Kratos Defense & Security Solutions, Inc. KTOS

Nasdaq; manufacturing; SIC 3760, Guided Missiles & Space Vehicles & Parts; CIK 0001069258

A

strongest fifth of 254 graded peers in manufacturing

rank 43 of 254; percentile 16.6; sampling error 3.0 points; lower is stronger

A B C D E

A, the bull



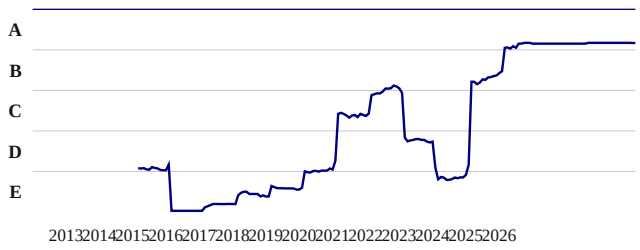
Scoreboard	
Profitability	D percentile 65.9
Solvency	A/B percentile 19.0
Growth and financing	B percentile 29.6
Reliability	0.91 AUC filers with $591M to $2.67B assets; 95% interval 0.88 to 0.94; 160 events, 2020 to 2025
Peer failure rate	1.01% a year Item 1.03 bankruptcies, same asset band, 2012 to 2025
Size band	$591M to $2.67B assets total assets $2.5B
Standard universe	inside revenue above $1M and assets above $10M
Warnings	none triggered; fortress balance sheet not computable: distress
Inputs computable	9 of 14
Graded from	filings received through Feb 23, 2026 260 days before the rescan; latest periodic filing 10-Q received Nov 5, 2026
Last close	$37.68 2026-11-09; market equity $7.1B; 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 23, 2026

Kratos is a technology, hardware, products, system and software company addressing the defense, national security, and commercial markets. Kratos makes true internally funded research, development, capital and other investments, to rapidly develop, produce and field relevant solutions that address our customers' mission critical needs and requirements. At Kratos, affordability is a technology, and we seek to utilize proven, leading edge approaches and technology, not unproven bleeding edge approaches or technology, with Kratos' approach designed to reduce cost, schedule and risk, enabling us to be first to market with cost effective solutions.

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 65.9						
Gross profitability	12.5%	22.0%		80.6	274	2025-12-28
Return on invested capital	not computable	9.7%				

latest aligned inputs end 2021-12-26; latest annual assets end 2025-12-28

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Accruals ratio	2.9%	(3.7%)	87.5	305	2025-12-28
Gross margin stability, five years	1.6 pts	2.1 pts	29.5	228	2025-12-28
Solvency, sleeve percentile 19.0					
Twelve-month failure probability	not computable	0.04%			
latest liabilities, cash plus short-term investments, book equity, and shares are required					
Altman Z double-prime	6.20	3.72	20.8	241	2025-12-28
Net debt to EBITDA	not computable	1.77x			
latest aligned inputs end 2021-12-26; latest annual assets end 2025-12-28					
Interest coverage	not computable	5.09x			
one or more required annual facts are missing					
Current ratio	4.06x	2.26x	17.1	322	2025-12-28
Growth and financing, sleeve percentile 29.6					
Revenue growth, three-year compound	14.5%	2.2%	13.9	268	2025-12-28
Free cash flow growth, three-year compound	not computable	13.7%			
current FCF must be positive and base FCF must exceed $100,000					
Reinvestment rate	2,563.9%	25.7%	0.7	138	2025-12-28
Asset growth, three years	16.7%	4.1%	14.2	276	2025-12-28
Net share issuance, one year	11.4%	0.00%	89.5	240	2026-02-20

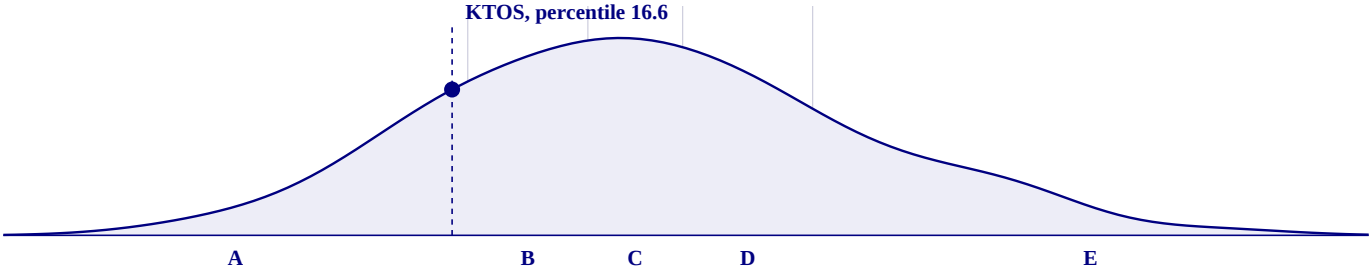
Warnings

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

Check	Measured
Fortress balance sheet	cash minus debt is 52,700,000 USD; Altman Z is not used

Among 254 peers

manufacturing; 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
38	Kadant Inc. (KAI)	14.6	A	
39	Nwpx Infrastructure, Inc. (NWPX)	15.0	A	
40	Gencor Industries Inc. (GENC)	15.4	A	late filer, fortress balance sheet
41	Tecnoglass Holdings Inc. (TGLS)	15.8	A	
42	Movado Group Inc. (MOV)	16.2	A	
43	Kratos Defense & Security Solutions, Inc. (KTOS)	16.6	A	fortress balance sheet
44	Moog Inc. (MOG-A)	17.2	A/B	
45	Moog Inc. (MOG-B)	17.2	A/B	
46	Douglas Dynamics, Inc. (PLOW)	17.8	A/B	
47	Mueller Water Products, Inc. (MWA)	18.2	A/B	
48	Power Solutions International, Inc. (PSIX)	18.6	A/B	

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What the price implies

at the 2026-11-09 close; none of these enters the grade

Measure	Value	Peer median	Percentile
Twelve-month price change, skipping the latest month	(52.9%)	9.8%	4
Distance from 52-week high	(71.2%)	(24.4%)	5
EBIT to enterprise value	0.4%	4.1%	22
Free cash flow yield	(1.9%)	3.4%	18
Book value to price	0.49	0.35	64
Sales to price	0.19	0.54	11
Composite equity issuance, five years	42.2%	(9.6%)	91
Relative strength against the sector, log excess return	(0.84)	0.01	4

Diagnostics

shown on every report; none enters the grade

Measure	Value
Piotroski F-score 4 of 9, period end 2025-12-28	
Return on assets above zero	pass
Operating cash flow above zero	fail
Return on assets improved	pass
Operating cash flow exceeds net income	fail
Long-term leverage fell	pass
Current ratio improved	pass
No new shares issued	fail
Gross margin improved	fail
Asset turnover improved	fail
Cash, filings, liquidity	
Cash and equivalents	$1.4B
Operating cash flow, four quarters	-$31.5M
Months of runway	535.0
Days since last periodic filing	5 (10-Q received Nov 5, 2026)
Median daily dollar volume, 63 sessions	$182.8M

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	$307.9M	2025-12-28	2026-02-23	10-K	26-000013
2	assets	us-gaap:Assets	$2.5B	2025-12-28	2026-02-23	10-K	26-000013
3	operating income	us-gaap:OperatingIncomeLoss	$27.9M	2021-12-26	2024-02-13	10-K	24-000007
4	pretax income	us-gaap:IncomeLossFromContinuingOperationsBeforeInc...	$4.4M	2021-12-26	2024-02-13	10-K	24-000007
5	income tax	us-gaap:IncomeTaxExpenseBenefit	$3.9M	2021-12-26	2024-02-13	10-K	24-000007
6	total debt	us-gaap:LongTermDebt	$296.7M	2021-12-26	2023-02-23	10-K	23-000008
7	book equity	us-gaap:StockholdersEquityIncludingPortionAttributableT...	$945.1M	2021-12-26	2025-02-26	10-K	25-000008
8	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	$349.4M	2021-12-26	2023-02-23	10-K	23-000008
9	total debt	us-gaap:LongTermDebt	$301.5M	2020-12-27	2022-02-22	10-K	22-000014
10	book equity	us-gaap:StockholdersEquityIncludingPortionAttributableT...	$925.3M	2020-12-27	2024-02-13	10-K	24-000007
11	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	$380.8M	2020-12-27	2022-02-22	10-K	22-000014
12	net income	us-gaap:NetIncomeLoss	$22.0M	2025-12-28	2026-02-23	10-K	26-000013
13	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	-$42.1M	2025-12-28	2026-02-23	10-K	26-000013
14	assets	us-gaap:Assets	$2.0B	2024-12-29	2026-02-23	10-K	26-000013
15	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$1.3B	2025-12-28	2026-02-23	10-K	26-000013
16	gross profit	us-gaap:GrossProfit	$287.2M	2024-12-29	2026-02-23	10-K	26-000013
17	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$1.1B	2024-12-29	2026-02-23	10-K	26-000013
18	gross profit	us-gaap:GrossProfit	$268.6M	2023-12-31	2026-02-23	10-K	26-000013

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19	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$1.0B	2023-12-31	2026-02-23	10-K	26-000013
20	gross profit	us-gaap:GrossProfit	$226.0M	2022-12-25	2025-02-26	10-K	25-000008
21	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$898.3M	2022-12-25	2025-02-26	10-K	25-000008
22	gross profit	us-gaap:GrossProfit	$225.1M	2021-12-26	2024-02-13	10-K	24-000007
23	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$811.5M	2021-12-26	2024-02-13	10-K	24-000007
24	current assets	us-gaap:AssetsCurrent	$1.3B	2025-12-28	2026-02-23	10-K	26-000013
25	current liabilities	us-gaap:LiabilitiesCurrent	$311.0M	2025-12-28	2026-02-23	10-K	26-000013
26	retained earnings	us-gaap:RetainedEarningsAccumulatedDeficit	-$641.9M	2025-12-28	2026-02-23	10-K	26-000013
27	operating income	us-gaap:OperatingIncomeLoss	$25.6M	2025-12-28	2026-02-23	10-K	26-000013
28	book equity	us-gaap:StockholdersEquity	$2.0B	2025-12-28	2026-02-23	10-K	26-000013
29	liabilities	us-gaap:Liabilities	$470.9M	2025-12-28	2026-02-23	10-K	26-000013
30	depreciation amortization	us-gaap:DepreciationDepletionAndAmortization	$25.7M	2021-12-26	2024-02-13	10-K	24-000007
31	capital expenditure	us-gaap:PaymentsToAcquireProductiveAssets	$95.3M	2025-12-28	2026-02-23	10-K	26-000013
32	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$49.7M	2024-12-29	2026-02-23	10-K	26-000013
33	capital expenditure	us-gaap:PaymentsToAcquireProductiveAssets	$58.2M	2024-12-29	2026-02-23	10-K	26-000013
34	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivitiesC...	$65.2M	2023-12-31	2024-02-13	10-K	24-000007
35	capital expenditure	us-gaap:PaymentsToAcquireProductiveAssets	$52.4M	2023-12-31	2026-02-23	10-K	26-000013
36	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivitiesC...	-$25.6M	2022-12-25	2024-02-13	10-K	24-000007
37	capital expenditure	us-gaap:PaymentsToAcquireProductiveAssets	$45.4M	2022-12-25	2025-02-26	10-K	25-000008
38	depreciation amortization	us-gaap:DepreciationDepletionAndAmortization	$47.1M	2025-12-28	2026-02-23	10-K	26-000013
39	pretax income	us-gaap:IncomeLossFromContinuingOperationsBeforeInc...	$34.0M	2025-12-28	2026-02-23	10-K	26-000013
40	income tax	us-gaap:IncomeTaxExpenseBenefit	$12.0M	2025-12-28	2026-02-23	10-K	26-000013
41	current assets	us-gaap:AssetsCurrent	$872.1M	2024-12-29	2026-02-23	10-K	26-000013
42	current liabilities	us-gaap:LiabilitiesCurrent	$296.7M	2024-12-29	2026-02-23	10-K	26-000013
43	assets	us-gaap:Assets	$1.6B	2023-12-31	2025-02-26	10-K	25-000008
44	assets	us-gaap:Assets	$1.6B	2022-12-25	2024-02-13	10-K	24-000007
45	shares outstanding	dei:EntityCommonStockSharesOutstanding	170,329,158	2026-02-20	2026-02-23	10-K	26-000013
46	shares outstanding	dei:EntityCommonStockSharesOutstanding	152,842,507	2025-02-21	2025-02-26	10-K	25-000008

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