Mercury Systems Inc.

MRCY

Nasdaq; business equipment; SIC 3670, Electronic Components & Accessories; CIK 0001049521

D

fourth fifth of 495 graded peers in business equipment

rank 362 of 495; percentile 73.1; sampling error 2.2 points; lower is stronger

A B C D E

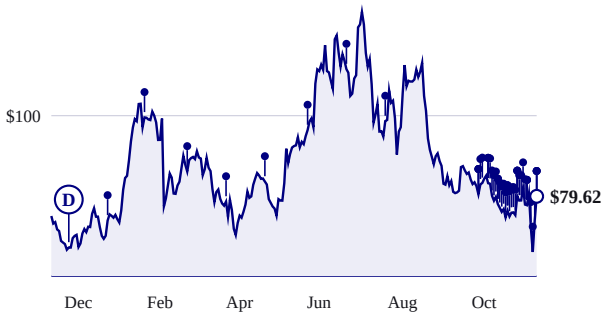
D, the sloth



Scoreboard

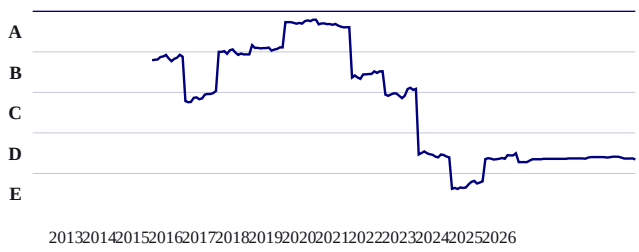
Profitability	D percentile 72.5
Solvency	C percentile 43.8
Growth and financing	C/D percentile 59.5
Reliability	0.91 AUC filers with $591M to $2.67B assets; 95% interval 0.88 to 0.94; 160 events, 2020 to 2025
Peer failure rate	1.01% a year Item 1.03 bankruptcies, same asset band, 2012 to 2025
Size band	$591M to $2.67B assets total assets $2.3B
Standard universe	inside revenue above $1M and assets above $10M
Warnings	none triggered
Inputs computable	10 of 14
Graded from	filings received through Aug 18, 2026 84 days before the rescan; latest periodic filing 10-K received Aug 18, 2026
Last close	$79.58 2026-11-09; market equity $4.8B; 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 Aug 18, 2026

Mercury Systems is a global leader in aerospace and defense electronics, providing breakthrough capabilities in signal and data processing. With a four-decade legacy of innovation that spans silicon to systems and radio frequency ("RF") front ends to effectors, we accelerate commercial technology adoption to deliver powerful and secure mission-critical processing solutions to the edge. We are headquartered in Andover, Massachusetts, and have multiple locations worldwide. Our end-to-end processing ecosystem, the Mercury Processing Platform, is built on technologies we have developed and acquired over 40 years.

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 72.5						
Gross profitability	12.1%	28.7%		80.2	552	2026-07-03
Return on invested capital	not computable	11.4%				

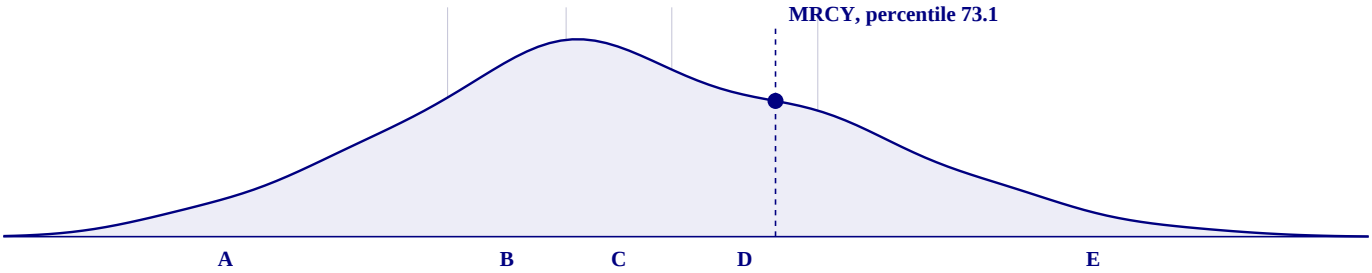
a prior annual debt, equity, and cash observation is required

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Accruals ratio	(5.6%)	(7.3%)	61.6	615	2026-07-03
Gross margin stability, five years	5.5 pts	2.3 pts	75.6	423	2026-07-03
Solvency, sleeve percentile 43.8					
Twelve-month failure probability	0.06%	0.06%	51.0	105	2026-07-03
Altman Z double-prime	3.94	2.21	29.4	562	2026-07-03
Net debt to EBITDA	not computable	1.08x			
latest aligned inputs end 2016-06-30; latest annual assets end 2026-07-03					
Interest coverage	0.01x	3.77x	62.8	87	2026-07-03
Current ratio	2.96x	2.01x	31.9	660	2026-07-03
Growth and financing, sleeve percentile 59.5					
Revenue growth, three-year compound	0.3%	6.5%	68.4	532	2026-07-03
Free cash flow growth, three-year compound	not computable	18.0%			
current FCF must be positive and base FCF must exceed $100,000					
Reinvestment rate	not computable	13.5%			
pretax income must exceed the validity floor and imply a 0%-100% tax rate					
Asset growth, three years	(1.0%)	5.2%	64.6	557	2026-07-03
Net share issuance, one year	0.4%	0.5%	45.4	406	2026-07-31

Among 495 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
357	Adtran Holdings, Inc. (ADTN)	72.1	D	late filer, fortress balance sheet
358	Unity Software Inc. (U)	72.3	D	
359	Intellinetics, Inc. (INLX)	72.5	D	
360	Unisys Corp. (UIS)	72.7	D	
361	Cohu Inc. (COHU)	72.9	D	
362	Mercury Systems Inc. (MRCY)	73.1	D	
363	Sensata Technologies Holding plc (ST)	73.3	D	
364	Corsair Gaming, Inc. (CRSR)	73.5	D	
365	DXC Technology Co. (DXC)	73.7	D	
366	Phunware, Inc. (PHUN)	73.9	D	fortress balance sheet
367	Geospace Technologies Corp. (GEOS)	74.1	D	short runway, late filer, fortress balance sheet

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	7.2%	(2.0%)	57
Distance from 52-week high	(36.9%)	(33.6%)	46
EBIT to enterprise value	0.01%	1.7%	35
Free cash flow yield	1.4%	2.8%	34
Book value to price	0.31	0.27	54

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Sales to price	0.21	0.31	39
Composite equity issuance, five years	6.7%	4.2%	54
Relative strength against the sector, log excess return	(0.20)	(0.29)	57

Diagnostics

shown on every report; none enters the grade

Measure	Value
Piotroski F-score None of 9, period end 2026-07-03	
Return on assets above zero	fail
Operating cash flow above zero	pass
Return on assets improved	pass
Operating cash flow exceeds net income	pass
Long-term leverage fell	fail
Current ratio improved	fail
No new shares issued	fail
Gross margin improved	pass
Asset turnover improved	pass
Cash, filings, liquidity	
Cash and equivalents	$214.3M
Operating cash flow, four quarters	$102.4M
Months of runway	not finite
Days since last periodic filing	84 (10-K received Aug 18, 2026)
Median daily dollar volume, 63 sessions	$49.6M

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	$281.2M	2026-07-03	2026-08-18	10-K	26-000045
2	assets	us-gaap:Assets	$2.3B	2026-07-03	2026-08-18	10-K	26-000045
3	operating income	us-gaap:OperatingIncomeLoss	$24.0M	2016-06-30	2018-08-16	10-K	18-000030
4	pretax income	us-gaap:IncomeLossFromContinuingOperationsBeforeInc...	$25.3M	2016-06-30	2018-08-16	10-K	18-000030
5	income tax	us-gaap:IncomeTaxExpenseBenefit	$5.5M	2016-06-30	2018-08-16	10-K	18-000030
6	total debt	us-gaap:LongTermDebt	$192.3M	2016-06-30	2016-08-16	10-K	16-000094
7	book equity	us-gaap:StockholdersEquity	$473.0M	2016-06-30	2019-08-15	10-K	19-000033
8	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	$81.7M	2016-06-30	2019-08-15	10-K	19-000033
9	net income	us-gaap:NetIncomeLoss	-$29.7M	2026-07-03	2026-08-18	10-K	26-000045
10	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$102.4M	2026-07-03	2026-08-18	10-K	26-000045
11	assets	us-gaap:Assets	$2.4B	2025-06-27	2026-08-18	10-K	26-000045
12	revenue	us-gaap:Revenues	$983.6M	2026-07-03	2026-08-18	10-K	26-000045
13	gross profit	us-gaap:GrossProfit	$254.5M	2025-06-27	2026-08-18	10-K	26-000045
14	revenue	us-gaap:Revenues	$912.0M	2025-06-27	2026-08-18	10-K	26-000045
15	gross profit	us-gaap:GrossProfit	$195.9M	2024-06-28	2026-08-18	10-K	26-000045
16	revenue	us-gaap:Revenues	$835.3M	2024-06-28	2026-08-18	10-K	26-000045
17	gross profit	us-gaap:GrossProfit	$316.7M	2023-06-30	2025-08-11	10-K	25-000024
18	revenue	us-gaap:Revenues	$973.9M	2023-06-30	2025-08-11	10-K	25-000024
19	gross profit	us-gaap:GrossProfit	$395.0M	2022-07-01	2024-08-13	10-K	24-000029
20	revenue	us-gaap:Revenues	$988.2M	2022-07-01	2024-08-13	10-K	24-000029
21	current assets	us-gaap:AssetsCurrent	$973.4M	2026-07-03	2026-08-18	10-K	26-000045
22	current liabilities	us-gaap:LiabilitiesCurrent	$328.5M	2026-07-03	2026-08-18	10-K	26-000045
23	retained earnings	us-gaap:RetainedEarningsAccumulatedDeficit	$152.2M	2026-07-03	2026-08-18	10-K	26-000045
24	operating income	us-gaap:OperatingIncomeLoss	$280,000	2026-07-03	2026-08-18	10-K	26-000045
25	book equity	us-gaap:StockholdersEquity	$1.5B	2026-07-03	2026-08-18	10-K	26-000045
26	liabilities	us-gaap:Liabilities	$825.3M	2026-07-03	2026-08-18	10-K	26-000045
27	depreciation amortization	us-gaap:DepreciationDepletionAndAmortization	$15.7M	2016-06-30	2018-08-16	10-K	18-000030

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28	interest expense	us-gaap:InterestExpense	$29.6M	2026-07-03	2026-08-18	10-K	26-000045
29	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$34.3M	2026-07-03	2026-08-18	10-K	26-000045
30	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$138.9M	2025-06-27	2026-08-18	10-K	26-000045
31	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$19.8M	2025-06-27	2026-08-18	10-K	26-000045
32	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$60.4M	2024-06-28	2026-08-18	10-K	26-000045
33	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$34.3M	2024-06-28	2026-08-18	10-K	26-000045
34	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	-$21.3M	2023-06-30	2025-08-11	10-K	25-000024
35	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$38.8M	2023-06-30	2025-08-11	10-K	25-000024
36	depreciation amortization	us-gaap:DepreciationDepletionAndAmortization	$72.7M	2026-07-03	2026-08-18	10-K	26-000045
37	pretax income	us-gaap:IncomeLossFromContinuingOperationsBeforeInc...	-$28.9M	2026-07-03	2026-08-18	10-K	26-000045
38	income tax	us-gaap:IncomeTaxExpenseBenefit	$784,000	2026-07-03	2026-08-18	10-K	26-000045
39	current assets	us-gaap:AssetsCurrent	$1.1B	2025-06-27	2026-08-18	10-K	26-000045
40	current liabilities	us-gaap:LiabilitiesCurrent	$300.4M	2025-06-27	2026-08-18	10-K	26-000045
41	assets	us-gaap:Assets	$2.4B	2024-06-28	2025-08-11	10-K	25-000024
42	assets	us-gaap:Assets	$2.4B	2023-06-30	2024-08-13	10-K	24-000029
43	shares outstanding	dei:EntityCommonStockSharesOutstanding	60,136,133	2026-07-31	2026-08-18	10-K	26-000045
44	shares outstanding	dei:EntityCommonStockSharesOutstanding	59,915,670	2025-07-31	2025-08-11	10-K	25-000024

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