Healthstream Inc.

HSTM

Nasdaq; business equipment; SIC 7370, Services-Computer Programming, Data Processing, Etc.; CIK 0001095565

E

weakest fifth of 498 graded peers in business equipment

rank 415 of 498; percentile 83.3; sampling error 2.2 points; lower is stronger

A B C D E

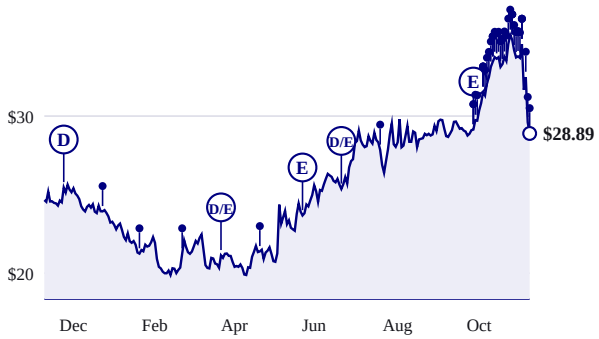
E, the bear



Scoreboard

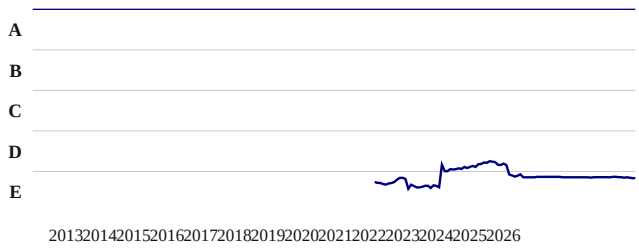
Profitability	C percentile 47.5
Solvency	E percentile 83.1
Growth and financing	C percentile 57.1
Reliability	0.87 AUC filers with $120M to $591M assets; 95% interval 0.83 to 0.90; 206 events, 2020 to 2025
Peer failure rate	1.03% a year Item 1.03 bankruptcies, same asset band, 2012 to 2025
Size band	$120M to $591M assets total assets $520.4M
Standard universe	inside revenue above $1M and assets above $10M
Warnings	none triggered not computable: distress, fortress balance sheet
Inputs computable	7 of 14
Graded from	filings received through Feb 27, 2026 254 days before the rescan; latest periodic filing 10-Q received Nov 5, 2026
Last close	$28.84 2026-11-06; market equity $883.3M; 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

HealthStream's focus is and has always been on improving the quality of healthcare through the development and support of the dedicated individuals who deliver care. Like healthcare itself, our mission remains constant, but how we accomplish that mission continues to evolve and improve over time. Originally, we pioneered the use of online learning to hospitals, which began with courses specifically tailored to educate healthcare professionals and meet hospitals' required regulatory needs, and we remain a leading innovator in those areas today.

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 47.5						
Gross profitability	not computable	28.7%				
latest aligned inputs end 2012-12-31; latest annual assets end 2025-12-31						
Return on invested capital	not computable	11.4%				

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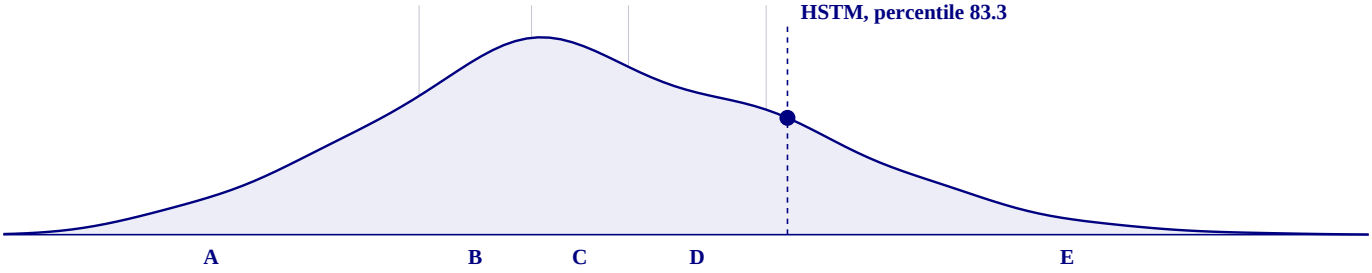
one or more required annual facts are missing					
Accruals ratio	(8.7%)	(7.3%)	47.5	618	2025-12-31
Gross margin stability, five years	not computable	2.3 pts			
five annual gross margins are required; found 2					
Solvency, sleeve percentile 83.1					
Twelve-month failure probability	not computable	0.06%			
liabilities and a nearby cover-page share count are required at 2026-09-30					
Altman Z double-prime	not computable	2.18			
one or more required annual facts are missing					
Net debt to EBITDA	not computable	1.08x			
one or more required annual facts are missing					
Interest coverage	not computable	3.77x			
one or more required annual facts are missing					
Current ratio	0.96x	2.01x	83.1	663	2025-12-31
Growth and financing, sleeve percentile 57.1					
Revenue growth, three-year compound	4.5%	6.4%	55.4	535	2025-12-31
Free cash flow growth, three-year compound	6.5%	18.0%	65.9	265	2025-12-31
Reinvestment rate	(511.1%)	13.5%	93.7	223	2025-12-31
Asset growth, three years	1.5%	5.1%	58.1	560	2025-12-31
Net share issuance, one year	(3.5%)	0.5%	12.3	408	2026-02-20

Among 498 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
410	TaoWeave, Inc. (TWAV)	82.3	E	dilution, short runway
411	Blink Charging Co. (BLNK)	82.5	E	late filer, fortress balance sheet
412	NCR Atleos Corp. (NATL)	82.7	E	
413	Ribbon Communications Inc. (RBBN)	82.9	E	
414	Microvision, Inc. (MVIS)	83.1	E	short runway, fortress balance sheet
415	Healthstream Inc. (HSTM)	83.3	E	
416	SCWorx Corp. (WORX)	83.5	E	dilution
417	Vontier Corp. (VNT)	83.7	E	
418	Marqeta, Inc. (MQ)	83.9	E	
419	Vistance Networks, Inc. (VISN)	84.1	E	
420	Neonode Inc. (NEON)	84.3	E	

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	21.5%	(2.0%)	68
Distance from 52-week high	(17.8%)	(36.5%)	74
EBIT to enterprise value	not computable	1.8%	

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Free cash flow yield	6.7%	2.9%	75
Book value to price	0.45	0.28	67
Sales to price	0.34	0.33	51
Composite equity issuance, five years	(4.5%)	4.2%	35
Relative strength against the sector, log excess return	(0.07)	(0.29)	68

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	fail
No new shares issued	pass
Gross margin improved	fail
Asset turnover improved	pass
Cash, filings, liquidity	
Cash and equivalents	$59.0M
Operating cash flow, four quarters	$71.2M
Months of runway	not finite
Days since last periodic filing	3 (10-Q received Nov 5, 2026)
Median daily dollar volume, 63 sessions	$5.7M

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:SalesRevenueNet	$103.7M	2012-12-31	2015-02-27	10-K	15-069659
2	cost of revenue	us-gaap:CostOfGoodsAndServicesSold	$41.7M	2012-12-31	2013-03-01	10-K	13-086559
3	assets	us-gaap:Assets	$174.5M	2012-12-31	2015-02-27	10-K	15-069659
4	net income	us-gaap:NetIncomeLoss	$18.3M	2025-12-31	2026-02-27	10-K	26-005916
5	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$63.3M	2025-12-31	2026-02-27	10-K	26-005916
6	assets	us-gaap:Assets	$520.4M	2025-12-31	2026-02-27	10-K	26-005916
7	assets	us-gaap:Assets	$510.8M	2024-12-31	2026-02-27	10-K	26-005916
8	current assets	us-gaap:AssetsCurrent	$119.7M	2025-12-31	2026-02-27	10-K	26-005916
9	current liabilities	us-gaap:LiabilitiesCurrent	$124.1M	2025-12-31	2026-02-27	10-K	26-005916
10	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$304.1M	2025-12-31	2026-02-27	10-K	26-005916
11	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$291.6M	2024-12-31	2026-02-27	10-K	26-005916
12	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$279.1M	2023-12-31	2026-02-27	10-K	26-005916
13	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$266.8M	2022-12-31	2025-02-28	10-K	25-005705
14	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$3.7M	2025-12-31	2026-02-27	10-K	26-005916
15	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$57.7M	2024-12-31	2026-02-27	10-K	26-005916
16	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$1.4M	2024-12-31	2026-02-27	10-K	26-005916
17	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$64.0M	2023-12-31	2026-02-27	10-K	26-005916
18	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$2.2M	2023-12-31	2026-02-27	10-K	26-005916
19	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$51.2M	2022-12-31	2025-02-28	10-K	25-005705
20	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$1.8M	2022-12-31	2025-02-28	10-K	25-005705
21	depreciation amortization	us-gaap:DepreciationDepletionAndAmortization	$43.5M	2025-12-31	2026-02-27	10-K	26-005916
22	operating income	us-gaap:OperatingIncomeLoss	$20.2M	2025-12-31	2026-02-27	10-K	26-005916
23	pretax income	us-gaap:IncomeLossFromContinuingOperationsBeforeInc...	$23.2M	2025-12-31	2026-02-27	10-K	26-005916
24	income tax	us-gaap:IncomeTaxExpenseBenefit	$4.9M	2025-12-31	2026-02-27	10-K	26-005916
25	current assets	us-gaap:AssetsCurrent	$153.1M	2024-12-31	2026-02-27	10-K	26-005916

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26	current liabilities	us-gaap:LiabilitiesCurrent	$115.7M	2024-12-31	2026-02-27	10-K	26-005916
27	assets	us-gaap:Assets	$499.9M	2023-12-31	2025-02-28	10-K	25-005705
28	assets	us-gaap:Assets	$497.7M	2022-12-31	2024-02-26	10-K	24-005530
29	shares outstanding	dei:EntityCommonStockSharesOutstanding	29,356,350	2026-02-20	2026-02-27	10-K	26-005916
30	shares outstanding	dei:EntityCommonStockSharesOutstanding	30,434,310	2025-02-21	2025-02-28	10-K	25-005705

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