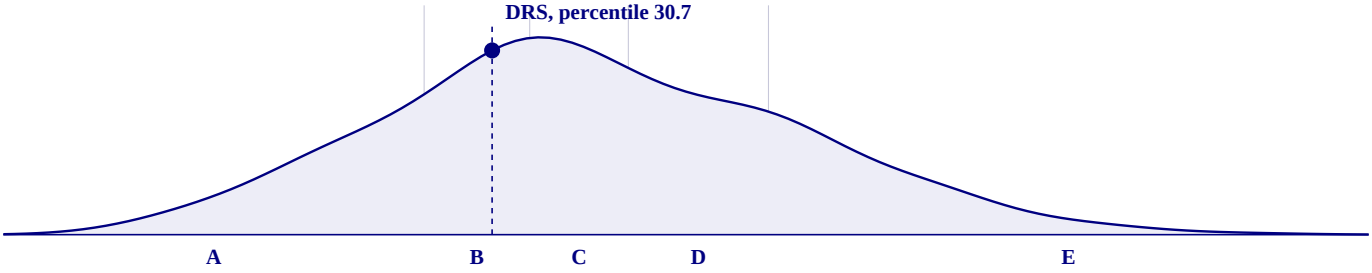
Warnings

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

Check	Measured
Fortress balance sheet	cash minus debt is 326,000,000 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
148	First Solar, Inc. (FSLR)	29.7	B	fortress balance sheet
149	EnerSys (ENS)	29.9	B	
150	Data Storage Corp. (DTST)	30.1	B	short runway, late filer, fortress balance sheet
151	Formfactor Inc. (FORM)	30.3	B	fortress balance sheet
152	Block, Inc. (XYZ)	30.5	B	
153	Leonardo DRS, Inc. (DRS)	30.7	B	fortress balance sheet
154	Verisign Inc/Ca (VRSN)	30.9	B	fortress balance sheet
155	CTS Corp. (CTS)	31.1	B	fortress balance sheet
156	Where Food Comes From, Inc. (WFCF)	31.3	B	fortress balance sheet
157	Waters Corp. (WAT)	31.5	B	dilution
158	CarGurus, Inc. (CARG)	31.7	B	fortress balance sheet

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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	1.0%	(2.0%)	53
Distance from 52-week high	(24.2%)	(32.4%)	62
EBIT to enterprise value	3.5%	1.6%	66
Free cash flow yield	2.3%	2.8%	43
Book value to price	0.29	0.27	53
Sales to price	0.36	0.31	55
Composite equity issuance, five years	not computable	4.3%	
Relative strength against the sector, log excess return	(0.26)	(0.29)	53

Diagnostics

shown on every report; none enters the grade

Measure	Value
Piotroski F-score 7 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	pass
Current ratio improved	fail
No new shares issued	fail
Gross margin improved	pass
Asset turnover improved	pass
Cash, filings, liquidity	
Cash and equivalents	$294.0M
Operating cash flow, four quarters	$490.0M
Months of runway	not finite
Days since last periodic filing	3 (10-Q received Oct 29, 2026)
Median daily dollar volume, 63 sessions	$33.1M

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	$869.0M	2025-12-31	2026-02-27	10-K	26-000013
2	assets	us-gaap:Assets	$4.5B	2025-12-31	2026-02-27	10-K	26-000013
3	operating income	us-gaap:OperatingIncomeLoss	$348.0M	2025-12-31	2026-02-27	10-K	26-000013
4	pretax income	us-gaap:IncomeLossFromContinuingOperationsBeforeInc...	$336.0M	2025-12-31	2026-02-27	10-K	26-000013
5	income tax	us-gaap:IncomeTaxExpenseBenefit	$58.0M	2025-12-31	2026-02-27	10-K	26-000013
6	total debt	us-gaap:LongTermDebtAndCapitalLeaseObligations	$321.0M	2025-12-31	2026-02-27	10-K	26-000013
7	book equity	us-gaap:StockholdersEquity	$2.7B	2025-12-31	2026-02-27	10-K	26-000013
8	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	$647.0M	2025-12-31	2026-02-27	10-K	26-000013
9	total debt	us-gaap:LongTermDebtAndCapitalLeaseObligations	$340.0M	2024-12-31	2026-02-27	10-K	26-000013
10	book equity	us-gaap:StockholdersEquity	$2.6B	2024-12-31	2026-02-27	10-K	26-000013
11	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	$598.0M	2024-12-31	2026-02-27	10-K	26-000013
12	net income	us-gaap:NetIncomeLoss	$278.0M	2025-12-31	2026-02-27	10-K	26-000013
13	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$366.0M	2025-12-31	2026-02-27	10-K	26-000013
14	assets	us-gaap:Assets	$4.2B	2024-12-31	2026-02-27	10-K	26-000013
15	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$3.6B	2025-12-31	2026-02-27	10-K	26-000013
16	gross profit	us-gaap:GrossProfit	$736.0M	2024-12-31	2026-02-27	10-K	26-000013
17	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$3.2B	2024-12-31	2026-02-27	10-K	26-000013
18	gross profit	us-gaap:GrossProfit	$648.0M	2023-12-31	2026-02-27	10-K	26-000013

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19	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$2.8B	2023-12-31	2026-02-27	10-K	26-000013
20	gross profit	us-gaap:GrossProfit	$575.0M	2022-12-31	2025-03-03	10-K	25-009248
21	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$2.7B	2022-12-31	2025-03-03	10-K	25-009248
22	gross profit	us-gaap:GrossProfit	$547.0M	2021-12-31	2024-02-28	10-K	24-007359
23	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$2.9B	2021-12-31	2024-02-28	10-K	24-007359
24	depreciation amortization	us-gaap:DepreciationDepletionAndAmortization	$93.0M	2025-12-31	2026-02-27	10-K	26-000013
25	operating income	us-gaap:OperatingIncomeLoss	$231.0M	2023-12-31	2026-02-27	10-K	26-000013
26	interest expense	us-gaap:InterestExpense	$36.0M	2023-12-31	2024-02-28	10-K	24-007359
27	current assets	us-gaap:AssetsCurrent	$2.3B	2025-12-31	2026-02-27	10-K	26-000013
28	current liabilities	us-gaap:LiabilitiesCurrent	$1.2B	2025-12-31	2026-02-27	10-K	26-000013
29	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$139.0M	2025-12-31	2026-02-27	10-K	26-000013
30	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$271.0M	2024-12-31	2026-02-27	10-K	26-000013
31	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$85.0M	2024-12-31	2026-02-27	10-K	26-000013
32	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$205.0M	2023-12-31	2026-02-27	10-K	26-000013
33	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$60.0M	2023-12-31	2026-02-27	10-K	26-000013
34	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$33.0M	2022-12-31	2025-03-03	10-K	25-009248
35	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$65.0M	2022-12-31	2025-03-03	10-K	25-009248
36	current assets	us-gaap:AssetsCurrent	$2.2B	2024-12-31	2026-02-27	10-K	26-000013
37	current liabilities	us-gaap:LiabilitiesCurrent	$1.1B	2024-12-31	2026-02-27	10-K	26-000013
38	assets	us-gaap:Assets	$3.9B	2023-12-31	2025-03-03	10-K	25-009248
39	assets	us-gaap:Assets	$3.7B	2022-12-31	2024-02-28	10-K	24-007359
40	shares outstanding	dei:EntityCommonStockSharesOutstanding	265,846,193	2026-02-24	2026-02-27	10-K	26-000013
41	shares outstanding	dei:EntityCommonStockSharesOutstanding	265,157,699	2025-02-28	2025-03-03	10-K	25-009248

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