# Pinnacle West Capital Corp.

**PNW**

NYSE; utilities; SIC 4911, Electric Services; CIK 0000764622

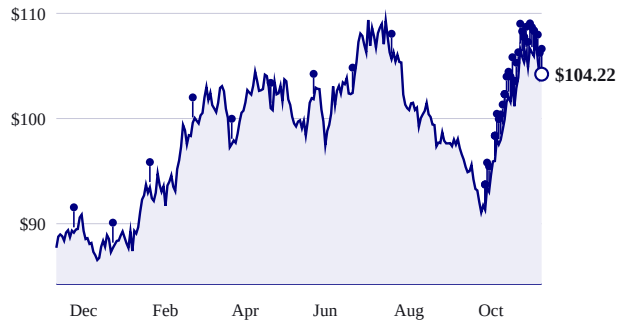
# None

**No letter**

6 of 14 inputs computable; 7 are required, with a score in every sleeve

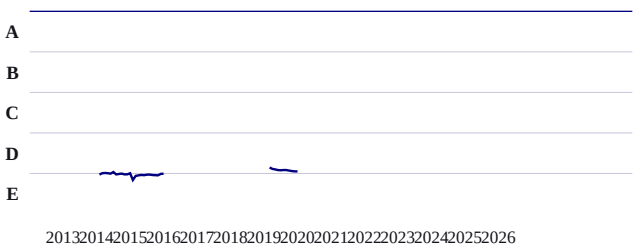
| Scoreboard | |
|---|---|
| **Reliability** | 0.94 AUC<br>filers with over $2.67B assets; 95% interval 0.88 to 0.97; 61 events, 2020 to 2025 |
| **Peer failure rate** | 0.52% a year<br>Item 1.03 bankruptcies, same asset band, 2012 to 2025 |
| **Size band** | over $2.67B assets<br>total assets $30.0B |
| **Standard universe** | inside<br>revenue above $1M and assets above $10M |
| **Warnings** | thin data<br>not computable: distress |
| **Inputs computable** | 6 of 14 |
| **Graded from** | filings received through Feb 25, 2026<br>257 days before the rescan; latest periodic filing 10-Q received Nov 3, 2026 |
| **Last close** | $104.23<br>2026-11-06; market equity $12.6B; 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 25, 2026*

Pinnacle West is an investor-owned electric utility holding company based in Phoenix, Arizona with consolidated assets of approximately $30 billion. We derive essentially all of our revenues and earnings from our principal subsidiary, APS. Since 1886, APS and its affiliates have provided energy and energy-related products to people and businesses throughout Arizona. APS is Arizona's largest and longest-serving electric company and generates safe, affordable electricity in 11 of Arizona's 15 counties. Our other active subsidiaries are El Dorado and PNW Power.

## 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 53.9** | | | | | | |
| Gross profitability | not computable | 17.5% | | | | |
| *latest aligned inputs end 2018-12-31; latest annual assets end 2025-12-31* | | | | | | |
| Return on invested capital | not computable | 6.0% | | | | |

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| | | | | | | |
|---|---|---|---|---|---|---|
| *latest aligned inputs end 2013-12-31; latest annual assets end 2025-12-31* | | | | | | |
| Accruals ratio | (4.2%) | (5.0%) | 53.9 | 270 | 2025-12-31 | |
| Gross margin stability, five years | not computable | 4.6 pts | | | | |
| *five annual gross margins are required; found 1* | | | | | | |
| **Solvency, sleeve percentile 90.0** | | | | | | |
| 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 | 1.48 | | | | |
| *one or more required annual facts are missing* | | | | | | |
| Net debt to EBITDA | not computable | 3.63x | | | | |
| *latest aligned inputs end 2013-12-31; latest annual assets end 2025-12-31* | | | | | | |
| Interest coverage | not computable | 2.37x | | | | |
| *latest aligned inputs end 2023-12-31; latest annual assets end 2025-12-31* | | | | | | |
| Current ratio | 0.54x | 0.97x | 90.0 | 281 | 2025-12-31 | |
| **Growth and financing, sleeve percentile 34.1** | | | | | | |
| Revenue growth, three-year compound | 7.3% | 0.7% | 22.3 | 221 | 2025-12-31 | |
| Free cash flow growth, three-year compound | not computable | (11.8%) | | | | |
| *current FCF must be positive and base FCF must exceed $100,000* | | | | | | |
| Reinvestment rate | 148.0% | 59.0% | 22.5 | 72 | 2025-12-31 | |
| Asset growth, three years | 9.7% | 6.4% | 34.0 | 245 | 2025-12-31 | |
| Net share issuance, one year | 1.5% | 0.4% | 57.7 | 157 | 2026-02-19 | |

## Warnings

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

| Check | Measured |
|---|---|
| Thin data | 6 of 14 grade factors are computable; minimum is 7 |

## 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 | 9.2% | 6.5% | 54 |
| Distance from 52-week high | (4.7%) | (19.3%) | 87 |
| EBIT to enterprise value | 6.7% | 4.6% | 70 |
| Free cash flow yield | (6.5%) | 1.6% | 14 |
| Book value to price | 0.59 | 0.54 | 57 |
| Sales to price | 0.42 | 0.48 | 47 |
| Composite equity issuance, five years | (16.6%) | (7.0%) | 32 |
| Relative strength against the sector, log excess return | 0.19 | 0.02 | 74 |

## 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 | fail |
| Gross margin improved | fail |
| Asset turnover improved | fail |

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| Cash, filings, liquidity | |
|---|---|
| Cash and equivalents | $11.1M |
| Operating cash flow, four quarters | $1.8B |
| Months of runway | not finite |
| Days since last periodic filing | 6 (10-Q received Nov 3, 2026) |
| Median daily dollar volume, 63 sessions | $113.7M |

## 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:RevenueFromContractWithCustomerExcludingA... | $3.7B | 2018-12-31 | 2021-02-24 | 10-K | 21-000013 |
| 2 | cost of revenue | us-gaap:CostOfGoodsAndServicesSold | $1.1B | 2018-12-31 | 2019-02-22 | 10-K | 19-000019 |
| 3 | assets | us-gaap:Assets | $17.7B | 2018-12-31 | 2020-02-21 | 10-K | 20-000017 |
| 4 | operating income | us-gaap:OperatingIncomeLoss | $846.3M | 2013-12-31 | 2016-02-19 | 10-K | 16-000087 |
| 5 | pretax income | us-gaap:IncomeLossFromContinuingOperationsBeforeInc... | $670.6M | 2013-12-31 | 2015-02-20 | 10-K | 15-000013 |
| 6 | income tax | us-gaap:IncomeTaxExpenseBenefit | $230.6M | 2013-12-31 | 2016-02-19 | 10-K | 16-000087 |
| 7 | total debt | us-gaap:LongTermDebt | $3.3B | 2013-12-31 | 2014-02-21 | 10-K | 14-012068 |
| 8 | book equity | us-gaap:StockholdersEquity | $4.2B | 2013-12-31 | 2015-02-20 | 10-K | 15-000013 |
| 9 | cash | us-gaap:CashAndCashEquivalentsAtCarryingValue | $9.5M | 2013-12-31 | 2017-02-24 | 10-K | 17-000010 |
| 10 | total debt | us-gaap:LongTermDebtAndCapitalLeaseObligations | $3.2B | 2012-12-31 | 2014-02-21 | 10-K | 14-012068 |
| 11 | book equity | us-gaap:StockholdersEquity | $4.0B | 2012-12-31 | 2014-02-21 | 10-K | 14-012068 |
| 12 | cash | us-gaap:CashAndCashEquivalentsAtCarryingValue | $26.2M | 2012-12-31 | 2016-02-19 | 10-K | 16-000087 |
| 13 | net income | us-gaap:ProfitLoss | $631.6M | 2025-12-31 | 2026-02-25 | 10-K | 26-000011 |
| 14 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $1.8B | 2025-12-31 | 2026-02-25 | 10-K | 26-000011 |
| 15 | assets | us-gaap:Assets | $30.0B | 2025-12-31 | 2026-02-25 | 10-K | 26-000011 |
| 16 | assets | us-gaap:Assets | $26.1B | 2024-12-31 | 2026-02-25 | 10-K | 26-000011 |
| 17 | depreciation amortization | us-gaap:DepreciationDepletionAndAmortization | $492.3M | 2013-12-31 | 2016-02-19 | 10-K | 16-000087 |
| 18 | operating income | us-gaap:OperatingIncomeLoss | $824.6M | 2023-12-31 | 2026-02-25 | 10-K | 26-000011 |
| 19 | interest expense | us-gaap:InterestExpense | $331.3M | 2023-12-31 | 2024-02-27 | 10-K | 24-000016 |
| 20 | current assets | us-gaap:AssetsCurrent | $1.7B | 2025-12-31 | 2026-02-25 | 10-K | 26-000011 |
| 21 | current liabilities | us-gaap:LiabilitiesCurrent | $3.2B | 2025-12-31 | 2026-02-25 | 10-K | 26-000011 |
| 22 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $5.3B | 2025-12-31 | 2026-02-25 | 10-K | 26-000011 |
| 23 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $5.1B | 2024-12-31 | 2026-02-25 | 10-K | 26-000011 |
| 24 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $4.7B | 2023-12-31 | 2026-02-25 | 10-K | 26-000011 |
| 25 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $4.3B | 2022-12-31 | 2025-02-25 | 10-K | 25-000023 |
| 26 | capital expenditure | us-gaap:PaymentsToAcquireProductiveAssets | $2.6B | 2025-12-31 | 2026-02-25 | 10-K | 26-000011 |
| 27 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $1.6B | 2024-12-31 | 2026-02-25 | 10-K | 26-000011 |
| 28 | capital expenditure | us-gaap:PaymentsToAcquireProductiveAssets | $2.2B | 2024-12-31 | 2026-02-25 | 10-K | 26-000011 |
| 29 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $1.2B | 2023-12-31 | 2026-02-25 | 10-K | 26-000011 |
| 30 | capital expenditure | us-gaap:PaymentsToAcquireProductiveAssets | $1.8B | 2023-12-31 | 2026-02-25 | 10-K | 26-000011 |
| 31 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $1.2B | 2022-12-31 | 2025-02-25 | 10-K | 25-000023 |
| 32 | capital expenditure | us-gaap:PaymentsToAcquireProductiveAssets | $1.7B | 2022-12-31 | 2025-02-25 | 10-K | 25-000023 |
| 33 | depreciation amortization | us-gaap:DepreciationDepletionAndAmortization | $969.6M | 2025-12-31 | 2026-02-25 | 10-K | 26-000011 |
| 34 | operating income | us-gaap:OperatingIncomeLoss | $1.1B | 2025-12-31 | 2026-02-25 | 10-K | 26-000011 |
| 35 | pretax income | us-gaap:IncomeLossFromContinuingOperationsBeforeInc... | $738.4M | 2025-12-31 | 2026-02-25 | 10-K | 26-000011 |
| 36 | income tax | us-gaap:IncomeTaxExpenseBenefit | $106.7M | 2025-12-31 | 2026-02-25 | 10-K | 26-000011 |
| 37 | current assets | us-gaap:AssetsCurrent | $1.7B | 2024-12-31 | 2026-02-25 | 10-K | 26-000011 |
| 38 | current liabilities | us-gaap:LiabilitiesCurrent | $2.8B | 2024-12-31 | 2026-02-25 | 10-K | 26-000011 |
| 39 | assets | us-gaap:Assets | $24.7B | 2023-12-31 | 2025-02-25 | 10-K | 25-000023 |
| 40 | assets | us-gaap:Assets | $22.7B | 2022-12-31 | 2024-02-27 | 10-K | 24-000016 |
| 41 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 120,905,390 | 2026-02-19 | 2026-02-25 | 10-K | 26-000011 |
| 42 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 119,099,064 | 2025-02-20 | 2025-02-25 | 10-K | 25-000023 |

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