Illinois Tool Works Inc.

ITW

NYSE; manufacturing; SIC 3560, General Industrial Machinery & Equipment; CIK 0000049826

D

fourth fifth of 245 graded peers in manufacturing

rank 185 of 245; percentile 75.4; sampling error 3.0 points; lower is stronger

A B C D E

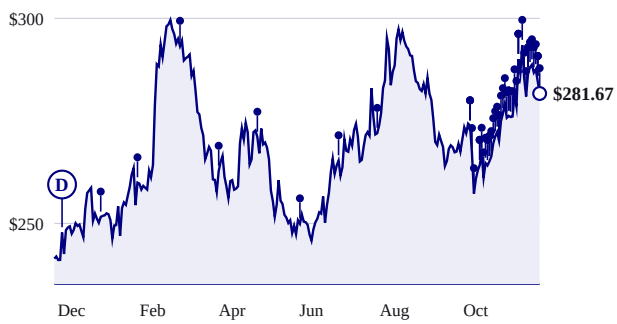
D, the sloth



Scoreboard

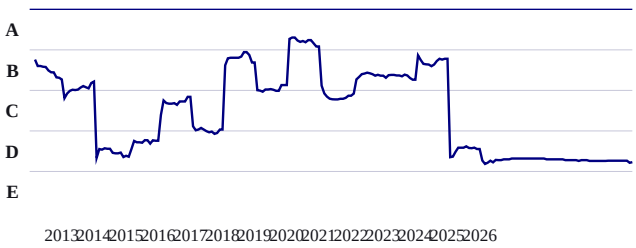
Profitability	C percentile 56.0
Solvency	D percentile 64.4
Growth and financing	C percentile 52.2
Reliability	0.94 AUC filers with over $2.67B assets; 95% interval 0.88 to 0.97; 61 events, 2020 to 2025
Peer failure rate	0.52% a year Item 1.03 bankruptcies, same asset band, 2012 to 2025
Size band	over $2.67B assets total assets $16.1B
Standard universe	inside revenue above $1M and assets above $10M
Warnings	none triggered not computable: distress
Inputs computable	9 of 13
Graded from	filings received through Feb 13, 2026 278 days before the rescan; latest periodic filing 10-Q received Oct 28, 2026
Last close	$281.61 2026-11-17; market equity $80.0B; 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

Illinois Tool Works Inc. (the "Company" or "ITW") was founded in 1912 and incorporated in 1915. The Company's ticker symbol is ITW. The Company is a global manufacturer of a diversified range of industrial products and equipment with 88 divisions in 49 countries. As of December 31, 2025, the Company employed approximately 43,000 people. The Company's operations are organized and managed based on similar product offerings and end markets, and are reported to senior management as the following seven segments: Automotive OEM; Food Equipment; Test & Measurement and Electronics; Welding; Polymers & Fluids; Construction Products; and Specialty Products.

The thirteen inputs

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

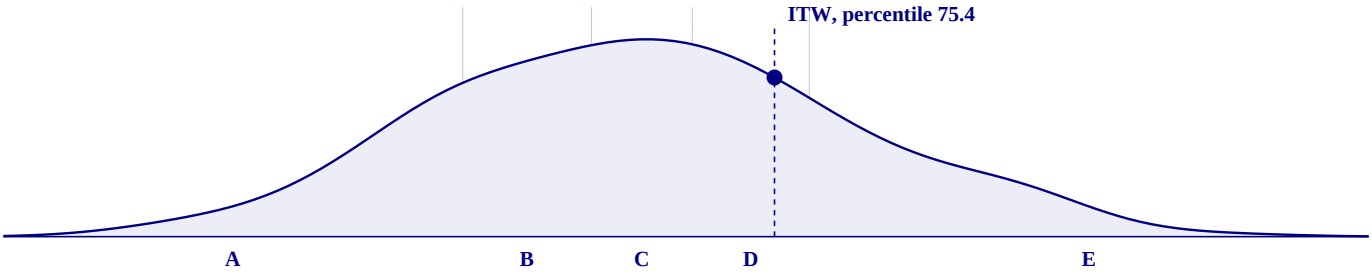
Input	Value	Peer median	Percentile, 0 to 100	Pct	Peers	Period end
Profitability, sleeve percentile 56.0						
Gross profitability	52.6%	22.2%		3.4	266	2025-12-31
Return on invested capital	not computable	9.9%				

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latest aligned inputs end 2023-12-31; latest annual assets end 2025-12-31						
Accruals ratio	(0.4%)	(3.7%)		78.9	286	2025-12-31
Gross margin stability, five years	5.5 pts	2.1 pts		85.5	222	2025-12-31
Solvency, sleeve percentile 64.4						
Altman Z double-prime	not computable	3.73				
one or more required annual facts are missing						
Net debt to EBITDA	1.51x	1.75x		42.7	118	2025-12-31
Interest coverage	not computable	5.13x				
latest aligned inputs end 2023-12-31; latest annual assets end 2025-12-31						
Current ratio	1.21x	2.26x		86.0	301	2025-12-31
Growth and financing, sleeve percentile 52.2						
Revenue growth, three-year compound	0.2%	2.2%		61.9	261	2025-12-31
Free cash flow growth, three-year compound	11.8%	13.5%		56.5	139	2025-12-31
Reinvestment rate	not computable	25.7%				
latest aligned inputs end 2023-12-31; latest annual assets end 2025-12-31						
Asset growth, three years	1.5%	4.2%		64.0	265	2025-12-31
Net share issuance, one year	(1.8%)	0.0%		26.2	241	2026-01-31

Among 245 peers

manufacturing; 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
180	Esab Corp. (ESAB)	73.4	D	
181	Columbus Mckinnon Corp. (CMCO)	73.8	D	
182	Griffon Corp. (GFF)	74.2	D	
183	StandardAero, Inc. (SARO)	74.6	D	
184	Carrier Global Corp. (CARR)	75.0	D	
185	Illinois Tool Works Inc. (ITW)	75.4	D	
186	Johnson Controls International plc (JCI)	75.8	D	
187	Entegris Inc. (ENTG)	76.2	D	
188	Crown Holdings, Inc. (CCK)	76.6	D	
189	Brunswick Corp. (BC)	77.0	D/E	
190	Avery Dennison Corp. (AVY)	77.5	D/E	

What the price implies

at the 2026-11-17 close; none of these enters the grade

Measure	Value	Peer median	Percentile
Twelve-month price change, skipping the latest month	8.2%	9.9%	48
Distance from 52-week high	(6.0%)	(29.0%)	92
EBIT to enterprise value	4.9%	4.3%	56
Free cash flow yield	3.4%	3.6%	45
Book value to price	0.04	0.37	6
Sales to price	0.20	0.57	11

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Composite equity issuance, five years	(24.3%)	(9.7%)	15
Relative strength against the sector, log excess return	(0.01)	0.01	48
Twelve-month failure probability, CHS model	not computable	0.04%	

Diagnostics

shown on every report; none enters the grade

Measure	Value
Piotroski F-score 6 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	pass
Long-term leverage fell	fail
Current ratio improved	fail
No new shares issued	pass
Gross margin improved	pass
Asset turnover improved	pass
Cash, filings, liquidity	
Cash and equivalents	$809.0M
Operating cash flow, four quarters	$3.3B
Months of runway	not finite
Days since last periodic filing	21 (10-Q received Oct 28, 2026)
Median daily dollar volume, 63 sessions	$311.0M

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:RevenueFromContractWithCustomerExcludingA...	$16.0B	2025-12-31	2026-02-13	10-K	26-000008
2	cost of revenue	us-gaap:CostOfRevenue	$7.6B	2025-12-31	2026-02-13	10-K	26-000008
3	assets	us-gaap:Assets	$16.1B	2025-12-31	2026-02-13	10-K	26-000008
4	operating income	us-gaap:OperatingIncomeLoss	$4.0B	2023-12-31	2026-02-13	10-K	26-000008
5	pretax income	us-gaap:IncomeLossFromContinuingOperationsBeforeInc...	$3.8B	2023-12-31	2024-02-09	10-K	24-000008
6	income tax	us-gaap:IncomeTaxExpenseBenefit	$866.0M	2023-12-31	2026-02-13	10-K	26-000008
7	total debt	us-gaap:LongTermDebt	$7.7B	2023-12-31	2025-02-14	10-K	25-000007
8	book equity	us-gaap:StockholdersEquityIncludingPortionAttributableT...	$3.0B	2023-12-31	2026-02-13	10-K	26-000008
9	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	$1.1B	2023-12-31	2025-02-14	10-K	25-000007
10	total debt	us-gaap:LongTermDebt	$6.7B	2022-12-31	2024-02-09	10-K	24-000008
11	book equity	us-gaap:StockholdersEquityIncludingPortionAttributableT...	$3.1B	2022-12-31	2026-02-13	10-K	26-000008
12	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	$708.0M	2022-12-31	2024-02-09	10-K	24-000008
13	net income	us-gaap:ProfitLoss	$3.1B	2025-12-31	2026-02-13	10-K	26-000008
14	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$3.1B	2025-12-31	2026-02-13	10-K	26-000008
15	assets	us-gaap:Assets	$15.1B	2024-12-31	2026-02-13	10-K	26-000008
16	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$15.9B	2024-12-31	2026-02-13	10-K	26-000008
17	cost of revenue	us-gaap:CostOfRevenue	$7.6B	2024-12-31	2026-02-13	10-K	26-000008
18	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$16.1B	2023-12-31	2026-02-13	10-K	26-000008
19	cost of revenue	us-gaap:CostOfGoodsAndServicesSold	$9.3B	2023-12-31	2026-02-13	10-K	26-000008
20	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$15.9B	2022-12-31	2025-02-14	10-K	25-000007
21	cost of revenue	us-gaap:CostOfGoodsAndServicesSold	$9.4B	2022-12-31	2025-02-14	10-K	25-000007
22	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$14.5B	2021-12-31	2024-02-09	10-K	24-000008
23	cost of revenue	us-gaap:CostOfGoodsAndServicesSold	$8.5B	2021-12-31	2024-02-09	10-K	24-000008
24	total debt	us-gaap:LongTermDebt	$7.7B	2025-12-31	2026-02-13	10-K	26-000008
25	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	$851.0M	2025-12-31	2026-02-13	10-K	26-000008
26	operating income	us-gaap:OperatingIncomeLoss	$4.2B	2025-12-31	2026-02-13	10-K	26-000008
27	depreciation amortization	us-gaap:Depreciation	$317.0M	2025-12-31	2026-02-13	10-K	26-000008

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28	interest expense	us-gaap:InterestExpense	$266.0M	2023-12-31	2024-02-09	10-K	24-000008
29	current assets	us-gaap:AssetsCurrent	$6.2B	2025-12-31	2026-02-13	10-K	26-000008
30	current liabilities	us-gaap:LiabilitiesCurrent	$5.1B	2025-12-31	2026-02-13	10-K	26-000008
31	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$419.0M	2025-12-31	2026-02-13	10-K	26-000008
32	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$3.3B	2024-12-31	2026-02-13	10-K	26-000008
33	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$437.0M	2024-12-31	2026-02-13	10-K	26-000008
34	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$3.5B	2023-12-31	2026-02-13	10-K	26-000008
35	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$455.0M	2023-12-31	2026-02-13	10-K	26-000008
36	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$2.3B	2022-12-31	2025-02-14	10-K	25-000007
37	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$412.0M	2022-12-31	2025-02-14	10-K	25-000007
38	depreciation amortization	us-gaap:Depreciation	$282.0M	2023-12-31	2026-02-13	10-K	26-000008
39	current assets	us-gaap:AssetsCurrent	$6.2B	2023-12-31	2025-02-14	10-K	25-000007
40	current liabilities	us-gaap:LiabilitiesCurrent	$4.7B	2023-12-31	2025-02-14	10-K	25-000007
41	current assets	us-gaap:AssetsCurrent	$6.3B	2022-12-31	2024-02-09	10-K	24-000008
42	current liabilities	us-gaap:LiabilitiesCurrent	$4.5B	2022-12-31	2024-02-09	10-K	24-000008
43	assets	us-gaap:Assets	$15.5B	2023-12-31	2025-02-14	10-K	25-000007
44	assets	us-gaap:Assets	$15.4B	2022-12-31	2025-02-14	10-K	25-000007
45	shares outstanding	dei:EntityCommonStockSharesOutstanding	288,200,000	2026-01-31	2026-02-13	10-K	26-000008
46	shares outstanding	dei:EntityCommonStockSharesOutstanding	293,500,000	2025-01-31	2025-02-14	10-K	25-000007

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