Southern Co.

SO

NYSE; utilities; SIC 4911, Electric Services; CIK 0000092122

D/E

on the D/E boundary of 125 graded peers in the pooled energ...

rank 99 of 125; percentile 79.0; sampling error 3.8 points; lower is stronger

A B C D E

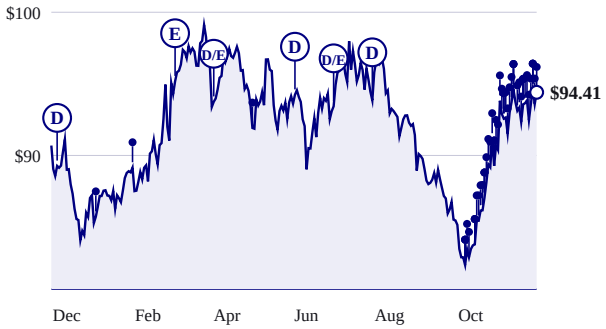
D/E, the sloth



Scoreboard

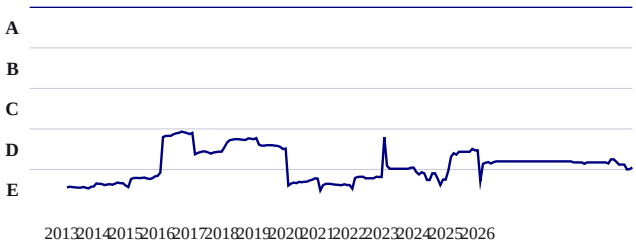
Profitability	C/D percentile 57.9
Solvency	D percentile 67.1
Growth and financing	C/D percentile 58.2
Reliability	0.94 AUC filers with over $2.67B assets; 95% interval 0.88 to 0.97; 61 events, 2020 to 2025
Peer failure rate	0.52% a year Item 1.03 bankruptcies, same asset band, 2012 to 2025
Size band	over $2.67B assets total assets $155.7B
Standard universe	inside revenue above $1M and assets above $10M
Warnings	none triggered not computable: dilution, distress
Inputs computable	7 of 13
Graded from	filings received through Feb 19, 2026 273 days before the rescan; latest periodic filing 10-Q received Nov 5, 2026
Last close	$94.39 2026-11-18; market equity $0; 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 19, 2026

Southern Company is a holding company that owns all of the outstanding common stock of three traditional electric operating companies, Southern Power Company, and Southern Company Gas. ?The traditional electric operating companies - Alabama Power, Georgia Power, and Mississippi Power - are each vertically integrated utilities providing electric service to retail customers in three Southeastern states in addition to wholesale customers in the Southeast. ?Southern Power Company is an operating public utility company.

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 57.9						
Gross profitability	not computable	18.7%				
one or more required annual facts are missing						
Return on invested capital	6.4%	6.3%		50.0	75	2025-12-31

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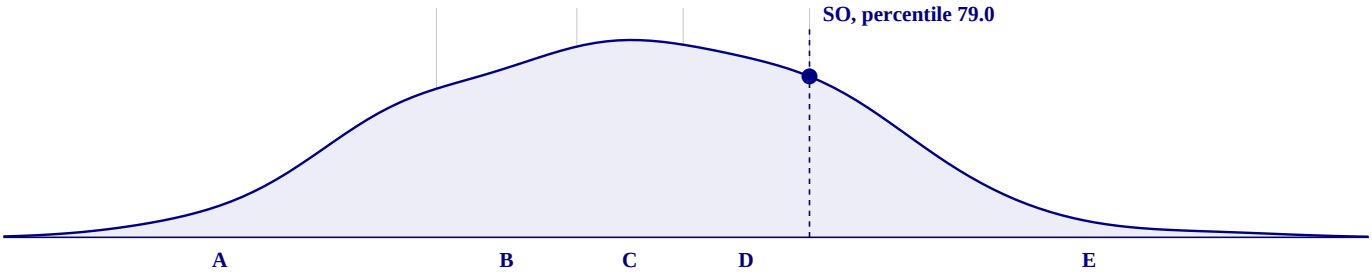
Accruals ratio	(3.6%)	(5.2%)	65.9	212	2025-12-31
Gross margin stability, five years	not computable	4.4 pts			
five annual gross margins are required; found 0					
Solvency, sleeve percentile 67.1					
Altman Z double-prime	0.70	1.55	64.5	122	2025-12-31
Net debt to EBITDA	not computable	3.34x			
one or more required annual facts are missing					
Interest coverage	2.25x	2.39x	57.6	60	2025-12-31
Current ratio	0.65x	1.02x	79.2	222	2025-12-31
Growth and financing, sleeve percentile 58.2					
Revenue growth, three-year compound	0.3%	2.2%	53.7	178	2025-12-31
Free cash flow growth, three-year compound	not computable	(10.5%)			
current FCF must be positive and base FCF must exceed $100,000					
Reinvestment rate	not computable	63.3%			
one or more required annual facts are missing					
Asset growth, three years	4.9%	6.9%	62.7	194	2025-12-31
Net share issuance, one year	not computable	0.3%			
firm-wide XBRL shares cannot be assigned to one ticker class					

Among 125 peers

utilities; 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
94	NorthWestern Energy Group, Inc. (NWE)	75.0	D	
95	Delek US Holdings, Inc. (DK)	75.8	D	
96	Firstenergy Corp. (FE)	76.6	D/E	
97	American Water Works Company, Inc. (AWK)	77.4	D/E	
98	Entergy Corp. (ETR)	78.2	D/E	
99	Southern Co. (SO)	79.0	D/E	
100	Atmos Energy Corp. (ATO)	79.8	D/E	
101	Unitil Corp. (UTL)	80.6	D/E	
102	MDU Resources Group Inc. (MDU)	81.5	D/E	
103	Consolidated Edison Inc. (ED)	82.3	D/E	
104	NEW Jersey Resources Corp. (NJR)	83.1	D/E	

What the price implies

at the 2026-11-18 close; none of these enters the grade

Measure	Value	Peer median	Percentile
Twelve-month price change, skipping the latest month	(8.9%)	8.0%	22
Distance from 52-week high	(4.7%)	(22.4%)	89
EBIT to enterprise value	not computable	4.8%	
Free cash flow yield	not computable	2.1%	
Book value to price	not computable	0.53	

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Sales to price	not computable	0.52	
Composite equity issuance, five years	not computable	(7.9%)	
Relative strength against the sector, log excess return	(0.00)	0.06	42
Twelve-month failure probability, CHS model	not computable	0.05%	

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	fail
Operating cash flow exceeds net income	pass
Long-term leverage fell	fail
Current ratio improved	fail
No new shares issued	fail
Gross margin improved	fail
Asset turnover improved	pass
Cash, filings, liquidity	
Cash and equivalents	$981.0M
Operating cash flow, four quarters	$9.8B
Months of runway	not finite
Days since last periodic filing	14 (10-Q received Nov 5, 2026)
Median daily dollar volume, 63 sessions	$533.8M

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	operating income	us-gaap:OperatingIncomeLoss	$7.3B	2025-12-31	2026-02-19	10-K	26-000006
2	pretax income	us-gaap:IncomeLossFromContinuingOperationsBeforeInc...	$5.0B	2025-12-31	2026-02-19	10-K	26-000006
3	income tax	us-gaap:IncomeTaxExpenseBenefit	$828.0M	2025-12-31	2026-02-19	10-K	26-000006
4	total debt	us-gaap:LongTermDebtAndCapitalLeaseObligations	$65.6B	2025-12-31	2026-02-19	10-K	26-000006
5	book equity	us-gaap:StockholdersEquity	$36.0B	2025-12-31	2026-02-19	10-K	26-000006
6	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	$1.6B	2025-12-31	2026-02-19	10-K	26-000006
7	total debt	us-gaap:LongTermDebtAndCapitalLeaseObligations	$58.8B	2024-12-31	2026-02-19	10-K	26-000006
8	book equity	us-gaap:StockholdersEquity	$33.2B	2024-12-31	2026-02-19	10-K	26-000006
9	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	$1.1B	2024-12-31	2026-02-19	10-K	26-000006
10	net income	us-gaap:NetIncomeLoss	$4.3B	2025-12-31	2026-02-19	10-K	26-000006
11	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$9.8B	2025-12-31	2026-02-19	10-K	26-000006
12	assets	us-gaap:Assets	$155.7B	2025-12-31	2026-02-19	10-K	26-000006
13	assets	us-gaap:Assets	$145.2B	2024-12-31	2026-02-19	10-K	26-000006
14	current assets	us-gaap:AssetsCurrent	$10.9B	2025-12-31	2026-02-19	10-K	26-000006
15	current liabilities	us-gaap:LiabilitiesCurrent	$16.9B	2025-12-31	2026-02-19	10-K	26-000006
16	retained earnings	us-gaap:RetainedEarningsAccumulatedDeficit	$14.9B	2025-12-31	2026-02-19	10-K	26-000006
17	liabilities	us-gaap:Liabilities	$116.9B	2025-12-31	2026-02-19	10-K	26-000006
18	interest expense	us-gaap:InterestAndDebtExpense	$3.2B	2025-12-31	2026-02-19	10-K	26-000006
19	revenue	us-gaap:Revenues	$29.6B	2025-12-31	2026-02-19	10-K	26-000006
20	revenue	us-gaap:Revenues	$26.7B	2024-12-31	2026-02-19	10-K	26-000006
21	revenue	us-gaap:Revenues	$25.3B	2023-12-31	2026-02-19	10-K	26-000006
22	revenue	us-gaap:Revenues	$29.3B	2022-12-31	2025-02-20	10-K	25-000018
23	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$12.7B	2025-12-31	2026-02-19	10-K	26-000006
24	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$9.8B	2024-12-31	2026-02-19	10-K	26-000006
25	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$9.0B	2024-12-31	2026-02-19	10-K	26-000006
26	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$7.6B	2023-12-31	2026-02-19	10-K	26-000006

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27	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$9.1B	2023-12-31	2026-02-19	10-K	26-000006
28	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$6.3B	2022-12-31	2025-02-20	10-K	25-000018
29	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$7.9B	2022-12-31	2025-02-20	10-K	25-000018
30	assets	us-gaap:Assets	$139.3B	2023-12-31	2026-02-19	10-K	26-000006
31	assets	us-gaap:Assets	$134.9B	2022-12-31	2025-02-20	10-K	25-000018