Stepan Co.

SCL

NYSE; chemicals; SIC 2840, Soap, Detergents, Cleang Preparations, Perfumes, Cosmetics; CIK 0000094049

E

weakest fifth of 319 graded peers in the pooled industrial gro...

rank 275 of 319; percentile 88.1; sampling error 2.7 points; lower is stronger

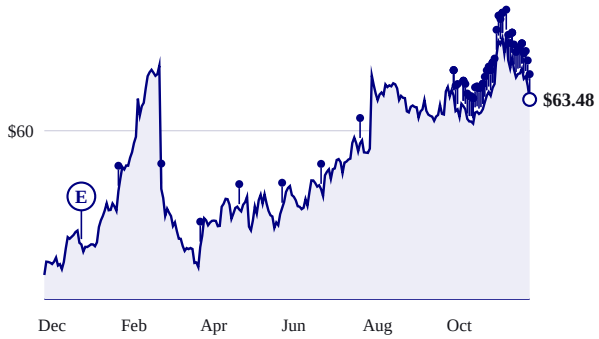
A B C D E

E, the bear



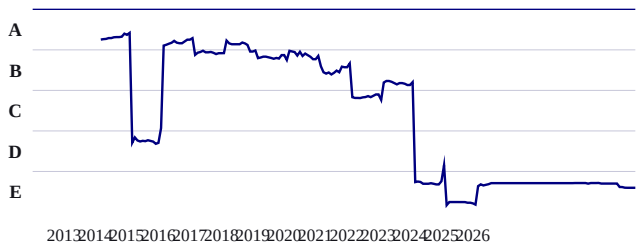
Scoreboard	
Profitability	D percentile 63.1
Solvency	D percentile 75.1
Growth and financing	C/D percentile 60.8
Reliability	0.91 AUC filers with $591M to $2.67B assets; 95% interval 0.88 to 0.94; 160 events, 2020 to 2025
Peer failure rate	1.01% a year Item 1.03 bankruptcies, same asset band, 2012 to 2025
Size band	$591M to $2.67B assets total assets $2.4B
Standard universe	inside revenue above $1M and assets above $10M
Warnings	none triggered not computable: distress
Inputs computable	10 of 13
Graded from	filings received through Feb 26, 2026 270 days before the rescan; latest periodic filing 10-Q received Nov 4, 2026
Last close	$63.60 2026-11-20; market equity $1.4B; 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 26, 2026

Stepan Company, which was incorporated under the laws of the state of Delaware on February 19, 1959, and its subsidiaries produce specialty and intermediate chemicals, which are sold to other manufacturers and used in a variety of end products. The Company has three reportable segments: Surfactants, Polymers and Specialty Products. Surfactants are chemical agents that affect the interaction between two surfaces; they can provide actions such as detergency (i.e., the ability of water to remove soil from another surface), wetting and foaming, dispersing, emulsification (aiding two dissimilar liquids to mix), demulsification, viscosity modifications and biocidal disinfectants.

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 63.1						
Gross profitability	11.4%	21.7%		79.3	348	2025-12-31
Return on invested capital	3.6%	9.6%		78.5	122	2025-12-31

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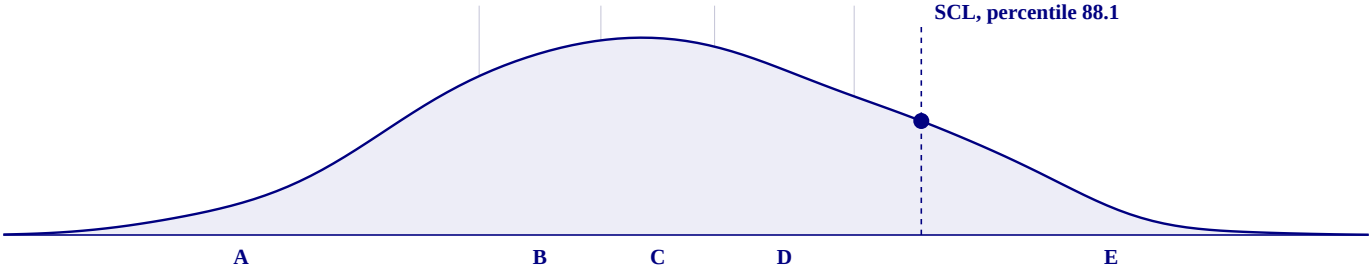
Accruals ratio	(4.3%)	(4.3%)	49.7	373	2025-12-31
Gross margin stability, five years	2.1 pts	2.2 pts	45.0	292	2025-12-31
Solvency, sleeve percentile 75.1					
Altman Z double-prime	not computable	3.50			
one or more required annual facts are missing					
Net debt to EBITDA	2.41x	1.83x	67.8	147	2025-12-31
Interest coverage	not computable	4.55x			
latest aligned inputs end 2014-12-31; latest annual assets end 2025-12-31					
Current ratio	1.29x	2.21x	82.4	392	2025-12-31
Growth and financing, sleeve percentile 60.8					
Revenue growth, three-year compound	(5.6%)	1.4%	80.2	340	2025-12-31
Free cash flow growth, three-year compound	not computable	12.5%			
current FCF must be positive and base FCF must exceed $100,000					
Reinvestment rate	77.3%	21.8%	23.5	171	2025-12-31
Asset growth, three years	(1.0%)	2.9%	69.3	349	2025-12-31
Net share issuance, one year	0.6%	(0.04%)	70.1	315	2026-01-31

Among 319 peers

chemicals; 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
270	Clearwater Paper Corp. (CLW)	86.9	E	
271	cbdMD, Inc. (YCBD)	87.1	E	
272	Sifco Industries Inc. (SIF)	87.3	E	fortress balance sheet
273	FMC Corp. (FMC)	87.7	E	
274	MasterCraft Boat Holdings, Inc. (MCFT)	87.8	E	dilution
275	Stepan Co. (SCL)	88.1	E	
276	Smurfit Westrock plc (SW)	88.2	E	
277	Liqtech International Inc. (LIQT)	88.6	E	
278	Worthington Enterprises, Inc. (WOR)	89.0	E	
279	CVR Partners, L.P. (UAN)	89.0	E	
280	LSB Industries, Inc. (LXU)	89.3	E	

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	48.3%	11.1%	83
Distance from 52-week high	(10.1%)	(30.7%)	89
EBIT to enterprise value	4.0%	4.0%	49
Free cash flow yield	1.8%	3.7%	33
Book value to price	0.84	0.43	76
Sales to price	1.62	0.61	78
Composite equity issuance, five years	(9.8%)	(10.3%)	52

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Relative strength against the sector, log excess return	0.25	(0.00)	80
Twelve-month failure probability, CHS model	not computable	0.04%	

Diagnostics

shown on every report; none enters the grade

Measure	Value
Piotroski F-score 5 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	pass
No new shares issued	fail
Gross margin improved	fail
Asset turnover improved	pass
Cash, filings, liquidity	
Cash and equivalents	$98.1M
Operating cash flow, four quarters	$114.6M
Months of runway	not finite
Days since last periodic filing	19 (10-Q received Nov 4, 2026)
Median daily dollar volume, 63 sessions	$9.0M

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	gross profit	us-gaap:GrossProfit	$269.9M	2025-12-31	2026-02-26	10-K	26-074976
2	assets	us-gaap:Assets	$2.4B	2025-12-31	2026-02-26	10-K	26-074976
3	operating income	us-gaap:OperatingIncomeLoss	$78.5M	2025-12-31	2026-02-26	10-K	26-074976
4	pretax income	us-gaap:IncomeLossFromContinuingOperationsBeforeInc...	$59.9M	2025-12-31	2026-02-26	10-K	26-074976
5	income tax	us-gaap:IncomeTaxExpenseBenefit	$13.0M	2025-12-31	2026-02-26	10-K	26-074976
6	total debt	us-gaap:LongTermDebt	$626.7M	2025-12-31	2026-02-26	10-K	26-074976
7	book equity	us-gaap:StockholdersEquity	$1.2B	2025-12-31	2026-02-26	10-K	26-074976
8	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	$132.7M	2025-12-31	2026-02-26	10-K	26-074976
9	total debt	us-gaap:LongTermDebt	$625.4M	2024-12-31	2026-02-26	10-K	26-074976
10	book equity	us-gaap:StockholdersEquity	$1.2B	2024-12-31	2026-02-26	10-K	26-074976
11	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	$99.7M	2024-12-31	2026-02-26	10-K	26-074976
12	net income	us-gaap:NetIncomeLoss	$46.9M	2025-12-31	2026-02-26	10-K	26-074976
13	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$147.9M	2025-12-31	2026-02-26	10-K	26-074976
14	assets	us-gaap:Assets	$2.3B	2024-12-31	2026-02-26	10-K	26-074976
15	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$2.3B	2025-12-31	2026-02-26	10-K	26-074976
16	gross profit	us-gaap:GrossProfit	$272.2M	2024-12-31	2026-02-26	10-K	26-074976
17	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$2.2B	2024-12-31	2026-02-26	10-K	26-074976
18	gross profit	us-gaap:GrossProfit	$277.6M	2023-12-31	2026-02-26	10-K	26-074976
19	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$2.3B	2023-12-31	2026-02-26	10-K	26-074976
20	gross profit	us-gaap:GrossProfit	$427.1M	2022-12-31	2025-02-27	10-K	25-029079
21	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$2.8B	2022-12-31	2025-02-27	10-K	25-029079
22	gross profit	us-gaap:GrossProfit	$395.8M	2021-12-31	2024-02-29	10-K	24-022778
23	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$2.3B	2021-12-31	2024-02-29	10-K	24-022778
24	depreciation amortization	us-gaap:DepreciationDepletionAndAmortization	$126.0M	2025-12-31	2026-02-26	10-K	26-074976
25	operating income	us-gaap:OperatingIncomeLoss	$90.7M	2014-12-31	2017-02-24	10-K	17-002324
26	interest expense	us-gaap:InterestExpense	$11.4M	2014-12-31	2015-02-27	10-K	15-001079
27	current assets	us-gaap:AssetsCurrent	$859.0M	2025-12-31	2026-02-26	10-K	26-074976
28	current liabilities	us-gaap:LiabilitiesCurrent	$666.5M	2025-12-31	2026-02-26	10-K	26-074976
29	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$122.5M	2025-12-31	2026-02-26	10-K	26-074976

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30	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$162.1M	2024-12-31	2026-02-26	10-K	26-074976
31	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$122.8M	2024-12-31	2026-02-26	10-K	26-074976
32	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$174.9M	2023-12-31	2026-02-26	10-K	26-074976
33	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$260.3M	2023-12-31	2026-02-26	10-K	26-074976
34	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$160.8M	2022-12-31	2025-02-27	10-K	25-029079
35	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	$301.6M	2022-12-31	2025-02-27	10-K	25-029079
36	current assets	us-gaap:AssetsCurrent	$810.4M	2024-12-31	2026-02-26	10-K	26-074976
37	current liabilities	us-gaap:LiabilitiesCurrent	$669.0M	2024-12-31	2026-02-26	10-K	26-074976
38	assets	us-gaap:Assets	$2.4B	2023-12-31	2026-02-26	10-K	26-074976
39	assets	us-gaap:Assets	$2.4B	2022-12-31	2025-02-27	10-K	25-029079
40	shares outstanding	dei:EntityCommonStockSharesOutstanding	22,635,277	2026-01-31	2026-02-26	10-K	26-074976
41	shares outstanding	dei:EntityCommonStockSharesOutstanding	22,504,117	2025-01-31	2025-02-27	10-K	25-029079

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