# Inspire Medical Systems, Inc. INSP

NYSE; healthcare; SIC 3841, Surgical & Medical Instruments & Apparatus; CIK 0001609550

**A**

**strongest fifth of 305 graded peers in healthcare**

rank 2 of 305; percentile 0.3; sampling error 2.8 points; lower is stronger

A B C D E

**A, the bull**



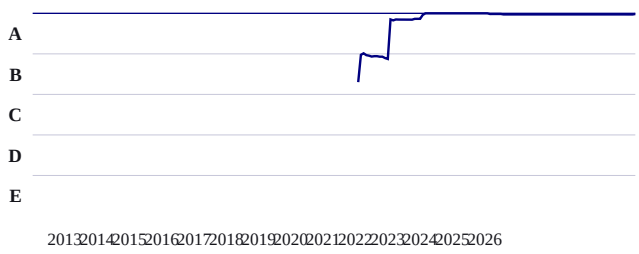
| Scoreboard | |
|---|---|
| **Profitability** | B<br>percentile 33.1 |
| **Solvency** | A/B<br>percentile 20.2 |
| **Growth and financing** | A<br>percentile 12.5 |
| **Reliability** | 0.91 AUC<br>filers with $591M to $2.67B assets; 95% interval 0.88 to 0.94; 160 events, 2020 to 2025 |
| **Peer failure rate** | 1.01% a year<br>Item 1.03 bankruptcies, same asset band, 2012 to 2025 |
| **Size band** | $591M to $2.67B assets<br>total assets $907.3M |
| **Standard universe** | inside<br>revenue above $1M and assets above $10M |
| **Warnings** | none triggered; fortress balance sheet |
| **Inputs computable** | 9 of 13 |
| **Graded from** | filings received through Feb 13, 2026<br>277 days before the rescan; latest periodic filing 10-Q received Nov 2, 2026 |
| **Last close** | $59.09<br>2026-11-16; market equity $1.7B; 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*

We are a medical technology company focused on the development and commercialization of innovative, minimally invasive solutions for patients with obstructive sleep apnea ("OSA"). Our proprietary Inspire system is the first FDA, European Union ("EU") Regulation No. 2017/745 ("MDR" or "EU Medical Devices Regulation"), and Japan Pharmaceuticals and Medical Devices Agency-approved neurostimulation technology of its kind that provides a safe and effective treatment for patients with moderate to severe OSA. We have developed a novel, closed-loop solution that continuously monitors a patient's breathing and delivers mild hypoglossal nerve stimulation to maintain an open airway.

## 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 33.1** | | | | | | |
| Gross profitability | 85.8% | 32.8% | | 6.1 | 346 | 2025-12-31 |
| Return on invested capital | not computable | 9.6% | | | | |

Not investment advice. Informational and educational only. Data from SEC EDGAR, may contain errors, is not warranted. The grade ranks reported financial condition and is not a return forecast.

| | | | | | | |
|---|---|---|---|---|---|---|
| *pretax income must exceed the validity floor and imply a 0%-100% tax rate* | | | | | | |
| Accruals ratio | 3.3% | (6.7%) | | 86.8 | 756 | 2025-12-31 |
| Gross margin stability, five years | 0.7 pts | 2.8 pts | | 6.4 | 237 | 2025-12-31 |
| **Solvency, sleeve percentile 20.2** | | | | | | |
| Altman Z double-prime | 9.88 | 0.31 | | 9.1 | 705 | 2025-12-31 |
| Net debt to EBITDA | not computable | 1.82x | | | | |
| *EBITDA must exceed $100,000* | | | | | | |
| Interest coverage | not computable | (3.61x) | | | | |
| *interest expense must exceed $100,000* | | | | | | |
| Current ratio | 6.08x | 2.68x | | 31.3 | 781 | 2025-12-31 |
| **Growth and financing, sleeve percentile 12.5** | | | | | | |
| Revenue growth, three-year compound | 30.8% | 9.6% | | 21.1 | 400 | 2025-12-31 |
| Free cash flow growth, three-year compound | 216.6% | 11.1% | | 0.0 | 94 | 2025-12-31 |
| Reinvestment rate | not computable | 33.9% | | | | |
| *pretax income must exceed the validity floor and imply a 0%-100% tax rate* | | | | | | |
| Asset growth, three years | 17.1% | 3.2% | | 23.9 | 663 | 2025-12-31 |
| Net share issuance, one year | (3.6%) | 1.6% | | 5.0 | 624 | 2026-02-05 |

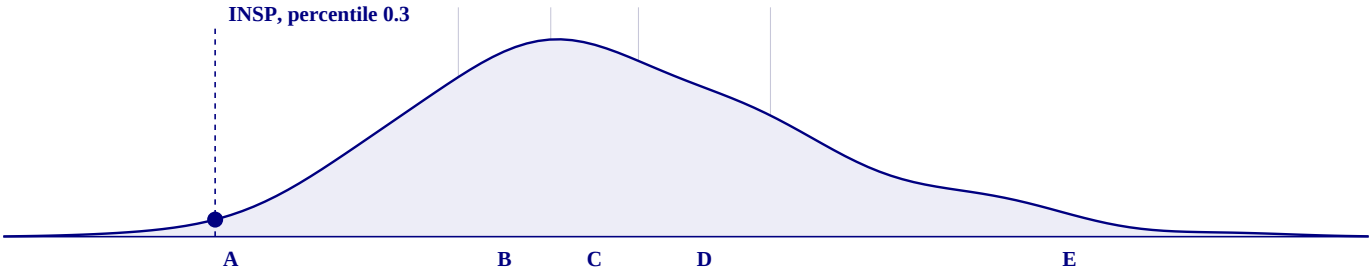
## Warnings

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

| Check | Measured |
|---|---|
| Fortress balance sheet | cash minus debt is 189,967,000 USD; Altman Z is not used |

## Among 305 peers

*healthcare; 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 |
|---|---|---|---|---|
| 1 | Delcath Systems, Inc. (DCTH) | 0.0 | A | fortress balance sheet |
| 2 | Inspire Medical Systems, Inc. (INSP) | 0.3 | A | fortress balance sheet |
| 3 | Kiniksa Pharmaceuticals International, plc (KNSA) | 0.7 | A | |
| 4 | Mimedx Group, Inc. (MDXG) | 1.0 | A | fortress balance sheet |
| 5 | BeOne Medicines Ltd. (ONC) | 1.3 | A | fortress balance sheet |
| 6 | Progyny, Inc. (PGNY) | 1.6 | A | |
| 7 | Harmony Biosciences Holdings, Inc. (HRMY) | 2.0 | A | fortress balance sheet |

## 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 | (3.8%) | (1.7%) | 48 |
| Distance from 52-week high | (58.9%) | (31.5%) | 24 |
| EBIT to enterprise value | 3.3% | 0.5% | 65 |
| Free cash flow yield | 4.6% | 0.5% | 79 |
| Book value to price | 0.48 | 0.28 | 65 |

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| | | | |
|---|---|---|---|
| Sales to price | 0.53 | 0.36 | 63 |
| Composite equity issuance, five years | 6.6% | 13.2% | 41 |
| Relative strength against the sector, log excess return | (0.21) | (0.19) | 48 |
| Twelve-month failure probability, CHS model | 0.02% | 0.06% | 14 |

## Diagnostics

*shown on every report; none enters the grade*

| Measure | Value |
|---|---|
| **Piotroski F-score None 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 | fail |
| Current ratio improved | fail |
| No new shares issued | pass |
| Gross margin improved | pass |
| Asset turnover improved | fail |
| **Cash, filings, liquidity** | |
| Cash and equivalents | $190.8M |
| Operating cash flow, four quarters | $135.0M |
| Months of runway | not finite |
| Days since last periodic filing | 15 (10-Q received Nov 2, 2026) |
| Median daily dollar volume, 63 sessions | $43.6M |

## 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 | $778.8M | 2025-12-31 | 2026-02-13 | 10-K | 26-000016 |
| 2 | assets | us-gaap:Assets | $907.3M | 2025-12-31 | 2026-02-13 | 10-K | 26-000016 |
| 3 | operating income | us-gaap:OperatingIncomeLoss | -$39.9M | 2021-12-31 | 2024-02-09 | 10-K | 24-000016 |
| 4 | pretax income | us-gaap:IncomeLossFromContinuingOperationsBeforeInc... | -$42.0M | 2021-12-31 | 2024-02-09 | 10-K | 24-000016 |
| 5 | income tax | us-gaap:IncomeTaxExpenseBenefit | $72,000 | 2021-12-31 | 2024-02-09 | 10-K | 24-000016 |
| 6 | total debt | us-gaap:LongTermDebt | $24.5M | 2021-12-31 | 2022-02-15 | 10-K | 22-000014 |
| 7 | book equity | us-gaap:StockholdersEquity | $229.0M | 2021-12-31 | 2025-02-10 | 10-K | 25-000011 |
| 8 | cash | us-gaap:CashAndCashEquivalentsAtCarryingValue | $214.5M | 2021-12-31 | 2023-02-10 | 10-K | 23-000024 |
| 9 | total debt | us-gaap:LongTermDebt | $24.5M | 2020-12-31 | 2021-02-24 | 10-K | 21-000010 |
| 10 | book equity | us-gaap:StockholdersEquity | $229.7M | 2020-12-31 | 2024-02-09 | 10-K | 24-000016 |
| 11 | cash | us-gaap:CashAndCashEquivalentsAtCarryingValue | $190.5M | 2020-12-31 | 2022-02-15 | 10-K | 22-000014 |
| 12 | net income | us-gaap:NetIncomeLoss | $145.4M | 2025-12-31 | 2026-02-13 | 10-K | 26-000016 |
| 13 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $117.0M | 2025-12-31 | 2026-02-13 | 10-K | 26-000016 |
| 14 | assets | us-gaap:Assets | $808.4M | 2024-12-31 | 2026-02-13 | 10-K | 26-000016 |
| 15 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $912.0M | 2025-12-31 | 2026-02-13 | 10-K | 26-000016 |
| 16 | gross profit | us-gaap:GrossProfit | $679.8M | 2024-12-31 | 2026-02-13 | 10-K | 26-000016 |
| 17 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $802.8M | 2024-12-31 | 2026-02-13 | 10-K | 26-000016 |
| 18 | gross profit | us-gaap:GrossProfit | $528.2M | 2023-12-31 | 2026-02-13 | 10-K | 26-000016 |
| 19 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $624.8M | 2023-12-31 | 2026-02-13 | 10-K | 26-000016 |
| 20 | gross profit | us-gaap:GrossProfit | $341.7M | 2022-12-31 | 2025-02-10 | 10-K | 25-000011 |
| 21 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $407.9M | 2022-12-31 | 2025-02-10 | 10-K | 25-000011 |
| 22 | gross profit | us-gaap:GrossProfit | $200.1M | 2021-12-31 | 2024-02-09 | 10-K | 24-000016 |
| 23 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $233.4M | 2021-12-31 | 2024-02-09 | 10-K | 24-000016 |
| 24 | current assets | us-gaap:AssetsCurrent | $583.7M | 2025-12-31 | 2026-02-13 | 10-K | 26-000016 |
| 25 | current liabilities | us-gaap:LiabilitiesCurrent | $96.1M | 2025-12-31 | 2026-02-13 | 10-K | 26-000016 |
| 26 | retained earnings | us-gaap:RetainedEarningsAccumulatedDeficit | -$146.5M | 2025-12-31 | 2026-02-13 | 10-K | 26-000016 |

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| | | | | | | | |
|---|---|---|---|---|---|---|---|
| 27 | operating income | us-gaap:OperatingIncomeLoss | $51.0M | 2025-12-31 | 2026-02-13 | 10-K | 26-000016 |
| 28 | book equity | us-gaap:StockholdersEquity | $781.2M | 2025-12-31 | 2026-02-13 | 10-K | 26-000016 |
| 29 | liabilities | us-gaap:Liabilities | $126.2M | 2025-12-31 | 2026-02-13 | 10-K | 26-000016 |
| 30 | depreciation amortization | us-gaap:DepreciationDepletionAndAmortization | $1.2M | 2021-12-31 | 2024-02-09 | 10-K | 24-000016 |
| 31 | operating income | us-gaap:OperatingIncomeLoss | -$40.3M | 2023-12-31 | 2026-02-13 | 10-K | 26-000016 |
| 32 | interest expense | us-gaap:InterestExpense | $0 | 2023-12-31 | 2024-02-09 | 10-K | 24-000016 |
| 33 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $38.5M | 2025-12-31 | 2026-02-13 | 10-K | 26-000016 |
| 34 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $130.2M | 2024-12-31 | 2026-02-13 | 10-K | 26-000016 |
| 35 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $39.1M | 2024-12-31 | 2026-02-13 | 10-K | 26-000016 |
| 36 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $24.7M | 2023-12-31 | 2026-02-13 | 10-K | 26-000016 |
| 37 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $23.6M | 2023-12-31 | 2026-02-13 | 10-K | 26-000016 |
| 38 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $11.6M | 2022-12-31 | 2025-02-10 | 10-K | 25-000011 |
| 39 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $9.1M | 2022-12-31 | 2025-02-10 | 10-K | 25-000011 |
| 40 | depreciation amortization | us-gaap:DepreciationDepletionAndAmortization | $14.0M | 2025-12-31 | 2026-02-13 | 10-K | 26-000016 |
| 41 | pretax income | us-gaap:IncomeLossFromContinuingOperationsBeforeInc... | $65.7M | 2025-12-31 | 2026-02-13 | 10-K | 26-000016 |
| 42 | income tax | us-gaap:IncomeTaxExpenseBenefit | -$79.7M | 2025-12-31 | 2026-02-13 | 10-K | 26-000016 |
| 43 | current assets | us-gaap:AssetsCurrent | $630.8M | 2024-12-31 | 2026-02-13 | 10-K | 26-000016 |
| 44 | current liabilities | us-gaap:LiabilitiesCurrent | $88.5M | 2024-12-31 | 2026-02-13 | 10-K | 26-000016 |
| 45 | assets | us-gaap:Assets | $676.8M | 2023-12-31 | 2025-02-10 | 10-K | 25-000011 |
| 46 | assets | us-gaap:Assets | $564.9M | 2022-12-31 | 2024-02-09 | 10-K | 24-000016 |
| 47 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 28,589,291 | 2026-02-05 | 2026-02-13 | 10-K | 26-000016 |
| 48 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 29,669,407 | 2025-02-03 | 2025-02-10 | 10-K | 25-000011 |

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