# Lithia Motors Inc.

**LAD**

NYSE; shops; SIC 5500, Retail-Auto Dealers & Gasoline Stations; CIK 0001023128

**C**

**middle fifth of 240 graded peers in shops**

rank 128 of 240; percentile 53.1; sampling error 3.0 points; lower is stronger

A B C D E

**C, the tortoise**



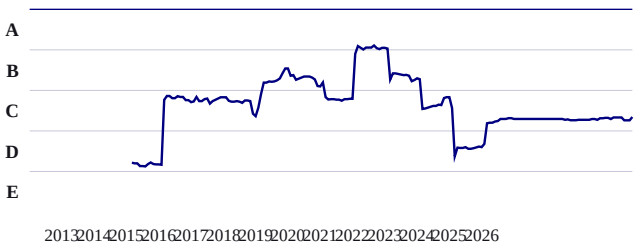
| Scoreboard | |
|---|---|
| **Profitability** | D<br>percentile 75.2 |
| **Solvency** | C<br>percentile 52.5 |
| **Growth and financing** | A/B<br>percentile 22.7 |
| **Reliability** | 0.94 AUC<br>filers with over $2.67B assets; 95% interval 0.88 to 0.97; 61 events, 2020 to 2025 |
| **Peer failure rate** | 0.52% a year<br>Item 1.03 bankruptcies, same asset band, 2012 to 2025 |
| **Size band** | over $2.67B assets<br>total assets $25.1B |
| **Standard universe** | inside<br>revenue above $1M and assets above $10M |
| **Warnings** | none triggered<br>not computable: distress |
| **Inputs computable** | 9 of 13 |
| **Graded from** | filings received through Feb 25, 2026<br>265 days before the rescan; latest periodic filing 10-Q received Oct 28, 2026 |
| **Last close** | $293.38<br>2026-11-16; market equity $6.3B; 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 25, 2026*

As used in this Annual Report, the terms "Lithia," "Lithia and Driveway," "LAD," "the Company," "we," "us," and "our" refer collectively to Lithia Motors, Inc. and its subsidiaries, unless otherwise required by the context. Our store operations are conducted by our subsidiaries. Certain statements in this Annual Report, including in the sections entitled "Risk Factors," "Management's Discussion and Analysis of Financial Condition and Results of Operations," and "Business" constitute forward-looking statements within the meaning of the "Safe Harbor" provisions of the Private Securities Litigation Reform Act of 1995.

## 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 75.2** | | | | | | |
| Gross profitability | 22.8% | 43.7% | | 78.9 | 224 | 2025-12-31 |
| Return on invested capital | not computable | 11.5% | | | | |

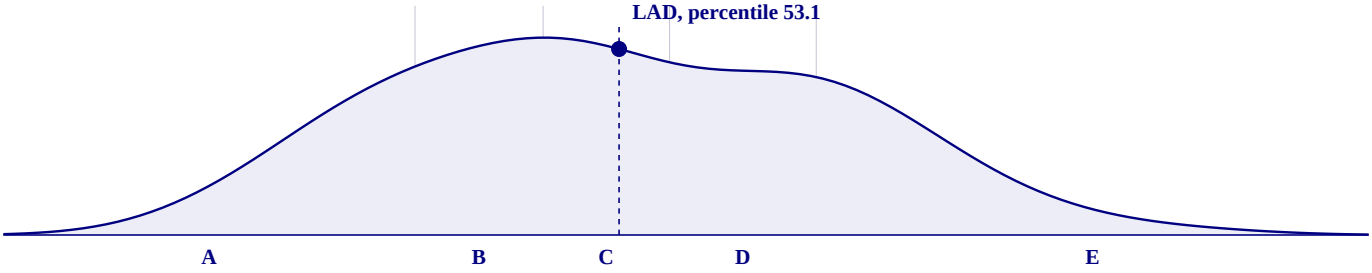
*latest aligned inputs end 2021-12-31; latest annual assets end 2025-12-31*

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.

| | | | | | |
|---|---|---|---|---|---|
| Accruals ratio | 1.9% | (4.9%) | 93.3 | 269 | 2025-12-31 |
| Gross margin stability, five years | 1.4 pts | 1.2 pts | 53.5 | 203 | 2025-12-31 |
| **Solvency, sleeve percentile 52.5** | | | | | |
| Altman Z double-prime | 1.95 | 1.92 | 46.2 | 198 | 2025-12-31 |
| Net debt to EBITDA | not computable | 1.46x | | | |
| *latest aligned inputs end 2021-12-31; latest annual assets end 2025-12-31* | | | | | |
| Interest coverage | not computable | 2.70x | | | |
| *one or more required annual facts are missing* | | | | | |
| Current ratio | 1.17x | 1.34x | 58.8 | 275 | 2025-12-31 |
| **Growth and financing, sleeve percentile 22.7** | | | | | |
| Revenue growth, three-year compound | 10.1% | 1.8% | 16.4 | 251 | 2025-12-31 |
| 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 | (2.9%) | 13.3% | 66.7 | 142 | 2025-12-31 |
| Asset growth, three years | 18.7% | 3.1% | 4.8 | 252 | 2025-12-31 |
| Net share issuance, one year | (11.1%) | (0.6%) | 2.9 | 209 | 2026-02-25 |

## 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 |
|---|---|---|---|---|
| 123 | Mckesson Corp. (MCK) | 51.0 | C | |
| 124 | Walmart Inc. (WMT) | 51.5 | C | |
| 125 | Darden Restaurants Inc. (DRI) | 51.9 | C | |
| 126 | Insight Enterprises Inc. (NSIT) | 52.3 | C | |
| 127 | Hudson Technologies Inc. (HDSN) | 52.7 | C | |
| 128 | Lithia Motors Inc. (LAD) | 53.1 | C | |
| 129 | Climb Global Solutions, Inc. (CLMB) | 53.6 | C | fortress balance sheet |
| 130 | Penske Automotive Group, Inc. (PAG) | 54.0 | C | |
| 131 | Arrow Electronics, Inc. (ARW) | 54.4 | C | |
| 132 | Victoria's Secret & Co. (VSXY) | 54.8 | C | |
| 133 | Yum China Holdings, Inc. (YUMC) | 55.2 | C | |

## 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 | (6.4%) | (0.8%) | 42 |
| Distance from 52-week high | (31.5%) | (21.6%) | 36 |
| EBIT to enterprise value | 10.0% | 5.1% | 85 |
| Free cash flow yield | 0.09% | 3.9% | 23 |
| Book value to price | 1.04 | 0.36 | 83 |
| Sales to price | 5.95 | 1.60 | 83 |
| Composite equity issuance, five years | not computable | (17.0%) | |

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| | | | |
|---|---|---|---|
| Relative strength against the sector, log excess return | 0.02 | 0.08 | 42 |
| Twelve-month failure probability, CHS model | not computable | 0.03% | |

## 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 | pass |
| Operating cash flow above zero | pass |
| Return on assets improved | fail |
| Operating cash flow exceeds net income | fail |
| 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 | $108.1M |
| Operating cash flow, four quarters | -$81.2M |
| Months of runway | 16.0 |
| Days since last periodic filing | 20 (10-Q received Oct 28, 2026) |
| Median daily dollar volume, 63 sessions | $81.7M |

## 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 | $5.7B | 2025-12-31 | 2026-02-25 | 10-K | 26-000015 |
| 2 | assets | us-gaap:Assets | $25.1B | 2025-12-31 | 2026-02-25 | 10-K | 26-000015 |
| 3 | operating income | us-gaap:OperatingIncomeLoss | $1.7B | 2021-12-31 | 2024-02-23 | 10-K | 24-000032 |
| 4 | pretax income | us-gaap:IncomeLossFromContinuingOperationsBeforeInc... | $1.5B | 2021-12-31 | 2024-02-23 | 10-K | 24-000032 |
| 5 | income tax | us-gaap:IncomeTaxExpenseBenefit | $422.1M | 2021-12-31 | 2024-02-23 | 10-K | 24-000032 |
| 6 | total debt | us-gaap:LongTermDebtAndCapitalLeaseObligations | $3.2B | 2021-12-31 | 2022-02-18 | 10-K | 22-000042 |
| 7 | book equity | us-gaap:StockholdersEquity | $4.6B | 2021-12-31 | 2023-02-24 | 10-K | 23-000053 |
| 8 | cash | us-gaap:CashAndCashEquivalentsAtCarryingValue | $153.0M | 2021-12-31 | 2022-02-18 | 10-K | 22-000042 |
| 9 | total debt | us-gaap:LongTermDebtAndCapitalLeaseObligations | $2.1B | 2020-12-31 | 2022-02-18 | 10-K | 22-000042 |
| 10 | book equity | us-gaap:StockholdersEquity | $2.7B | 2020-12-31 | 2022-02-18 | 10-K | 22-000042 |
| 11 | cash | us-gaap:CashAndCashEquivalentsAtCarryingValue | $160.2M | 2020-12-31 | 2022-02-18 | 10-K | 22-000042 |
| 12 | net income | us-gaap:NetIncomeLoss | $819.6M | 2025-12-31 | 2026-02-25 | 10-K | 26-000015 |
| 13 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $356.7M | 2025-12-31 | 2026-02-25 | 10-K | 26-000015 |
| 14 | assets | us-gaap:Assets | $23.1B | 2024-12-31 | 2026-02-25 | 10-K | 26-000015 |
| 15 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $37.6B | 2025-12-31 | 2026-02-25 | 10-K | 26-000015 |
| 16 | gross profit | us-gaap:GrossProfit | $5.6B | 2024-12-31 | 2026-02-25 | 10-K | 26-000015 |
| 17 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $36.2B | 2024-12-31 | 2026-02-25 | 10-K | 26-000015 |
| 18 | gross profit | us-gaap:GrossProfit | $5.2B | 2023-12-31 | 2026-02-25 | 10-K | 26-000015 |
| 19 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $31.0B | 2023-12-31 | 2026-02-25 | 10-K | 26-000015 |
| 20 | gross profit | us-gaap:GrossProfit | $5.2B | 2022-12-31 | 2025-02-24 | 10-K | 25-000026 |
| 21 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $28.2B | 2022-12-31 | 2025-02-24 | 10-K | 25-000026 |
| 22 | gross profit | us-gaap:GrossProfit | $4.3B | 2021-12-31 | 2024-02-23 | 10-K | 24-000032 |
| 23 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $22.8B | 2021-12-31 | 2024-02-23 | 10-K | 24-000032 |
| 24 | current assets | us-gaap:AssetsCurrent | $7.9B | 2025-12-31 | 2026-02-25 | 10-K | 26-000015 |
| 25 | current liabilities | us-gaap:LiabilitiesCurrent | $6.7B | 2025-12-31 | 2026-02-25 | 10-K | 26-000015 |
| 26 | retained earnings | us-gaap:RetainedEarningsAccumulatedDeficit | $6.5B | 2025-12-31 | 2026-02-25 | 10-K | 26-000015 |
| 27 | operating income | us-gaap:OperatingIncomeLoss | $1.6B | 2025-12-31 | 2026-02-25 | 10-K | 26-000015 |
| 28 | book equity | us-gaap:StockholdersEquity | $6.6B | 2025-12-31 | 2026-02-25 | 10-K | 26-000015 |
| 29 | liabilities | us-gaap:Liabilities | $18.5B | 2025-12-31 | 2026-02-25 | 10-K | 26-000015 |

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| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| 30 | depreciation amortization | us-gaap:DepreciationDepletionAndAmortization | $127.3M | 2021-12-31 | 2024-02-23 | 10-K | 24-000032 |
| 31 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $350.9M | 2025-12-31 | 2026-02-25 | 10-K | 26-000015 |
| 32 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $425.1M | 2024-12-31 | 2026-02-25 | 10-K | 26-000015 |
| 33 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $351.4M | 2024-12-31 | 2026-02-25 | 10-K | 26-000015 |
| 34 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | -$472.4M | 2023-12-31 | 2026-02-25 | 10-K | 26-000015 |
| 35 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $230.2M | 2023-12-31 | 2026-02-25 | 10-K | 26-000015 |
| 36 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | -$610.1M | 2022-12-31 | 2025-02-24 | 10-K | 25-000026 |
| 37 | capital expenditure | us-gaap:PaymentsToAcquirePropertyPlantAndEquipment | $303.1M | 2022-12-31 | 2025-02-24 | 10-K | 25-000026 |
| 38 | depreciation amortization | us-gaap:DepreciationDepletionAndAmortization | $323.6M | 2025-12-31 | 2026-02-25 | 10-K | 26-000015 |
| 39 | pretax income | us-gaap:IncomeLossFromContinuingOperationsBeforeInc... | $1.1B | 2025-12-31 | 2026-02-25 | 10-K | 26-000015 |
| 40 | income tax | us-gaap:IncomeTaxExpenseBenefit | $282.5M | 2025-12-31 | 2026-02-25 | 10-K | 26-000015 |
| 41 | current assets | us-gaap:AssetsCurrent | $7.8B | 2024-12-31 | 2026-02-25 | 10-K | 26-000015 |
| 42 | current liabilities | us-gaap:LiabilitiesCurrent | $6.6B | 2024-12-31 | 2026-02-25 | 10-K | 26-000015 |
| 43 | assets | us-gaap:Assets | $19.6B | 2023-12-31 | 2025-02-24 | 10-K | 25-000026 |
| 44 | assets | us-gaap:Assets | $15.0B | 2022-12-31 | 2024-02-23 | 10-K | 24-000032 |
| 45 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 23,374,910 | 2026-02-25 | 2026-02-25 | 10-K | 26-000015 |
| 46 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 26,286,746 | 2025-02-24 | 2025-02-24 | 10-K | 25-000026 |

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