# W.W. Grainger, Inc.

**GWW**

NYSE; shops; SIC 5000, Wholesale-Durable Goods; CIK 0000277135

**A**

**strongest fifth of 255 graded peers in shops**

rank 16 of 255; percentile 5.9; sampling error 3.0 points; lower is stronger

A B C D E

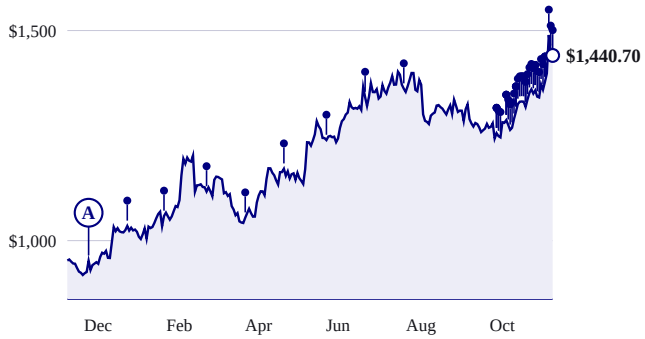
**A, the bull**



## Scoreboard

| | |
|---|---|
| **Profitability** | B<br>percentile 35.6 |
| **Solvency** | B<br>percentile 24.1 |
| **Growth and financing** | B/C<br>percentile 37.1 |
| **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 $9.0B |
| **Standard universe** | inside<br>revenue above $1M and assets above $10M |
| **Warnings** | none triggered<br>not computable: distress |
| **Inputs computable** | 11 of 14 |
| **Graded from** | filings received through Feb 19, 2026<br>261 days before the rescan; latest periodic filing 10-Q received Nov 4, 2026 |
| **Last close** | $1,440.66<br>2026-11-06; market equity $67.4B; 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 19, 2026*

W.W. Grainger, Inc., incorporated in the State of Illinois in 1928, is a broad line, distributor of maintenance, repair and operating (MRO) products and services with operations primarily in North America, Japan and the United Kingdom (U.K.). In the fourth quarter of 2025, Grainger exited the U.K. market by completing the sale of the Cromwell business and closing the Zoro U.K. business. In this report, the words "Grainger" or "Company" mean W.W. Grainger, Inc. and its subsidiaries, except where the context makes it clear that the reference is only to W.W. Grainger, Inc. itself and not its subsidiaries.

## 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 35.6** | | | | | | |
| Gross profitability | 78.2% | 42.3% | | 13.0 | 239 | 2025-12-31 |
| Return on invested capital | 34.6% | 10.9% | | 16.9 | 84 | 2025-12-31 |
| Accruals ratio | (3.5%) | (4.9%) | | 68.2 | 284 | 2025-12-31 |

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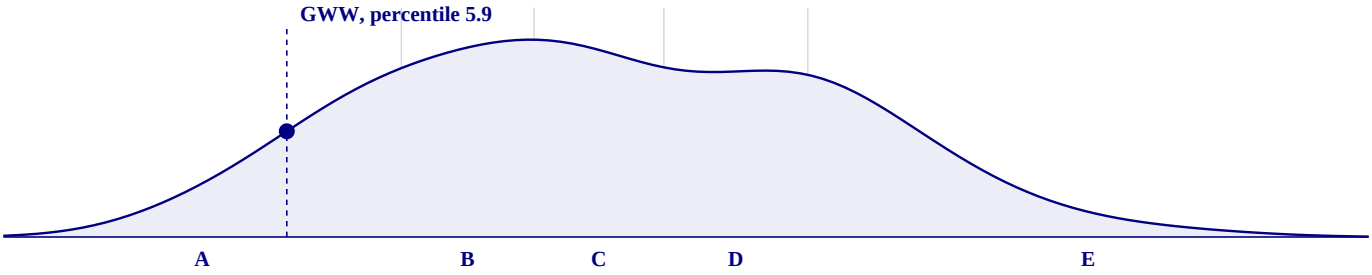
| | | | | | |
|---|---|---|---|---|---|
| Gross margin stability, five years | 1.2 pts | 1.3 pts | 44.4 | 217 | 2025-12-31 |
| **Solvency, sleeve percentile 24.1** | | | | | |
| Twelve-month failure probability | not computable | 0.03% | | | |
| *liabilities and a nearby cover-page share count are required at 2026-09-30* | | | | | |
| Altman Z double-prime | not computable | 1.93 | | | |
| *one or more required annual facts are missing* | | | | | |
| Net debt to EBITDA | 0.67x | 1.37x | 32.7 | 99 | 2025-12-31 |
| Interest coverage | not computable | 3.27x | | | |
| *latest aligned inputs end 2018-12-31; latest annual assets end 2025-12-31* | | | | | |
| Current ratio | 2.83x | 1.38x | 15.6 | 296 | 2025-12-31 |
| **Growth and financing, sleeve percentile 37.1** | | | | | |
| Revenue growth, three-year compound | 5.6% | 1.6% | 28.3 | 266 | 2025-12-31 |
| Free cash flow growth, three-year compound | 7.3% | 4.6% | 44.7 | 153 | 2025-12-31 |
| Reinvestment rate | 25.1% | 12.2% | 43.0 | 152 | 2025-12-31 |
| Asset growth, three years | 5.7% | 3.3% | 36.3 | 268 | 2025-12-31 |
| Net share issuance, one year | (1.7%) | (0.6%) | 33.2 | 209 | 2026-02-12 |

## Among 255 peers

*shops; 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 |
|---|---|---|---|---|
| 11 | Global Industrial Co. (GIC) | 3.9 | A | |
| 12 | SiteOne Landscape Supply, Inc. (SITE) | 4.3 | A | |
| 13 | Ulta Beauty, Inc. (ULTA) | 4.7 | A | |
| 14 | Costco Wholesale Corp. (COST) | 5.1 | A | fortress balance sheet |
| 15 | Tractor Supply Co. (TSCO) | 5.5 | A | fortress balance sheet |
| 16 | W.W. Grainger, Inc. (GWW) | 5.9 | A | |
| 17 | Chipotle Mexican Grill Inc. (CMG) | 6.3 | A | fortress balance sheet |
| 18 | Winmark Corp. (WINA) | 6.7 | A | |
| 19 | Urban Outfitters Inc. (URBN) | 7.1 | A | |
| 20 | Best BUY Co. Inc. (BBY) | 7.5 | A | fortress balance sheet |
| 21 | FirstCash Holdings, Inc. (FCFS) | 7.9 | A | |

## What the price implies

*at the 2026-11-06 close; none of these enters the grade*

| Measure | Value | Peer median | Percentile |
|---|---|---|---|
| Twelve-month price change, skipping the latest month | 28.3% | (0.7%) | 76 |
| Distance from 52-week high | (3.3%) | (21.8%) | 92 |
| EBIT to enterprise value | 3.6% | 5.1% | 33 |
| Free cash flow yield | 2.0% | 3.9% | 33 |
| Book value to price | 0.06 | 0.36 | 18 |
| Sales to price | 0.27 | 1.65 | 5 |
| Composite equity issuance, five years | (17.3%) | (16.9%) | 46 |

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| | | | |
|---|---|---|---|
| Relative strength against the sector, log excess return | 0.34 | 0.08 | 76 |

## Diagnostics

*shown on every report; none enters the grade*

| Measure | Value |
|---|---|
| **Piotroski F-score 6 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 | $768.0M |
| Operating cash flow, four quarters | $2.2B |
| Months of runway | not finite |
| Days since last periodic filing | 3 (10-Q received Nov 4, 2026) |
| Median daily dollar volume, 63 sessions | $301.9M |

## 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 | gross profit | us-gaap:GrossProfit | $7.0B | 2025-12-31 | 2026-02-19 | 10-K | 26-000011 |
| 2 | assets | us-gaap:Assets | $9.0B | 2025-12-31 | 2026-02-19 | 10-K | 26-000011 |
| 3 | operating income | us-gaap:OperatingIncomeLoss | $2.5B | 2025-12-31 | 2026-02-19 | 10-K | 26-000011 |
| 4 | pretax income | us-gaap:IncomeLossFromContinuingOperationsBeforeInc... | $2.4B | 2025-12-31 | 2026-02-19 | 10-K | 26-000011 |
| 5 | income tax | us-gaap:IncomeTaxExpenseBenefit | $622.0M | 2025-12-31 | 2026-02-19 | 10-K | 26-000011 |
| 6 | total debt | us-gaap:LongTermDebt | $2.5B | 2025-12-31 | 2026-02-19 | 10-K | 26-000011 |
| 7 | book equity | us-gaap:StockholdersEquity | $3.7B | 2025-12-31 | 2026-02-19 | 10-K | 26-000011 |
| 8 | cash | us-gaap:CashAndCashEquivalentsAtCarryingValue | $585.0M | 2025-12-31 | 2026-02-19 | 10-K | 26-000011 |
| 9 | total debt | us-gaap:LongTermDebt | $2.8B | 2024-12-31 | 2026-02-19 | 10-K | 26-000011 |
| 10 | book equity | us-gaap:StockholdersEquity | $3.4B | 2024-12-31 | 2026-02-19 | 10-K | 26-000011 |
| 11 | cash | us-gaap:CashAndCashEquivalentsAtCarryingValue | $1.0B | 2024-12-31 | 2026-02-19 | 10-K | 26-000011 |
| 12 | net income | us-gaap:NetIncomeLoss | $1.7B | 2025-12-31 | 2026-02-19 | 10-K | 26-000011 |
| 13 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $2.0B | 2025-12-31 | 2026-02-19 | 10-K | 26-000011 |
| 14 | assets | us-gaap:Assets | $8.8B | 2024-12-31 | 2026-02-19 | 10-K | 26-000011 |
| 15 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $17.9B | 2025-12-31 | 2026-02-19 | 10-K | 26-000011 |
| 16 | gross profit | us-gaap:GrossProfit | $6.8B | 2024-12-31 | 2026-02-19 | 10-K | 26-000011 |
| 17 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $17.2B | 2024-12-31 | 2026-02-19 | 10-K | 26-000011 |
| 18 | gross profit | us-gaap:GrossProfit | $6.5B | 2023-12-31 | 2026-02-19 | 10-K | 26-000011 |
| 19 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $16.5B | 2023-12-31 | 2026-02-19 | 10-K | 26-000011 |
| 20 | gross profit | us-gaap:GrossProfit | $5.8B | 2022-12-31 | 2025-02-20 | 10-K | 25-000010 |
| 21 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $15.2B | 2022-12-31 | 2025-02-20 | 10-K | 25-000010 |
| 22 | gross profit | us-gaap:GrossProfit | $4.7B | 2021-12-31 | 2024-02-22 | 10-K | 24-000011 |
| 23 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $13.0B | 2021-12-31 | 2024-02-22 | 10-K | 24-000011 |
| 24 | depreciation amortization | us-gaap:DepreciationDepletionAndAmortization | $330.0M | 2025-12-31 | 2026-02-19 | 10-K | 26-000011 |
| 25 | operating income | us-gaap:OperatingIncomeLoss | $1.2B | 2018-12-31 | 2021-02-24 | 10-K | 21-000007 |
| 26 | interest expense | us-gaap:InterestExpense | $88.0M | 2018-12-31 | 2019-02-28 | 10-K | 19-000010 |
| 27 | current assets | us-gaap:AssetsCurrent | $5.5B | 2025-12-31 | 2026-02-19 | 10-K | 26-000011 |
| 28 | current liabilities | us-gaap:LiabilitiesCurrent | $1.9B | 2025-12-31 | 2026-02-19 | 10-K | 26-000011 |
| 29 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $684.0M | 2025-12-31 | 2026-02-19 | 10-K | 26-000011 |
| 30 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $2.1B | 2024-12-31 | 2026-02-19 | 10-K | 26-000011 |

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| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| 31 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $541.0M | 2024-12-31 | 2026-02-19 | 10-K | 26-000011 |
| 32 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $2.0B | 2023-12-31 | 2026-02-19 | 10-K | 26-000011 |
| 33 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $445.0M | 2023-12-31 | 2026-02-19 | 10-K | 26-000011 |
| 34 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $1.3B | 2022-12-31 | 2025-02-20 | 10-K | 25-000010 |
| 35 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $256.0M | 2022-12-31 | 2025-02-20 | 10-K | 25-000010 |
| 36 | current assets | us-gaap:AssetsCurrent | $5.7B | 2024-12-31 | 2026-02-19 | 10-K | 26-000011 |
| 37 | current liabilities | us-gaap:LiabilitiesCurrent | $2.3B | 2024-12-31 | 2026-02-19 | 10-K | 26-000011 |
| 38 | assets | us-gaap:Assets | $8.1B | 2023-12-31 | 2025-02-20 | 10-K | 25-000010 |
| 39 | assets | us-gaap:Assets | $7.6B | 2022-12-31 | 2024-02-22 | 10-K | 24-000011 |
| 40 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 47,373,024 | 2026-02-12 | 2026-02-19 | 10-K | 26-000011 |
| 41 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 48,216,708 | 2025-02-14 | 2025-02-20 | 10-K | 25-000010 |

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