Unity Software Inc.

U

NYSE; business equipment; SIC 7372, Services-Prepackaged Software; CIK 0001810806

D

fourth fifth of 469 graded peers in business equipment

rank 345 of 469; percentile 73.5; sampling error 2.3 points; lower is stronger

A B C D E

D, the sloth



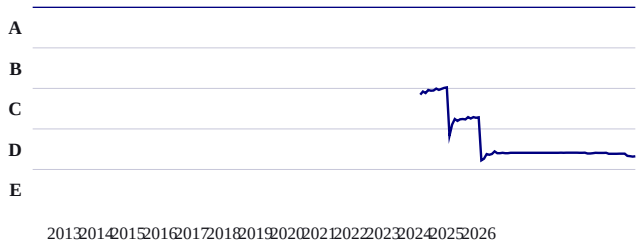
Scoreboard	
Profitability	C percentile 55.5
Solvency	C percentile 57.2
Growth and financing	C/D percentile 61.6
Reliability	0.94 AUC filers with over $2.67B assets; 95% interval 0.88 to 0.97; 61 events, 2020 to 2025
Peer failure rate	0.52% a year Item 1.03 bankruptcies, same asset band, 2012 to 2025
Size band	over $2.67B assets total assets $6.8B
Standard universe	inside revenue above $1M and assets above $10M
Warnings	none triggered not computable: distress, fortress balance sheet
Inputs computable	8 of 13
Graded from	filings received through Feb 11, 2026 282 days before the rescan; latest periodic filing 10-Q received Nov 5, 2026
Last close	$46.69 2026-11-19; market equity $20.7B; 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 11, 2026

Unity is the leading platform to develop, deploy, and grow games and interactive experiences. We offer a suite of tools across all major platforms from mobile, PC, and console, to extended reality (XR). Our comprehensive set of software, including AI solutions, supports developers through the entire development lifecycle - from prototyping to live service operation, user acquisition, and monetization.

The thirteen inputs

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

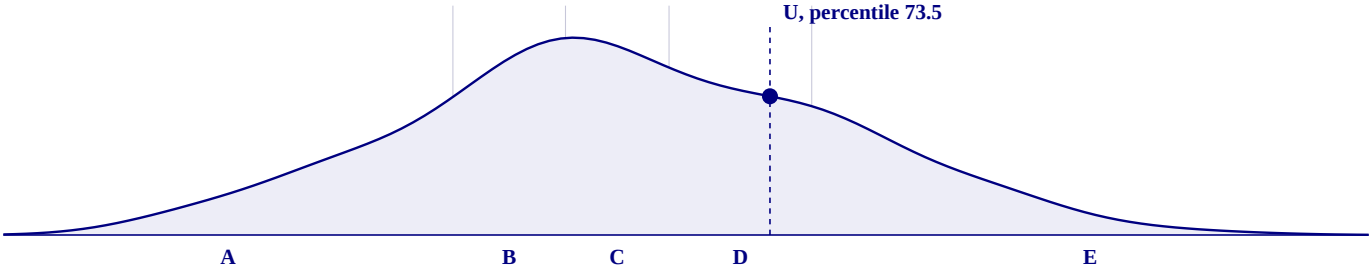
Input	Value	Peer median	Percentile, 0 to 100	Pct	Peers	Period end
Profitability, sleeve percentile 55.5						
Gross profitability	20.1%	29.3%		64.8	513	2025-12-31
Return on invested capital	not computable	11.0%				
one or more required annual facts are missing						
Accruals ratio	(12.2%)	(7.3%)		33.6	567	2025-12-31

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Gross margin stability, five years	4.0 pts	2.3 pts	68.1	406	2025-12-31
Solvency, sleeve percentile 57.2					
Altman Z double-prime	(0.19)	2.19	60.7	517	2025-12-31
Net debt to EBITDA	not computable	1.08x			
one or more required annual facts are missing					
Interest coverage	not computable	4.90x			
latest aligned inputs end 2023-12-31; latest annual assets end 2025-12-31					
Current ratio	1.84x	1.98x	53.8	601	2025-12-31
Growth and financing, sleeve percentile 61.6					
Revenue growth, three-year compound	10.0%	6.6%	39.4	503	2025-12-31
Free cash flow growth, three-year compound	not computable	17.5%			
current FCF must be positive and base FCF must exceed $100,000					
Reinvestment rate	not computable	16.2%			
pretax income must exceed the validity floor and imply a 0%-100% tax rate					
Asset growth, three years	(4.4%)	5.1%	73.0	520	2025-12-31
Net share issuance, one year	5.7%	0.5%	72.3	405	2026-01-30

Among 469 peers

business equipment; 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
340	Mercury Systems Inc. (MRCY)	72.4	D	
341	Cohu Inc. (COHU)	72.6	D	
342	Dropbox, Inc. (DBX)	72.9	D	
343	Q2 Holdings, Inc. (QTWO)	73.1	D	
344	Evolv Technologies Holdings, Inc. (EVLV)	73.3	D	late filer, fortress balance sheet
345	Unity Software Inc. (U)	73.5	D	
346	Adtran Holdings, Inc. (ADTN)	73.7	D	late filer, fortress balance sheet
347	Unisys Corp. (UIS)	73.9	D	
348	Sensata Technologies Holding plc (ST)	74.1	D	
349	Intellinetics, Inc. (INLX)	74.4	D	
350	Phunware, Inc. (PHUN)	74.6	D	fortress balance sheet

What the price implies

at the 2026-11-19 close; none of these enters the grade

Measure	Value	Peer median	Percentile
Twelve-month price change, skipping the latest month	8.0%	(2.2%)	58
Distance from 52-week high	(11.6%)	(38.6%)	85
EBIT to enterprise value	not computable	1.8%	
Free cash flow yield	1.9%	3.0%	38
Book value to price	0.16	0.29	29
Sales to price	0.09	0.33	13
Composite equity issuance, five years	46.8%	4.3%	85

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Relative strength against the sector, log excess return	(0.19)	(0.29)	58
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	fail
Operating cash flow above zero	pass
Return on assets improved	pass
Operating cash flow exceeds net income	pass
Long-term leverage fell	fail
Current ratio improved	fail
No new shares issued	fail
Gross margin improved	pass
Asset turnover improved	pass
Cash, filings, liquidity	
Cash and equivalents	$2.6B
Operating cash flow, four quarters	$622.3M
Months of runway	not finite
Days since last periodic filing	15 (10-Q received Nov 5, 2026)
Median daily dollar volume, 63 sessions	$408.5M

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	$1.4B	2025-12-31	2026-02-11	10-K	26-000011
2	assets	us-gaap:Assets	$6.8B	2025-12-31	2026-02-11	10-K	26-000011
3	net income	us-gaap:NetIncomeLoss	-$402.8M	2025-12-31	2026-02-11	10-K	26-000011
4	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$423.0M	2025-12-31	2026-02-11	10-K	26-000011
5	assets	us-gaap:Assets	$6.7B	2024-12-31	2026-02-11	10-K	26-000011
6	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$1.8B	2025-12-31	2026-02-11	10-K	26-000011
7	gross profit	us-gaap:GrossProfit	$1.3B	2024-12-31	2026-02-11	10-K	26-000011
8	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$1.8B	2024-12-31	2026-02-11	10-K	26-000011
9	gross profit	us-gaap:GrossProfit	$1.5B	2023-12-31	2026-02-11	10-K	26-000011
10	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$2.2B	2023-12-31	2026-02-11	10-K	26-000011
11	gross profit	us-gaap:GrossProfit	$948.5M	2022-12-31	2025-02-21	10-K	25-000026
12	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$1.4B	2022-12-31	2025-02-21	10-K	25-000026
13	gross profit	us-gaap:GrossProfit	$856.9M	2021-12-31	2024-02-29	10-K	24-000053
14	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$1.1B	2021-12-31	2024-02-29	10-K	24-000053
15	current assets	us-gaap:AssetsCurrent	$2.8B	2025-12-31	2026-02-11	10-K	26-000011
16	current liabilities	us-gaap:LiabilitiesCurrent	$1.5B	2025-12-31	2026-02-11	10-K	26-000011
17	retained earnings	us-gaap:RetainedEarningsAccumulatedDeficit	-$4.1B	2025-12-31	2026-02-11	10-K	26-000011
18	operating income	us-gaap:OperatingIncomeLoss	-$479.1M	2025-12-31	2026-02-11	10-K	26-000011
19	book equity	us-gaap:StockholdersEquity	$3.2B	2025-12-31	2026-02-11	10-K	26-000011
20	liabilities	us-gaap:Liabilities	$3.3B	2025-12-31	2026-02-11	10-K	26-000011
21	operating income	us-gaap:OperatingIncomeLoss	-$832.8M	2023-12-31	2026-02-11	10-K	26-000011
22	interest expense	us-gaap:InterestExpense	$24.6M	2023-12-31	2024-02-29	10-K	24-000053
23	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$19.0M	2025-12-31	2026-02-11	10-K	26-000011
24	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$315.6M	2024-12-31	2026-02-11	10-K	26-000011
25	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$29.5M	2024-12-31	2026-02-11	10-K	26-000011
26	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$234.7M	2023-12-31	2026-02-11	10-K	26-000011
27	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$55.9M	2023-12-31	2026-02-11	10-K	26-000011
28	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	-$59.4M	2022-12-31	2025-02-21	10-K	25-000026
29	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$57.1M	2022-12-31	2025-02-21	10-K	25-000026

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30	depreciation amortization	us-gaap:DepreciationDepletionAndAmortization	$460.9M	2025-12-31	2026-02-11	10-K	26-000011
31	pretax income	us-gaap:IncomeLossFromContinuingOperationsBeforeInc...	-$395.2M	2025-12-31	2026-02-11	10-K	26-000011
32	income tax	us-gaap:IncomeTaxExpenseBenefit	$6.3M	2025-12-31	2026-02-11	10-K	26-000011
33	current assets	us-gaap:AssetsCurrent	$2.2B	2024-12-31	2026-02-11	10-K	26-000011
34	current liabilities	us-gaap:LiabilitiesCurrent	$889.5M	2024-12-31	2026-02-11	10-K	26-000011
35	assets	us-gaap:Assets	$7.2B	2023-12-31	2025-02-21	10-K	25-000026
36	assets	us-gaap:Assets	$7.8B	2022-12-31	2024-02-29	10-K	24-000053
37	shares outstanding	dei:EntityCommonStockSharesOutstanding	432,987,611	2026-01-30	2026-02-11	10-K	26-000011
38	shares outstanding	dei:EntityCommonStockSharesOutstanding	409,664,525	2025-02-12	2025-02-21	10-K	25-000026

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