Cognizant Technology Solutions Corp. CTSH

Nasdaq; business equipment; SIC 7371, Services-Computer Programming Services; CIK 0001058290

C/D

on the C/D boundary of 469 graded peers in business equip...

rank 273 of 469; percentile 58.1; sampling error 2.3 points; lower is stronger

A B C D E

C/D, the tortoise



Scoreboard

Profitability	D	percentile 74.9
Solvency	B	percentile 29.5
Growth and financing	C	percentile 49.2
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 $20.7B
Standard universe	inside	revenue above $1M and assets above $10M
Warnings	none triggered; fortress balance sheet	
Inputs computable	8 of 13	
Graded from	filings received through Feb 12, 2026	282 days before the rescan; latest periodic filing 10-Q received Oct 29, 2026
Last close	$58.07	2026-11-20; market equity $26.0B; 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 12, 2026

-Competition." We compete on the basis of reputation and experience, strategic advisory capabilities, digital and AI capabilities, performance and reliability, responsiveness to customer needs, financial stability, corporate governance and competitive pricing of services. The less we are able to differentiate our services and solutions and/or clearly convey the value of our services and solutions, the more difficulty we have in winning new work in sufficient volumes and at our target pricing and overall economics.

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 74.9						
Gross profitability	not computable	29.4%				
one or more required annual facts are missing						
Return on invested capital	not computable	11.2%				
latest aligned inputs end 2018-12-31; latest annual assets end 2025-12-31						

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Accruals ratio	(3.2%)	(7.4%)		74.9	566	2025-12-31
Gross margin stability, five years	not computable	2.3 pts				
five annual gross margins are required; found 0						
Solvency, sleeve percentile 29.5						
Altman Z double-prime	7.58	2.18		13.4	517	2025-12-31
Net debt to EBITDA	not computable	1.11x				
latest aligned inputs end 2018-12-31; latest annual assets end 2025-12-31						
Interest coverage	not computable	4.90x				
latest aligned inputs end 2023-12-31; latest annual assets end 2025-12-31						
Current ratio	2.14x	1.98x		45.6	600	2025-12-31
Growth and financing, sleeve percentile 49.2						
Revenue growth, three-year compound	2.8%	6.6%		61.0	503	2025-12-31
Free cash flow growth, three-year compound	5.1%	17.4%		68.3	253	2025-12-31
Reinvestment rate	(1.0%)	14.3%		55.2	213	2025-12-31
Asset growth, three years	5.0%	5.0%		48.6	519	2025-12-31
Net share issuance, one year	(3.3%)	0.5%		12.9	404	2026-02-06

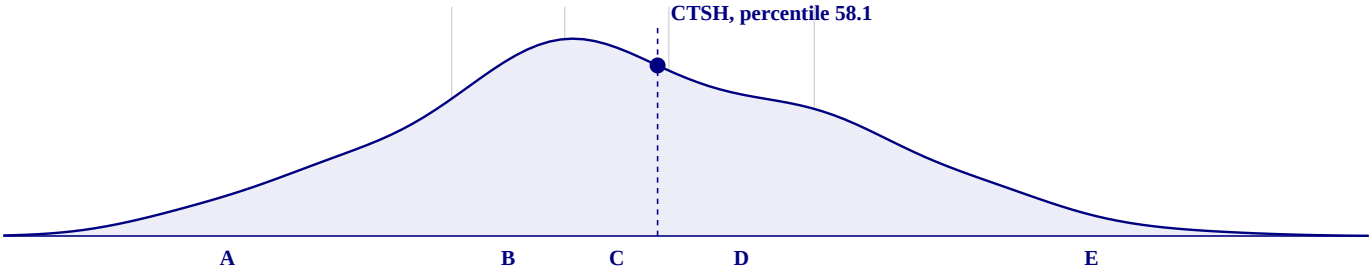
Warnings

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

Check	Measured
Fortress balance sheet	cash minus debt is 411,000,000 USD; Altman Z is not used

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
268	GSI Technology Inc. (GSIT)	57.1	C	dilution
269	Blackberry Ltd. (BB)	57.3	C	fortress balance sheet
270	Bandwidth Inc. (BAND)	57.5	C	
271	IPG Photonics Corp. (IPGP)	57.7	C	fortress balance sheet
272	Mesa Laboratories Inc. (MLAB)	57.9	C/D	
273	Cognizant Technology Solutions Corp. (CTSH)	58.1	C/D	fortress balance sheet
274	Rapid7, Inc. (RPD)	58.3	C/D	
275	Airwa Inc. (YYAI)	58.5	C/D	dilution, late filer
276	Kimball Electronics, Inc. (KE)	58.8	C/D	
277	Motorola Solutions, Inc. (MSI)	59.0	C/D	fortress balance sheet
278	Certara, Inc. (CERT)	59.2	C/D	

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What the price implies

at the 2026-11-20 close; none of these enters the grade

Measure	Value	Peer median	Percentile
Twelve-month price change, skipping the latest month	(19.4%)	(2.2%)	35
Distance from 52-week high	(33.0%)	(41.7%)	62
EBIT to enterprise value	13.5%	2.0%	95
Free cash flow yield	10.0%	3.1%	83
Book value to price	0.57	0.31	70
Sales to price	0.81	0.35	70
Composite equity issuance, five years	(27.2%)	4.3%	5
Relative strength against the sector, log excess return	(0.48)	(0.29)	35
Twelve-month failure probability, CHS model	0.02%	0.05%	6

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	pass
Current ratio improved	pass
No new shares issued	pass
Gross margin improved	fail
Asset turnover improved	fail
Cash, filings, liquidity	
Cash and equivalents	$1.5B
Operating cash flow, four quarters	$2.7B
Months of runway	not finite
Days since last periodic filing	23 (10-Q received Oct 29, 2026)
Median daily dollar volume, 63 sessions	$364.6M

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	operating income	us-gaap:OperatingIncomeLoss	$2.8B	2018-12-31	2021-02-12	10-K	21-000031
2	pretax income	us-gaap:IncomeLossFromContinuingOperationsBeforeInc...	$2.8B	2018-12-31	2021-02-12	10-K	21-000031
3	income tax	us-gaap:IncomeTaxExpenseBenefit	$698.0M	2018-12-31	2021-02-12	10-K	21-000031
4	total debt	us-gaap:LongTermDebt	$750.0M	2018-12-31	2019-02-19	10-K	19-000009
5	book equity	us-gaap:StockholdersEquity	$11.4B	2018-12-31	2022-02-16	10-K	22-000023
6	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	$1.2B	2018-12-31	2020-02-14	10-K	20-000008
7	total debt	us-gaap:LongTermDebt	$800.0M	2017-12-31	2018-02-27	10-K	18-000009
8	book equity	us-gaap:StockholdersEquity	$10.7B	2017-12-31	2021-02-12	10-K	21-000031
9	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	$1.9B	2017-12-31	2020-02-14	10-K	20-000008
10	net income	us-gaap:NetIncomeLoss	$2.2B	2025-12-31	2026-02-12	10-K	26-000008
11	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$2.9B	2025-12-31	2026-02-12	10-K	26-000008
12	assets	us-gaap:Assets	$20.7B	2025-12-31	2026-02-12	10-K	26-000008
13	assets	us-gaap:Assets	$20.0B	2024-12-31	2026-02-12	10-K	26-000008
14	current assets	us-gaap:AssetsCurrent	$7.8B	2025-12-31	2026-02-12	10-K	26-000008
15	current liabilities	us-gaap:LiabilitiesCurrent	$3.7B	2025-12-31	2026-02-12	10-K	26-000008
16	retained earnings	us-gaap:RetainedEarningsAccumulatedDeficit	$15.2B	2025-12-31	2026-02-12	10-K	26-000008
17	operating income	us-gaap:OperatingIncomeLoss	$3.4B	2025-12-31	2026-02-12	10-K	26-000008

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18	book equity	us-gaap:StockholdersEquity	$15.0B	2025-12-31	2026-02-12	10-K	26-000008
19	liabilities	us-gaap:Liabilities	$5.7B	2025-12-31	2026-02-12	10-K	26-000008
20	depreciation amortization	us-gaap:DepreciationDepletionAndAmortization	$498.0M	2018-12-31	2021-02-12	10-K	21-000031
21	operating income	us-gaap:OperatingIncomeLoss	$2.7B	2023-12-31	2026-02-12	10-K	26-000008
22	interest expense	us-gaap:InterestExpense	$41.0M	2023-12-31	2024-02-14	10-K	24-000017
23	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$21.1B	2025-12-31	2026-02-12	10-K	26-000008
24	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$19.7B	2024-12-31	2026-02-12	10-K	26-000008
25	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$19.4B	2023-12-31	2026-02-12	10-K	26-000008
26	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$19.4B	2022-12-31	2025-02-12	10-K	25-000017
27	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$288.0M	2025-12-31	2026-02-12	10-K	26-000008
28	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$2.1B	2024-12-31	2026-02-12	10-K	26-000008
29	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$297.0M	2024-12-31	2026-02-12	10-K	26-000008
30	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$2.3B	2023-12-31	2026-02-12	10-K	26-000008
31	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$317.0M	2023-12-31	2026-02-12	10-K	26-000008
32	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$2.6B	2022-12-31	2025-02-12	10-K	25-000017
33	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$332.0M	2022-12-31	2025-02-12	10-K	25-000017
34	depreciation amortization	us-gaap:DepreciationDepletionAndAmortization	$550.0M	2025-12-31	2026-02-12	10-K	26-000008
35	pretax income	us-gaap:IncomeLossFromContinuingOperationsBeforeInc...	$3.5B	2025-12-31	2026-02-12	10-K	26-000008
36	income tax	us-gaap:IncomeTaxExpenseBenefit	$1.3B	2025-12-31	2026-02-12	10-K	26-000008
37	current assets	us-gaap:AssetsCurrent	$7.5B	2024-12-31	2026-02-12	10-K	26-000008
38	current liabilities	us-gaap:LiabilitiesCurrent	$3.6B	2024-12-31	2026-02-12	10-K	26-000008
39	assets	us-gaap:Assets	$18.5B	2023-12-31	2025-02-12	10-K	25-000017
40	assets	us-gaap:Assets	$17.9B	2022-12-31	2024-02-14	10-K	24-000017
41	shares outstanding	dei:EntityCommonStockSharesOutstanding	478,246,920	2026-02-06	2026-02-12	10-K	26-000008
42	shares outstanding	dei:EntityCommonStockSharesOutstanding	494,615,514	2025-02-07	2025-02-12	10-K	25-000017

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