Harmonic Inc.

HLIT

Nasdaq; business equipment; SIC 3663, Radio & Tv Broadcasting & Communications Equipment; CIK 0000851310

C/D

on the C/D boundary of 495 graded peers in business equip...

rank 306 of 495; percentile 61.7; sampling error 2.2 points; lower is stronger

A B C D E

C/D, the tortoise



Scoreboard

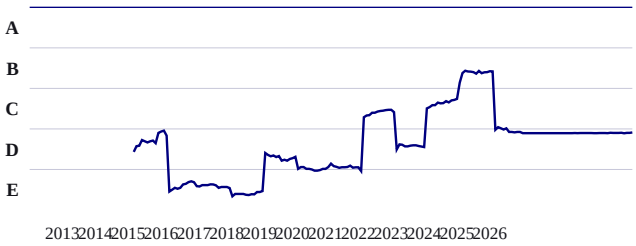
Profitability	C percentile 50.8
Solvency	C percentile 42.3
Growth and financing	D percentile 64.7
Reliability	0.91 AUC filers with $591M to $2.67B assets; 95% interval 0.88 to 0.94; 160 events, 2020 to 2025
Peer failure rate	1.01% a year Item 1.03 bankruptcies, same asset band, 2012 to 2025
Size band	$591M to $2.67B assets total assets $718.5M
Standard universe	inside revenue above $1M and assets above $10M
Warnings	late filer; fortress balance sheet not computable: distress
Inputs computable	11 of 14
Graded from	filings received through Feb 24, 2026 262 days before the rescan; latest periodic filing 10-Q received Nov 6, 2026
Last close	$10.46 2026-11-12; market equity $1.1B; 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 24, 2026

We are a leading global provider of broadband access solutions that enable broadband operators to more efficiently and effectively deploy high-speed internet for data, voice and video services for their customers. Our Broadband business provides broadband access solutions and related services, including our cOS software-based broadband access solution, to broadband operators globally. We derived approximately 89% of our revenue from the Americas in 2025. The Europe, Middle East and Africa ("EMEA") and Asia Pacific ("APAC") regions accounted for 9% and 2% of our 2025 revenue, respectively.

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 50.8						
Gross profitability	24.3%	28.8%		57.5	552	2025-12-31
Return on invested capital	0.5%	11.2%		84.0	132	2025-12-31
Accruals ratio	(20.0%)	(7.3%)		19.5	615	2025-12-31

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Gross margin stability, five years	1.9 pts	2.3 pts	42.2	423	2025-12-31
Solvency, sleeve percentile 42.3					
Twelve-month failure probability	not computable	0.05%			
latest liabilities, cash plus short-term investments, book equity, and shares are required					
Altman Z double-prime	(5.38)	2.21	75.9	562	2025-12-31
Net debt to EBITDA	(0.48x)	1.09x	12.4	146	2025-12-31
Interest coverage	not computable	3.77x			
latest aligned inputs end 2023-12-31; latest annual assets end 2025-12-31					
Current ratio	2.50x	2.01x	38.7	660	2025-12-31
Growth and financing, sleeve percentile 64.7					
Revenue growth, three-year compound	(16.8%)	6.5%	91.5	532	2025-12-31
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	(3,955.9%)	15.1%	99.1	223	2025-12-31
Asset growth, three years	0.4%	5.2%	62.1	557	2025-12-31
Net share issuance, one year	(5.8%)	0.5%	6.2	406	2026-02-19

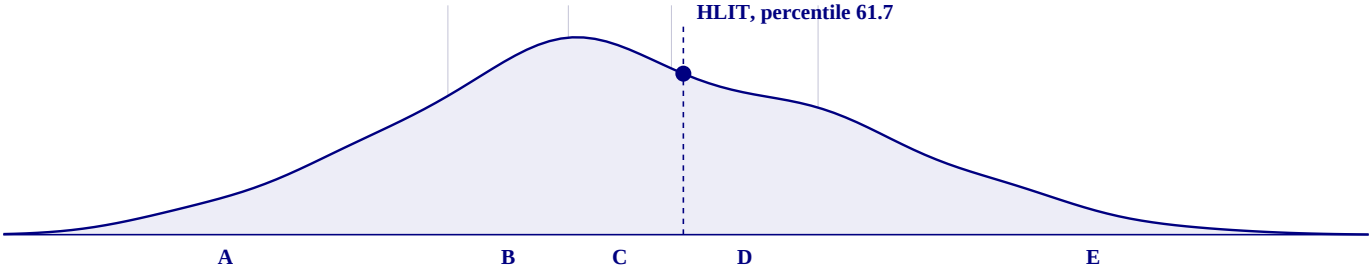
Warnings

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

Check	Measured
Late filer	found 1 NT 10-K/Q filings in the last eight quarters
Fortress balance sheet	cash minus debt is 12,021,000 USD; Altman Z is not used

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
301	Palo Alto Networks Inc. (PANW)	60.7	C/D	
302	Mettler Toledo International (MTD)	60.9	C/D	
303	IPG Photonics Corp. (IPGP)	61.1	C/D	fortress balance sheet
304	Digi International Inc. (DGII)	61.3	C/D	
305	Bentley Systems Inc. (BSY)	61.5	C/D	
306	Harmonic Inc. (HLIT)	61.7	C/D	late filer, fortress balance sheet
307	Teradata Corp. (TDC)	61.9	C/D	
308	KEY Tronic Corp. (KTCC)	62.1	C/D	short runway
309	RingCentral, Inc. (RNG)	62.3	D	
310	Alpha & Omega Semiconductor Ltd. (AOSL)	62.6	D	fortress balance sheet
311	Avantor, Inc. (AVTR)	62.8	D	

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What the price implies

at the 2026-11-12 close; none of these enters the grade

Measure	Value	Peer median	Percentile
Twelve-month price change, skipping the latest month	(1.3%)	(2.0%)	51
Distance from 52-week high	(38.8%)	(33.7%)	44
EBIT to enterprise value	1.4%	1.7%	47
Free cash flow yield	8.6%	2.8%	81
Book value to price	0.33	0.27	57
Sales to price	0.32	0.31	51
Composite equity issuance, five years	6.3%	4.3%	53
Relative strength against the sector, log excess return	(0.28)	(0.29)	51

Diagnostics

shown on every report; none enters the grade

Measure	Value
Piotroski F-score 3 of 9, period end 2025-12-31	
Return on assets above zero	fail
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	fail
Cash, filings, liquidity	
Cash and equivalents	$142.8M
Operating cash flow, four quarters	$36.2M
Months of runway	not finite
Days since last periodic filing	7 (10-Q received Nov 6, 2026)
Median daily dollar volume, 63 sessions	$14.9M

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	$174.7M	2025-12-31	2026-02-24	10-K	26-067506
2	assets	us-gaap:Assets	$718.5M	2025-12-31	2026-02-24	10-K	26-067506
3	operating income	us-gaap:OperatingIncomeLoss	$14.1M	2025-12-31	2026-02-24	10-K	26-067506
4	pretax income	us-gaap:IncomeLossFromContinuingOperationsBeforeInc...	$8.9M	2025-12-31	2026-02-24	10-K	26-067506
5	income tax	us-gaap:IncomeTaxExpenseBenefit	$7.6M	2025-12-31	2026-02-24	10-K	26-067506
6	total debt	us-gaap:LongTermDebt	$112.1M	2025-12-31	2026-02-24	10-K	26-067506
7	book equity	us-gaap:StockholdersEquity	$383.2M	2025-12-31	2026-02-24	10-K	26-067506
8	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	$124.1M	2025-12-31	2026-02-24	10-K	26-067506
9	total debt	us-gaap:LongTermDebt	$114.3M	2024-12-31	2026-02-24	10-K	26-067506
10	book equity	us-gaap:StockholdersEquity	$465.3M	2024-12-31	2026-02-24	10-K	26-067506
11	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	$101.5M	2024-12-31	2026-02-24	10-K	26-067506
12	net income	us-gaap:NetIncomeLoss	-$43.3M	2025-12-31	2026-02-24	10-K	26-067506
13	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$108.0M	2025-12-31	2026-02-24	10-K	26-067506
14	assets	us-gaap:Assets	$796.5M	2024-12-31	2026-02-24	10-K	26-067506
15	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$360.5M	2025-12-31	2026-02-24	10-K	26-067506
16	gross profit	us-gaap:GrossProfit	$240.1M	2024-12-31	2026-02-24	10-K	26-067506
17	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$488.2M	2024-12-31	2026-02-24	10-K	26-067506
18	gross profit	us-gaap:GrossProfit	$178.1M	2023-12-31	2026-02-24	10-K	26-067506

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19	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$388.5M	2023-12-31	2026-02-24	10-K	26-067506
20	gross profit	us-gaap:GrossProfit	$315.9M	2022-12-31	2025-02-14	10-K	25-000021
21	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$625.0M	2022-12-31	2025-02-14	10-K	25-000021
22	gross profit	us-gaap:GrossProfit	$259.7M	2021-12-31	2024-02-16	10-K	24-000024
23	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$507.1M	2021-12-31	2024-02-16	10-K	24-000024
24	current assets	us-gaap:AssetsCurrent	$494.4M	2025-12-31	2026-02-24	10-K	26-067506
25	current liabilities	us-gaap:LiabilitiesCurrent	$197.9M	2025-12-31	2026-02-24	10-K	26-067506
26	retained earnings	us-gaap:RetainedEarningsAccumulatedDeficit	-$2.1B	2025-12-31	2026-02-24	10-K	26-067506
27	liabilities	us-gaap:Liabilities	$335.2M	2025-12-31	2026-02-24	10-K	26-067506
28	depreciation amortization	us-gaap:Depreciation	$11.1M	2025-12-31	2026-02-24	10-K	26-067506
29	operating income	us-gaap:OperatingIncomeLoss	$30.0M	2023-12-31	2026-02-24	10-K	26-067506
30	interest expense	us-gaap:InterestExpense	$2.7M	2023-12-31	2024-02-16	10-K	24-000024
31	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$11.1M	2025-12-31	2026-02-24	10-K	26-067506
32	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$61.9M	2024-12-31	2026-02-24	10-K	26-067506
33	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$9.2M	2024-12-31	2026-02-24	10-K	26-067506
34	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$7.1M	2023-12-31	2026-02-24	10-K	26-067506
35	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$8.5M	2023-12-31	2026-02-24	10-K	26-067506
36	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$5.5M	2022-12-31	2025-02-14	10-K	25-000021
37	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$9.2M	2022-12-31	2025-02-14	10-K	25-000021
38	current assets	us-gaap:AssetsCurrent	$565.1M	2024-12-31	2026-02-24	10-K	26-067506
39	current liabilities	us-gaap:LiabilitiesCurrent	$192.3M	2024-12-31	2026-02-24	10-K	26-067506
40	assets	us-gaap:Assets	$768.2M	2023-12-31	2025-02-14	10-K	25-000021
41	assets	us-gaap:Assets	$710.0M	2022-12-31	2024-02-16	10-K	24-000024
42	shares outstanding	dei:EntityCommonStockSharesOutstanding	110,242,356	2026-02-19	2026-02-24	10-K	26-067506
43	shares outstanding	dei:EntityCommonStockSharesOutstanding	117,052,884	2025-02-10	2025-02-14	10-K	25-000021

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