# Cars.com Inc.

**CARS**

NYSE; business equipment; SIC 7374, Services-Computer Processing & Data Preparation; CIK 0001683606

**D**

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

rank 352 of 496; percentile 70.9; sampling error 2.2 points; lower is stronger

A B C D E

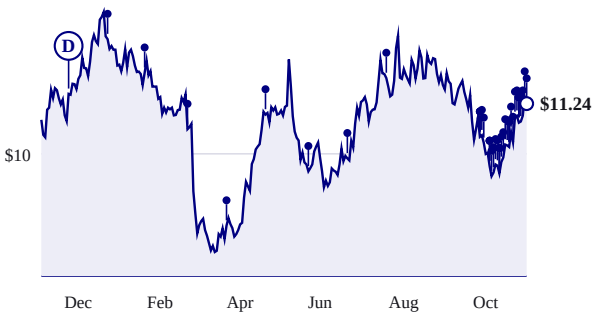
**D, the sloth**



## Scoreboard

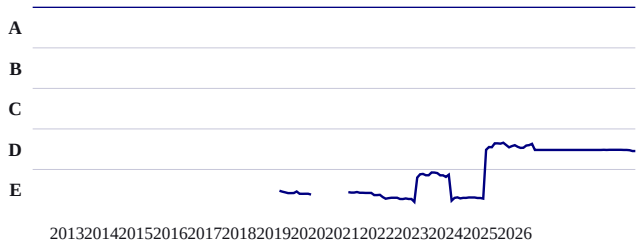
| | |
|---|---|
| **Profitability** | C<br>percentile 51.5 |
| **Solvency** | D<br>percentile 66.1 |
| **Growth and financing** | C<br>percentile 52.2 |
| **Reliability** | 0.91 AUC<br>filers with $591M to $2.67B assets; 95% interval 0.88 to 0.94; 160 events, 2020 to 2025 |
| **Peer failure rate** | 1.01% a year<br>Item 1.03 bankruptcies, same asset band, 2012 to 2025 |
| **Size band** | $591M to $2.67B assets<br>total assets $1.1B |
| **Standard universe** | inside<br>revenue above $1M and assets above $10M |
| **Warnings** | none triggered<br>not computable: distress |
| **Inputs computable** | 10 of 14 |
| **Graded from** | filings received through Feb 26, 2026<br>249 days before the rescan; latest periodic filing 10-Q received Aug 6, 2026 |
| **Last close** | $11.23<br>2026-10-30; market equity $601.2M; 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 26, 2026*

. Cars.com Inc. (NYSE:CARS) is a trusted audience-powered and data-driven technology platform that simplifies buying and selling cars. The flagship Cars.com marketplace connects millions of consumers to dealerships across the U.S., powering the car buying experience with artificial intelligence ("AI") shopping tools and comprehensive vehicle reviews and content. Our interconnected ecosystem of products enables dealers and OEMs to sell more cars by efficiently leveraging our marketplace, dealer websites, trade and appraisal tools and proprietary in-market media solutions. Learn more at www.carscommerce.inc.

## The fourteen inputs

*lower percentile is stronger; sleeves and inputs within a sleeve carry equal weight*

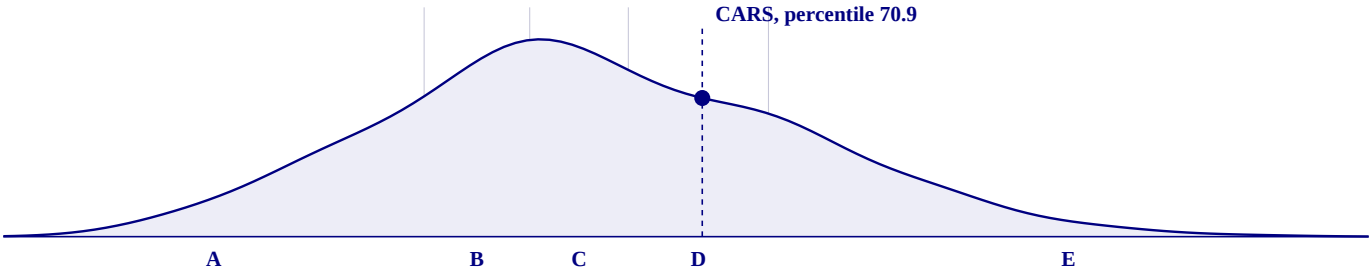
| Input | Value | Peer median | Percentile, 0 to 100 | Pct | Peers | Period end |
|---|---|---|---|---|---|---|
| **Profitability, sleeve percentile 51.5** | | | | | | |
| Gross profitability | not computable | 28.7% | | | | |
| *latest aligned inputs end 2018-12-31; latest annual assets end 2025-12-31* | | | | | | |
| Return on invested capital | 3.9% | 11.4% | | 68.2 | 133 | 2025-12-31 |

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| | | | | | |
|---|---|---|---|---|---|
| Accruals ratio | (12.1%) | (7.3%) | 34.9 | 617 | 2025-12-31 |
| Gross margin stability, five years | not computable | 2.3 pts | | | |
| *five annual gross margins are required; found 2* | | | | | |
| **Solvency, sleeve percentile 66.1** | | | | | |
| Twelve-month failure probability | not computable | 0.05% | | | |
| *latest liabilities, cash plus short-term investments, book equity, and shares are required* | | | | | |
| Altman Z double-prime | (1.06) | 2.15 | 62.3 | 564 | 2025-12-31 |
| Net debt to EBITDA | 4.47x | 1.09x | 82.8 | 146 | 2025-12-31 |
| Interest coverage | not computable | 3.77x | | | |
| *one or more required annual facts are missing* | | | | | |
| Current ratio | 1.87x | 2.01x | 53.2 | 661 | 2025-12-31 |
| **Growth and financing, sleeve percentile 52.2** | | | | | |
| Revenue growth, three-year compound | 3.4% | 6.4% | 58.3 | 534 | 2025-12-31 |
| Free cash flow growth, three-year compound | 5.2% | 18.1% | 68.4 | 264 | 2025-12-31 |
| Reinvestment rate | (68.1%) | 13.5% | 73.9 | 223 | 2025-12-31 |
| Asset growth, three years | 1.2% | 5.1% | 58.4 | 559 | 2025-12-31 |
| Net share issuance, one year | (8.2%) | 0.5% | 2.0 | 408 | 2026-02-23 |

## 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 |
|---|---|---|---|---|
| 347 | Rekor Systems, Inc. (REKR) | 69.9 | D | fortress balance sheet |
| 348 | i3 Verticals, Inc. (IIIV) | 70.1 | D | fortress balance sheet |
| 349 | Magnachip Semiconductor Corp. (MX) | 70.3 | D | fortress balance sheet |
| 350 | Bruker Corp. (BRKR) | 70.6 | D | |
| 351 | Bruker Corp. (BRKRP) | 70.6 | D | |
| 352 | Cars.com Inc. (CARS) | 70.9 | D | |
| 353 | DigitalOcean Holdings, Inc. (DOCN) | 71.1 | D | |
| 354 | Blackbaud Inc. (BLKB) | 71.3 | D | |
| 355 | Dropbox, Inc. (DBX) | 71.5 | D | |
| 356 | Mercury Systems Inc. (MRCY) | 71.7 | D | |
| 357 | Adtran Holdings, Inc. (ADTN) | 71.9 | D | 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 | (4.4%) | (2.0%) | 47 |
| Distance from 52-week high | (16.7%) | (32.4%) | 71 |
| EBIT to enterprise value | 5.9% | 1.6% | 83 |
| Free cash flow yield | 24.5% | 2.8% | 96 |
| Book value to price | 0.74 | 0.27 | 82 |
| Sales to price | 1.20 | 0.31 | 80 |

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| | | | |
|---|---|---|---|
| Composite equity issuance, five years | (23.1%) | 4.3% | 10 |
| Relative strength against the sector, log excess return | (0.31) | (0.29) | 47 |

## 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 | fail |
| Current ratio improved | pass |
| No new shares issued | pass |
| Gross margin improved | fail |
| Asset turnover improved | pass |
| **Cash, filings, liquidity** | |
| Cash and equivalents | $33.3M |
| Operating cash flow, four quarters | $151.6M |
| Months of runway | not finite |
| Days since last periodic filing | 88 (10-Q received Aug 6, 2026) |
| Median daily dollar volume, 63 sessions | $6.4M |

## 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 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $662.1M | 2018-12-31 | 2021-02-25 | 10-K | 21-008812 |
| 2 | cost of revenue | us-gaap:CostOfRevenue | $90.4M | 2018-12-31 | 2020-02-26 | 10-K | 20-006776 |
| 3 | assets | us-gaap:Assets | $2.6B | 2018-12-31 | 2020-02-26 | 10-K | 20-006776 |
| 4 | operating income | us-gaap:OperatingIncomeLoss | $60.2M | 2025-12-31 | 2026-02-26 | 10-K | 26-076546 |
| 5 | pretax income | us-gaap:IncomeLossFromContinuingOperationsBeforeInc... | $34.3M | 2025-12-31 | 2026-02-26 | 10-K | 26-076546 |
| 6 | income tax | us-gaap:IncomeTaxExpenseBenefit | $14.3M | 2025-12-31 | 2026-02-26 | 10-K | 26-076546 |
| 7 | total debt | us-gaap:LongTermDebt | $455.0M | 2025-12-31 | 2026-02-26 | 10-K | 26-076546 |
| 8 | book equity | us-gaap:StockholdersEquity | $472.5M | 2025-12-31 | 2026-02-26 | 10-K | 26-076546 |
| 9 | cash | us-gaap:CashAndCashEquivalentsAtCarryingValue | $56.2M | 2025-12-31 | 2026-02-26 | 10-K | 26-076546 |
| 10 | total debt | us-gaap:LongTermDebt | $460.0M | 2024-12-31 | 2025-02-27 | 10-K | 25-029023 |
| 11 | book equity | us-gaap:StockholdersEquity | $511.5M | 2024-12-31 | 2026-02-26 | 10-K | 26-076546 |
| 12 | cash | us-gaap:CashAndCashEquivalentsAtCarryingValue | $50.7M | 2024-12-31 | 2026-02-26 | 10-K | 26-076546 |
| 13 | net income | us-gaap:NetIncomeLoss | $20.1M | 2025-12-31 | 2026-02-26 | 10-K | 26-076546 |
| 14 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $151.6M | 2025-12-31 | 2026-02-26 | 10-K | 26-076546 |
| 15 | assets | us-gaap:Assets | $1.1B | 2025-12-31 | 2026-02-26 | 10-K | 26-076546 |
| 16 | assets | us-gaap:Assets | $1.1B | 2024-12-31 | 2026-02-26 | 10-K | 26-076546 |
| 17 | current assets | us-gaap:AssetsCurrent | $211.6M | 2025-12-31 | 2026-02-26 | 10-K | 26-076546 |
| 18 | current liabilities | us-gaap:LiabilitiesCurrent | $113.4M | 2025-12-31 | 2026-02-26 | 10-K | 26-076546 |
| 19 | retained earnings | us-gaap:RetainedEarningsAccumulatedDeficit | -$941.5M | 2025-12-31 | 2026-02-26 | 10-K | 26-076546 |
| 20 | liabilities | us-gaap:Liabilities | $589.9M | 2025-12-31 | 2026-02-26 | 10-K | 26-076546 |
| 21 | depreciation amortization | us-gaap:Depreciation | $29.0M | 2025-12-31 | 2026-02-26 | 10-K | 26-076546 |
| 22 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $723.2M | 2025-12-31 | 2026-02-26 | 10-K | 26-076546 |
| 23 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $719.2M | 2024-12-31 | 2026-02-26 | 10-K | 26-076546 |
| 24 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $689.2M | 2023-12-31 | 2026-02-26 | 10-K | 26-076546 |
| 25 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $653.9M | 2022-12-31 | 2025-02-27 | 10-K | 25-029023 |
| 26 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $4.3M | 2025-12-31 | 2026-02-26 | 10-K | 26-076546 |
| 27 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $152.5M | 2024-12-31 | 2026-02-26 | 10-K | 26-076546 |
| 28 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $3.0M | 2024-12-31 | 2026-02-26 | 10-K | 26-076546 |
| 29 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $136.7M | 2023-12-31 | 2026-02-26 | 10-K | 26-076546 |

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| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| 30 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $1.3M | 2023-12-31 | 2026-02-26 | 10-K | 26-076546 |
| 31 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $128.5M | 2022-12-31 | 2025-02-27 | 10-K | 25-029023 |
| 32 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $1.8M | 2022-12-31 | 2025-02-27 | 10-K | 25-029023 |
| 33 | current assets | us-gaap:AssetsCurrent | $214.3M | 2024-12-31 | 2026-02-26 | 10-K | 26-076546 |
| 34 | current liabilities | us-gaap:LiabilitiesCurrent | $116.9M | 2024-12-31 | 2026-02-26 | 10-K | 26-076546 |
| 35 | assets | us-gaap:Assets | $1.2B | 2023-12-31 | 2025-02-27 | 10-K | 25-029023 |
| 36 | assets | us-gaap:Assets | $1.0B | 2022-12-31 | 2024-02-22 | 10-K | 24-018824 |
| 37 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 58,636,763 | 2026-02-23 | 2026-02-26 | 10-K | 26-076546 |
| 38 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 63,847,460 | 2025-02-20 | 2025-02-27 | 10-K | 25-029023 |

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