Merck & Co., Inc.

MRK

NYSE; healthcare; SIC 2834, Pharmaceutical Preparations; CIK 0000310158

D/E

on the D/E boundary of 370 graded peers in healthcare

rank 298 of 370; percentile 80.5; sampling error 2.5 points; lower is stronger



D/E, the sloth



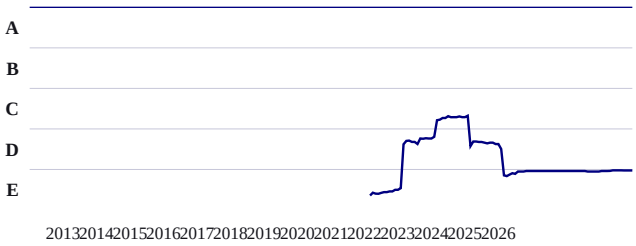
Scoreboard	
Profitability	C percentile 52.4
Solvency	D/E percentile 80.2
Growth and financing	C percentile 46.5
Reliability	0.94 AUC filers with over $2.67B assets; 95% interval 0.88 to 0.97; 61 events, 2020 to 2025
Peer failure rate	0.52% a year Item 1.03 bankruptcies, same asset band, 2012 to 2025
Size band	over $2.67B assets total assets $136.9B
Standard universe	inside revenue above $1M and assets above $10M
Warnings	none triggered not computable: distress, fortress balance sheet
Inputs computable	8 of 14
Graded from	filings received through Feb 24, 2026 258 days before the rescan; latest periodic filing 10-Q received Nov 4, 2026
Last close	$146.75 2026-11-06; market equity $361.8B; 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 24, 2026

Merck & Co., Inc. (Merck or the Company) is a global health care company that delivers innovative health solutions through its prescription medicines, including biologic therapies, vaccines and animal health products. The Company's operations are principally managed on a product basis and include two operating segments, Pharmaceutical and Animal Health, both of which are reportable segments. The Pharmaceutical segment includes human health pharmaceutical and vaccine products. Human health pharmaceutical products consist of therapeutic and preventive agents, generally sold by prescription, for the treatment of human disorders.

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 52.4						
Gross profitability	35.5%	32.3%		38.2	365	2025-12-31
Return on invested capital	not computable	9.3%				
one or more required annual facts are missing						

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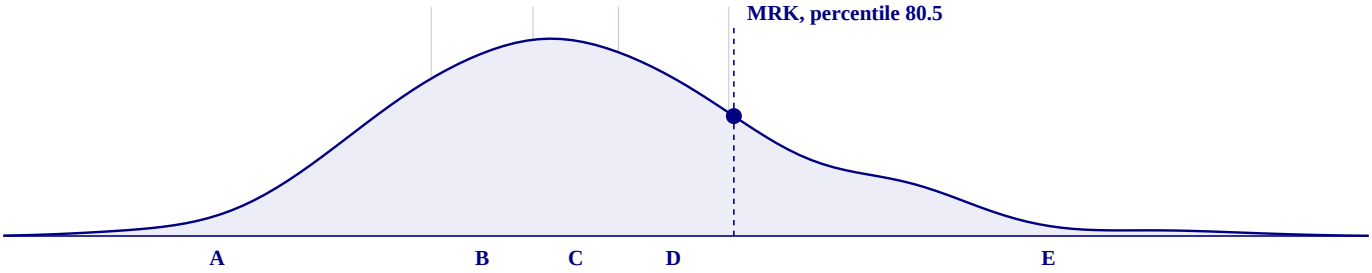
Accruals ratio	1.4%	(6.6%)	83.3	802	2025-12-31
Gross margin stability, five years	2.0 pts	2.8 pts	35.7	242	2025-12-31
Solvency, sleeve percentile 80.2					
Twelve-month failure probability	not computable	0.08%			
liabilities and a nearby cover-page share count are required at 2026-09-30					
Altman Z double-prime	not computable	(0.37)			
one or more required annual facts are missing					
Net debt to EBITDA	not computable	1.82x			
one or more required annual facts are missing					
Interest coverage	not computable	(4.51x)			
one or more required annual facts are missing					
Current ratio	1.54x	2.94x	80.2	828	2025-12-31
Growth and financing, sleeve percentile 46.5					
Revenue growth, three-year compound	3.1%	10.0%	63.7	412	2025-12-31
Free cash flow growth, three-year compound	(5.6%)	10.9%	80.0	96	2025-12-31
Reinvestment rate	not computable	37.1%			
one or more required annual facts are missing					
Asset growth, three years	7.8%	2.2%	35.4	696	2025-12-31
Net share issuance, one year	(2.1%)	2.5%	6.8	630	2026-01-31

Among 370 peers

healthcare; 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
293	Gilead Sciences, Inc. (GILD)	79.1	D/E	
294	Personalis, Inc. (PSNL)	79.4	D/E	
295	Ironwood Pharmaceuticals Inc. (IRWD)	79.7	D/E	late filer, fortress balance sheet
296	Champions Oncology, Inc. (CSBR)	79.9	D/E	
297	Lucid Diagnostics Inc. (LUCD)	80.2	D/E	dilution
298	Merck & Co., Inc. (MRK)	80.5	D/E	
299	Surgery Partners, Inc. (SGRY)	80.8	D/E	late filer
300	Hyperfine, Inc. (HYPR)	81.0	D/E	
301	Pyxis Oncology, Inc. (PYXS)	81.3	D/E	short runway
302	Moderna, Inc. (MRNA)	81.6	D/E	
303	Accuray Inc. (ARAY)	81.8	D/E	late filer

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	72.9%	(2.1%)	84
Distance from 52-week high	(6.2%)	(30.4%)	82
EBIT to enterprise value	not computable	(1.5%)	
Free cash flow yield	3.4%	(1.0%)	71

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Book value to price	0.12	0.29	28
Sales to price	0.18	0.30	37
Composite equity issuance, five years	(19.9%)	20.8%	9
Relative strength against the sector, log excess return	0.38	(0.19)	84

Diagnostics

shown on every report; none enters the grade

Measure	Value
Piotroski F-score 4 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	fail
Long-term leverage fell	fail
Current ratio improved	pass
No new shares issued	pass
Gross margin improved	fail
Asset turnover improved	fail
Cash, filings, liquidity	
Cash and equivalents	$9.6B
Operating cash flow, four quarters	$18.7B
Months of runway	not finite
Days since last periodic filing	5 (10-Q received Nov 4, 2026)
Median daily dollar volume, 63 sessions	$1.3B

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:Revenues	$65.0B	2025-12-31	2026-02-24	10-K	26-000063
2	cost of revenue	us-gaap:CostOfGoodsAndServicesSold	$16.4B	2025-12-31	2026-02-24	10-K	26-000063
3	assets	us-gaap:Assets	$136.9B	2025-12-31	2026-02-24	10-K	26-000063
4	net income	us-gaap:NetIncomeLoss	$18.3B	2025-12-31	2026-02-24	10-K	26-000063
5	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$16.5B	2025-12-31	2026-02-24	10-K	26-000063
6	assets	us-gaap:Assets	$117.1B	2024-12-31	2026-02-24	10-K	26-000063
7	revenue	us-gaap:Revenues	$64.2B	2024-12-31	2026-02-24	10-K	26-000063
8	cost of revenue	us-gaap:CostOfGoodsAndServicesSold	$15.2B	2024-12-31	2026-02-24	10-K	26-000063
9	revenue	us-gaap:Revenues	$60.1B	2023-12-31	2026-02-24	10-K	26-000063
10	cost of revenue	us-gaap:CostOfGoodsAndServicesSold	$16.1B	2023-12-31	2026-02-24	10-K	26-000063
11	revenue	us-gaap:Revenues	$59.3B	2022-12-31	2025-02-25	10-K	25-007732
12	cost of revenue	us-gaap:CostOfGoodsAndServicesSold	$17.4B	2022-12-31	2025-02-25	10-K	25-007732
13	revenue	us-gaap:Revenues	$48.7B	2021-12-31	2024-02-26	10-K	24-006850
14	cost of revenue	us-gaap:CostOfGoodsAndServicesSold	$13.6B	2021-12-31	2024-02-26	10-K	24-006850
15	current assets	us-gaap:AssetsCurrent	$43.5B	2025-12-31	2026-02-24	10-K	26-000063
16	current liabilities	us-gaap:LiabilitiesCurrent	$28.3B	2025-12-31	2026-02-24	10-K	26-000063
17	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$4.1B	2025-12-31	2026-02-24	10-K	26-000063
18	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$21.5B	2024-12-31	2026-02-24	10-K	26-000063
19	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$3.4B	2024-12-31	2026-02-24	10-K	26-000063
20	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivitiesC...	$13.0B	2023-12-31	2024-02-26	10-K	24-006850
21	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$3.9B	2023-12-31	2026-02-24	10-K	26-000063
22	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivitiesC...	$19.1B	2022-12-31	2024-02-26	10-K	24-006850
23	capital expenditure	us-gaap:PaymentsToAcquireProductiveAssets	$4.4B	2022-12-31	2023-02-24	10-K	23-005061
24	assets	us-gaap:Assets	$106.7B	2023-12-31	2025-02-25	10-K	25-007732
25	assets	us-gaap:Assets	$109.2B	2022-12-31	2024-02-26	10-K	24-006850
26	shares outstanding	dei:EntityCommonStockSharesOutstanding	2,472,392,003	2026-01-31	2026-02-24	10-K	26-000063

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27	shares outstanding	dei:EntityCommonStockSharesOutstanding	2,526,036,240	2025-01-31	2025-02-25	10-K	25-007732