Advance Auto Parts Inc.

AAP

NYSE; shops; SIC 5531, Retail-Auto & Home Supply Stores; CIK 0001158449

D/E

on the D/E boundary of 240 graded peers in shops

rank 187 of 240; percentile 77.8; sampling error 3.0 points; lower is stronger

A B C D E

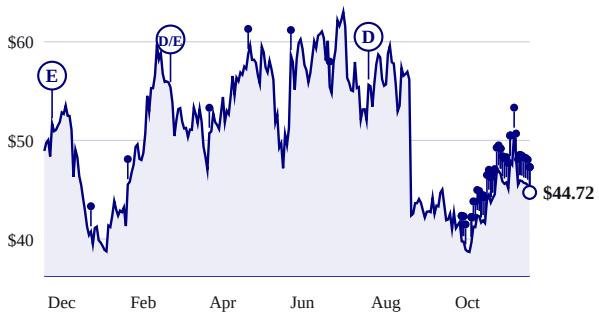
D/E, the sloth



Scoreboard

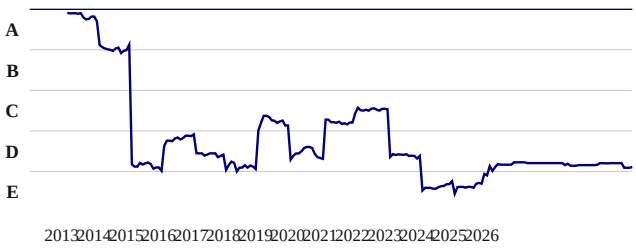
Profitability	D/E percentile 79.5
Solvency	B percentile 36.4
Growth and financing	D percentile 67.2
Reliability	0.94 AUC filers with over $2.67B assets; 95% interval 0.88 to 0.97; 61 events, 2020 to 2025
Peer failure rate	0.52% a year Item 1.03 bankruptcies, same asset band, 2012 to 2025
Size band	over $2.67B assets total assets $11.8B
Standard universe	inside revenue above $1M and assets above $10M
Warnings	none triggered not computable: short runway, distress
Inputs computable	8 of 13
Graded from	filings received through Feb 13, 2026 277 days before the rescan; latest periodic filing 10-Q received Nov 5, 2026
Last close	$44.72 2026-11-16; market equity $2.7B; 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 13, 2026

Unless the context otherwise requires, the "Company," "Advance," and similar terms refer to Advance Auto Parts, Inc., its subsidiaries and their respective operations on a consolidated basis. The Company's fiscal year consists of 52 or 53 weeks ending on the Saturday closest to December 31st each year. The Company's fiscal year ended January 3, 2026 ("2025") included fifty-three weeks of operations. The Company's previous two fiscal years ended on December 28, 2024 ("2024") and December 30, 2023 ("2023"), respectively, each included fifty-two weeks of operations. Advance Auto Parts, Inc.

The thirteen inputs

lower percentile is stronger; sleeves and inputs within a sleeve carry equal weight

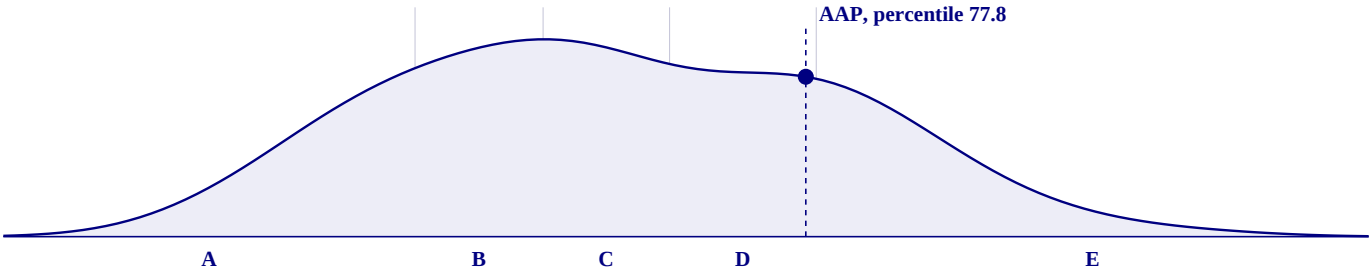
Input	Value	Peer median	Percentile, 0 to 100	Pct	Peers	Period end
Profitability, sleeve percentile 79.5						
Gross profitability	31.6%	43.7%		68.2	224	2026-01-03
Return on invested capital	not computable	11.5%				
prior invested-capital observation is 4389 days earlier						

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Accruals ratio	0.8%	(4.9%)	90.7	269	2026-01-03
Gross margin stability, five years	3.0 pts	1.2 pts	79.7	203	2026-01-03
Solvency, sleeve percentile 36.4					
Altman Z double-prime	3.09	1.92	31.5	198	2026-01-03
Net debt to EBITDA	1.26x	1.46x	44.9	90	2026-01-03
Interest coverage	not computable	2.70x			
latest aligned inputs end 2016-01-02; latest annual assets end 2026-01-03					
Current ratio	1.75x	1.34x	32.8	275	2026-01-03
Growth and financing, sleeve percentile 67.2					
Revenue growth, three-year compound	(2.0%)	1.8%	67.6	251	2026-01-03
Free cash flow growth, three-year compound	not computable	4.7%			
current FCF must be positive and base FCF must exceed $100,000					
Reinvestment rate	not computable	13.3%			
pretax income must exceed the validity floor and imply a 0%-100% tax rate					
Asset growth, three years	not computable	3.1%			
four consecutive annual observations are required					
Net share issuance, one year	0.5%	(0.6%)	66.8	209	2026-02-09

Among 240 peers

shops; 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
182	Dave & Buster's Entertainment, Inc. (PLAY)	75.7	D	
183	CHS Inc. (CHSCP)	76.2	D	
184	1 800 Flowers COM Inc. (FLWS)	76.6	D	
185	Petco Health & Wellness Company, Inc. (WOOF)	77.0	D/E	
186	Nextnrg, Inc. (NXXT)	77.4	D/E	dilution, late filer
187	Advance Auto Parts Inc. (AAP)	77.8	D/E	
188	Global Partners L.P. (GLP)	78.2	D/E	
189	Alliance Entertainment Holding Corp. (AENT)	78.7	D/E	
190	GrowGeneration Corp. (GRWG)	79.1	D/E	fortress balance sheet
191	RED Robin Gourmet Burgers Inc. (RRGB)	79.5	D/E	late filer
192	Ashland Inc. (ASH)	79.9	D/E	

What the price implies

at the 2026-11-16 close; none of these enters the grade

Measure	Value	Peer median	Percentile
Twelve-month price change, skipping the latest month	(16.2%)	(0.8%)	35
Distance from 52-week high	(29.0%)	(21.6%)	38
EBIT to enterprise value	(1.4%)	5.1%	17
Free cash flow yield	(11.0%)	3.9%	12
Book value to price	0.84	0.36	76
Sales to price	3.18	1.60	68

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Composite equity issuance, five years	(21.5%)	(17.0%)	38
Relative strength against the sector, log excess return	(0.09)	0.08	35
Twelve-month failure probability, CHS model	not computable	0.03%	

Diagnostics

shown on every report; none enters the grade

Measure	Value
Piotroski F-score 5 of 9, period end 2026-01-03	
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	fail
Current ratio improved	pass
No new shares issued	fail
Gross margin improved	pass
Asset turnover improved	pass
Cash, filings, liquidity	
Cash and equivalents	n/a
Operating cash flow, four quarters	n/a
Months of runway	not finite
Days since last periodic filing	12 (10-Q received Nov 5, 2026)
Median daily dollar volume, 63 sessions	$72.7M

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	gross profit	us-gaap:GrossProfit	$3.7B	2026-01-03	2026-02-13	10-K	26-051305
2	assets	us-gaap:Assets	$11.8B	2026-01-03	2026-02-13	10-K	26-051305
3	operating income	us-gaap:OperatingIncomeLoss	-$43.0M	2026-01-03	2026-02-13	10-K	26-051305
4	pretax income	us-gaap:IncomeLossFromContinuingOperationsBeforeInc...	-$91.0M	2026-01-03	2026-02-13	10-K	26-051305
5	income tax	us-gaap:IncomeTaxExpenseBenefit	-$159.0M	2026-01-03	2026-02-13	10-K	26-051305
6	total debt	us-gaap:LongTermDebt	$3.4B	2026-01-03	2026-02-13	10-K	26-051305
7	book equity	us-gaap:StockholdersEquity	$2.2B	2026-01-03	2026-02-13	10-K	26-051305
8	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	$3.1B	2026-01-03	2026-02-13	10-K	26-051305
9	total debt	us-gaap:LongTermDebt	$1.1B	2013-12-28	2014-02-25	10-K	14-000058
10	book equity	us-gaap:StockholdersEquity	$1.5B	2013-12-28	2017-02-28	10-K	17-000034
11	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	$1.1B	2013-12-28	2017-02-28	10-K	17-000034
12	net income	us-gaap:NetIncomeLoss	$44.0M	2026-01-03	2026-02-13	10-K	26-051305
13	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	-$46.0M	2026-01-03	2026-02-13	10-K	26-051305
14	assets	us-gaap:Assets	$10.8B	2024-12-28	2026-02-13	10-K	26-051305
15	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$8.6B	2026-01-03	2026-02-13	10-K	26-051305
16	gross profit	us-gaap:GrossProfit	$3.4B	2024-12-28	2026-02-13	10-K	26-051305
17	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$9.1B	2024-12-28	2026-02-13	10-K	26-051305
18	gross profit	us-gaap:GrossProfit	$3.9B	2023-12-30	2026-02-13	10-K	26-051305
19	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$9.2B	2023-12-30	2026-02-13	10-K	26-051305
20	gross profit	us-gaap:GrossProfit	$4.2B	2022-12-31	2025-02-26	10-K	25-000064
21	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$9.1B	2022-12-31	2025-02-26	10-K	25-000064
22	gross profit	us-gaap:GrossProfit	$4.9B	2022-01-01	2024-05-30	10-K/A	24-000128
23	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$11.0B	2022-01-01	2024-05-30	10-K/A	24-000128
24	current assets	us-gaap:AssetsCurrent	$7.3B	2026-01-03	2026-02-13	10-K	26-051305
25	current liabilities	us-gaap:LiabilitiesCurrent	$4.2B	2026-01-03	2026-02-13	10-K	26-051305
26	retained earnings	us-gaap:RetainedEarningsAccumulatedDeficit	$4.1B	2026-01-03	2026-02-13	10-K	26-051305
27	liabilities	us-gaap:Liabilities	$9.6B	2026-01-03	2026-02-13	10-K	26-051305

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28	depreciation amortization	us-gaap:DepreciationDepletionAndAmortization	$272.0M	2026-01-03	2026-02-13	10-K	26-051305
29	operating income	us-gaap:OperatingIncomeLoss	$825.8M	2016-01-02	2018-02-21	10-K	18-000039
30	interest expense	us-gaap:InterestExpense	$65.4M	2016-01-02	2016-03-01	10-K	16-000299
31	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$252.0M	2026-01-03	2026-02-13	10-K	26-051305
32	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$85.0M	2024-12-28	2026-02-13	10-K	26-051305
33	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$181.0M	2024-12-28	2026-02-13	10-K	26-051305
34	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$287.0M	2023-12-30	2026-02-13	10-K	26-051305
35	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$226.0M	2023-12-30	2026-02-13	10-K	26-051305
36	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$736.6M	2022-12-31	2025-02-26	10-K	25-000064
37	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$398.8M	2022-12-31	2025-02-26	10-K	25-000064
38	current assets	us-gaap:AssetsCurrent	$6.1B	2024-12-28	2026-02-13	10-K	26-051305
39	current liabilities	us-gaap:LiabilitiesCurrent	$4.7B	2024-12-28	2026-02-13	10-K	26-051305
40	assets	us-gaap:Assets	$12.3B	2023-12-30	2025-02-26	10-K	25-000064
41	assets	us-gaap:Assets	$12.2B	2023-10-07	2024-05-30	10-K/A	24-000128
42	shares outstanding	dei:EntityCommonStockSharesOutstanding	60,100,000	2026-02-09	2026-02-13	10-K	26-051305
43	shares outstanding	dei:EntityCommonStockSharesOutstanding	59,792,946	2025-02-19	2025-02-26	10-K	25-000064

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