Netflix Inc.

NFLX

Nasdaq; other; SIC 7841, Services-Video Tape Rental; CIK 0001065280

B/C

on the B/C boundary of 335 graded peers in other

rank 131 of 335; percentile 38.9; sampling error 2.6 points; lower is stronger

A B C D E

B/C, the elk



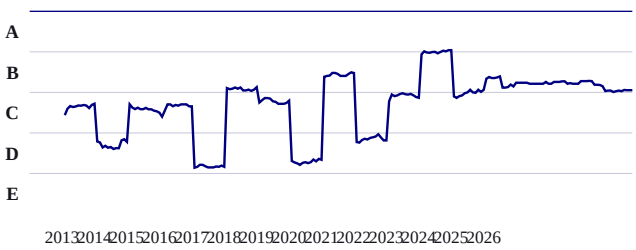
Scoreboard	
Profitability	C/D percentile 58.7
Solvency	B/C percentile 40.5
Growth and financing	B percentile 34.7
Reliability	0.94 AUC filers with over $2.67B assets; 95% interval 0.88 to 0.97; 61 events, 2020 to 2025
Peer failure rate	0.52% a year Item 1.03 bankruptcies, same asset band, 2012 to 2025
Size band	over $2.67B assets total assets $55.6B
Standard universe	inside revenue above $1M and assets above $10M
Warnings	none triggered
Inputs computable	11 of 14
Graded from	filings received through Jan 23, 2026 297 days before the rescan; latest periodic filing 10-Q received Oct 21, 2026
Last close	$62.15 2026-11-13; market equity $255.2B; 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 Jan 23, 2026

Netflix, Inc. ("Netflix", the "Company", "registrant", "we", or "us") is one of the world's leading entertainment services offering TV series, films, games and live programming across a wide variety of genres and languages. Members can play, pause and resume watching as much as they want, anytime, anywhere, and can change their plans at any time. Our core strategy is to grow our business globally within the parameters of our operating margin target. We strive to continuously improve our members' experience by offering compelling content that delights them and attracts new members.

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 58.7						
Gross profitability	39.4%	27.1%		27.0	286	2025-12-31
Return on invested capital	not computable	10.0%				

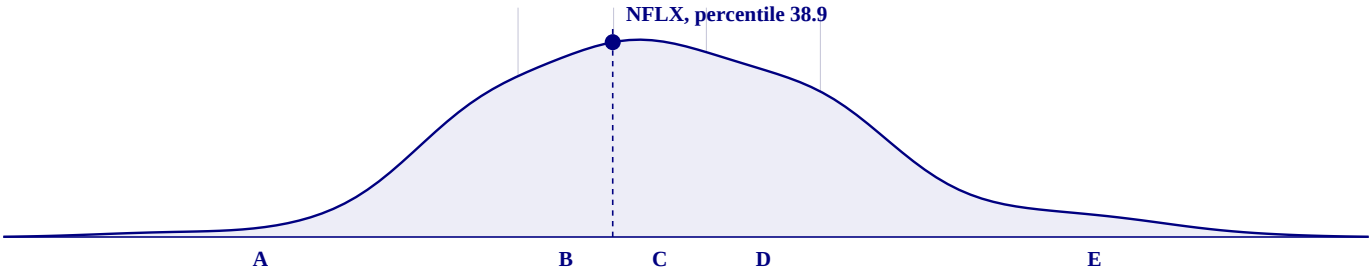
latest aligned inputs end 2020-12-31; latest annual assets end 2025-12-31

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Accruals ratio	1.5%	(5.8%)	85.4	502	2025-12-31
Gross margin stability, five years	3.3 pts	2.2 pts	63.5	204	2025-12-31
Solvency, sleeve percentile 40.5					
Twelve-month failure probability	0.04%	0.04%	52.2	47	2026-09-30
Altman Z double-prime	5.29	2.06	14.2	389	2025-12-31
Net debt to EBITDA	not computable	2.51x			
latest aligned inputs end 2020-12-31; latest annual assets end 2025-12-31					
Interest coverage	not computable	2.45x			
latest aligned inputs end 2023-12-31; latest annual assets end 2025-12-31					
Current ratio	1.19x	1.33x	55.0	506	2025-12-31
Growth and financing, sleeve percentile 34.7					
Revenue growth, three-year compound	12.6%	5.0%	25.5	397	2025-12-31
Free cash flow growth, three-year compound	80.1%	8.8%	6.0	218	2025-12-31
Reinvestment rate	0.4%	12.2%	59.6	189	2025-12-31
Asset growth, three years	4.6%	4.0%	45.2	430	2025-12-31
Net share issuance, one year	(1.3%)	(0.5%)	37.0	352	2025-12-31

Among 335 peers

other; 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
126	VSE Corp. (VSEC)	37.6	B/C	
127	VSE Corp. (VSECU)	37.6	B/C	
128	ABM Industries Inc. (ABM)	38.0	B/C	
129	Upbound Group, Inc. (UPBD)	38.3	B/C	
130	Tetra Tech Inc. (TTEK)	38.6	B/C	
131	Netflix Inc. (NFLX)	38.9	B/C	
132	Zillow Group, Inc. (Z)	39.4	B/C	
133	Zillow Group, Inc. (ZG)	39.4	B/C	
134	Shift4 Payments, Inc. (FOUR)	40.0	B/C	
135	Shift4 Payments, Inc. (FOUR-PA)	40.0	B/C	
136	Knife River Corp. (KNF)	40.4	B/C	

What the price implies

at the 2026-11-13 close; none of these enters the grade

Measure	Value	Peer median	Percentile
Twelve-month price change, skipping the latest month	(37.8%)	(1.5%)	17
Distance from 52-week high	(46.2%)	(23.3%)	23
EBIT to enterprise value	5.0%	4.3%	58
Free cash flow yield	3.7%	4.1%	47
Book value to price	0.11	0.34	20
Sales to price	0.18	0.69	13
Composite equity issuance, five years	(7.6%)	(8.9%)	55

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Relative strength against the sector, log excess return	(0.59)	(0.14)	17

Diagnostics

shown on every report; none enters the grade

Measure	Value
Piotroski F-score 7 of 9, period end 2025-12-31	
Return on assets above zero	pass
Operating cash flow above zero	pass
Return on assets improved	pass
Operating cash flow exceeds net income	fail
Long-term leverage fell	pass
Current ratio improved	fail
No new shares issued	pass
Gross margin improved	pass
Asset turnover improved	pass
Cash, filings, liquidity	
Cash and equivalents	$8.2B
Operating cash flow, four quarters	$12.3B
Months of runway	not finite
Days since last periodic filing	26 (10-Q received Oct 21, 2026)
Median daily dollar volume, 63 sessions	$2.4B

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	$45.2B	2025-12-31	2026-01-23	10-K	26-000034
2	cost of revenue	us-gaap:CostOfRevenue	$23.3B	2025-12-31	2026-01-23	10-K	26-000034
3	assets	us-gaap:Assets	$55.6B	2025-12-31	2026-01-23	10-K	26-000034
4	operating income	us-gaap:OperatingIncomeLoss	$4.6B	2020-12-31	2023-01-26	10-K	23-000035
5	pretax income	us-gaap:IncomeLossFromContinuingOperationsBeforeInc...	$3.2B	2020-12-31	2023-01-26	10-K	23-000035
6	income tax	us-gaap:IncomeTaxExpenseBenefit	$438.0M	2020-12-31	2023-01-26	10-K	23-000035
7	total debt	us-gaap:LongTermDebt	$21.9B	2020-12-31	2021-01-28	10-K	21-000040
8	book equity	us-gaap:StockholdersEquity	$11.1B	2020-12-31	2024-01-26	10-K	24-000030
9	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	$8.2B	2020-12-31	2022-01-27	10-K	22-000036
10	total debt	us-gaap:LongTermDebt	$20.7B	2019-12-31	2021-01-28	10-K	21-000040
11	book equity	us-gaap:StockholdersEquity	$7.6B	2019-12-31	2023-01-26	10-K	23-000035
12	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	$5.0B	2019-12-31	2021-01-28	10-K	21-000040
13	net income	us-gaap:NetIncomeLoss	$11.0B	2025-12-31	2026-01-23	10-K	26-000034
14	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$10.1B	2025-12-31	2026-01-23	10-K	26-000034
15	assets	us-gaap:Assets	$53.6B	2024-12-31	2026-01-23	10-K	26-000034
16	revenue	us-gaap:Revenues	$39.0B	2024-12-31	2026-01-23	10-K	26-000034
17	cost of revenue	us-gaap:CostOfRevenue	$21.0B	2024-12-31	2026-01-23	10-K	26-000034
18	revenue	us-gaap:Revenues	$33.7B	2023-12-31	2026-01-23	10-K	26-000034
19	cost of revenue	us-gaap:CostOfRevenue	$19.7B	2023-12-31	2026-01-23	10-K	26-000034
20	revenue	us-gaap:Revenues	$31.6B	2022-12-31	2025-01-27	10-K	25-000044
21	cost of revenue	us-gaap:CostOfRevenue	$19.2B	2022-12-31	2025-01-27	10-K	25-000044
22	revenue	us-gaap:Revenues	$29.7B	2021-12-31	2024-01-26	10-K	24-000030
23	cost of revenue	us-gaap:CostOfRevenue	$17.3B	2021-12-31	2024-01-26	10-K	24-000030
24	current assets	us-gaap:AssetsCurrent	$13.0B	2025-12-31	2026-01-23	10-K	26-000034
25	current liabilities	us-gaap:LiabilitiesCurrent	$11.0B	2025-12-31	2026-01-23	10-K	26-000034
26	retained earnings	us-gaap:RetainedEarningsAccumulatedDeficit	$42.3B	2025-12-31	2026-01-23	10-K	26-000034
27	operating income	us-gaap:OperatingIncomeLoss	$13.3B	2025-12-31	2026-01-23	10-K	26-000034
28	book equity	us-gaap:StockholdersEquity	$26.6B	2025-12-31	2026-01-23	10-K	26-000034
29	liabilities	us-gaap:Liabilities	$29.0B	2025-12-31	2026-01-23	10-K	26-000034
30	depreciation amortization	us-gaap:DepreciationDepletionAndAmortization	$115.7M	2020-12-31	2023-01-26	10-K	23-000035

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31	operating income	us-gaap:OperatingIncomeLoss	$7.0B	2023-12-31	2026-01-23	10-K	26-000034
32	interest expense	us-gaap:InterestExpense	$699.8M	2023-12-31	2024-01-26	10-K	24-000030
33	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$688.2M	2025-12-31	2026-01-23	10-K	26-000034
34	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$7.4B	2024-12-31	2026-01-23	10-K	26-000034
35	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$439.5M	2024-12-31	2026-01-23	10-K	26-000034
36	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$7.3B	2023-12-31	2026-01-23	10-K	26-000034
37	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$348.6M	2023-12-31	2026-01-23	10-K	26-000034
38	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$2.0B	2022-12-31	2025-01-27	10-K	25-000044
39	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$407.7M	2022-12-31	2025-01-27	10-K	25-000044
40	depreciation amortization	us-gaap:DepreciationDepletionAndAmortization	$333.4M	2025-12-31	2026-01-23	10-K	26-000034
41	pretax income	us-gaap:IncomeLossFromContinuingOperationsBeforeInc...	$12.7B	2025-12-31	2026-01-23	10-K	26-000034
42	income tax	us-gaap:IncomeTaxExpenseBenefit	$1.7B	2025-12-31	2026-01-23	10-K	26-000034
43	current assets	us-gaap:AssetsCurrent	$13.1B	2024-12-31	2026-01-23	10-K	26-000034
44	current liabilities	us-gaap:LiabilitiesCurrent	$10.8B	2024-12-31	2026-01-23	10-K	26-000034
45	assets	us-gaap:Assets	$48.7B	2023-12-31	2025-01-27	10-K	25-000044
46	assets	us-gaap:Assets	$48.6B	2022-12-31	2024-01-26	10-K	24-000030
47	shares outstanding	dei:EntityCommonStockSharesOutstanding	4,222,162,150	2025-12-31	2026-01-23	10-K	26-000034
48	shares outstanding	dei:EntityCommonStockSharesOutstanding	427,757,100	2024-12-31	2025-01-27	10-K	25-000044

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