

Choice Hotels International Inc. (CHH)

NYSE; other; SIC 7011, Hotels & Motels; CIK 0001046311

Choice Hotels International Inc. CHH; other	
Grade	C A B C D E middle fifth of 336 graded peers percentile 53.1; sampling error 2.6 points; lower is stronger
Rank	179 of 336
Profitability	C percentile 55.0
Solvency	C percentile 53.8
Growth and financing	B percentile 36.2
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 \$2.9B
Standard universe	inside revenue above \$1M and assets above \$10M
Warnings	none active not computable: distress
Inputs computable	8 of 14
Graded from	filings received through Feb 19, 2026 232 days before the rescan; latest periodic filing 10-Q received Aug 5, 2026
Last close	\$104.96 2026-10-08; market equity \$4.7B
Price used in grade	None



C, the tortoise

middle fifth of its sector; letters are fifths of the 336 graded peers

Share price, twelve months to the rescan

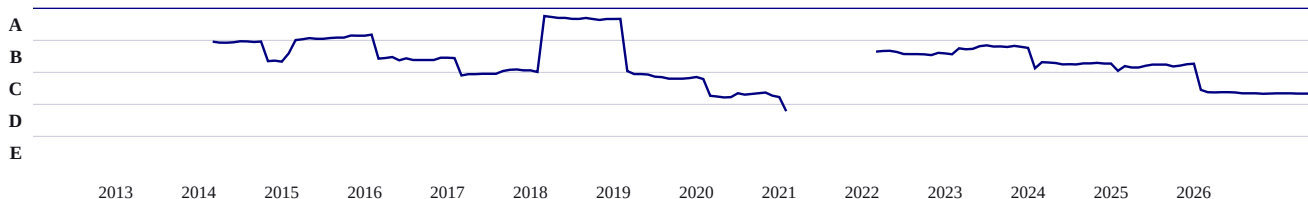
split-adjusted close; the letter is fixed at the rescan that set it



Rescans on file: B from Mar 21, 2024, B/C from Feb 21, 2025, B from Mar 21, 2025, C from Feb 21, 2026

Letter at every rescan

Jan 21, 2012 to Oct 9, 2026; sector percentile, 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

We are primarily a hotel franchisor operating in 49 states, the District of Columbia, and 50 countries and territories. As of December 31, 2025, we had 7,575 hotels with 656,825 rooms open and operating, and 825 hotels with 77,862 rooms under construction, awaiting conversion or approved for development, or committed to future franchise development on outstanding master development agreements (collectively, "pipeline") in our global system.

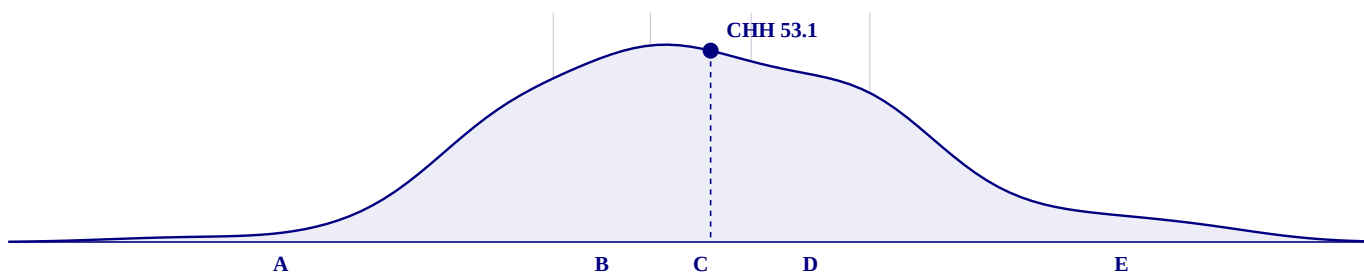
The fourteen inputs

lower percentile is stronger; equal-weighted sleeves

Input	Percentile, 0 to 100	Value	Peer median	Percentile	Peers	Period end
Profitability, sleeve percentile 55.0						
Gross profitability		not computable	27.1%			one or more required annual facts are missing
Return on invested capital		19.5%	10.0%	21.3	151	2025-12-31
Accruals ratio		3.7%	(5.9%)	88.7	506	2025-12-31
Gross margin stability, five years		not computable	2.2 pts			five annual gross margins are required; found 0
Solvency, sleeve percentile 53.8						
Twelve-month failure probability		not computable	0.04%			latest liabilities, cash plus short-term investments, book equity, and shares are required
Altman Z double-prime		3.55	2.05	25.7	386	2025-12-31
Net debt to EBITDA		3.66x	2.52x	64.5	184	2025-12-31
Interest coverage		not computable	2.18x			latest aligned inputs end 2023-12-31; latest annual assets end 2025-12-31
Current ratio		0.87x	1.32x	71.1	506	2025-12-31
Growth and financing, sleeve percentile 36.2						
Revenue growth, three-year compound		4.4%	5.1%	49.8	403	2025-12-31
Free cash flow growth, three-year compound		not computable	8.7%			latest aligned inputs end 2019-12-31; latest annual assets end 2025-12-31
Reinvestment rate		not computable	11.9%			latest aligned inputs end 2019-12-31; latest annual assets end 2025-12-31
Asset growth, three years		11.6%	4.1%	24.5	438	2025-12-31
Net share issuance, one year		(1.6%)	(0.4%)	34.4	356	2026-02-10

Among 336 peers

other; 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
174	Louisiana-Pacific Corp. (LPX)	51.6	C	
175	Wynn Resorts Ltd. (WYNN)	51.9	C	
176	Matson, Inc. (MATX)	52.2	C	
177	Reservoir Media, Inc. (RSVR)	52.5	C	
178	Robert Half Inc. (RHI)	52.8	C	fortress
				balance sheet
179	Choice Hotels International Inc. (CHH) <	53.1	C	
180	Rimini Street, Inc. (RMNI)	53.4	C	fortress
				balance sheet
181	Union Pacific Corp. (UNP)	53.7	C	
182	Lyft, Inc. (LYFT)	54.0	C	fortress
				balance sheet
183	Hilton Worldwide Holdings Inc. (HLT)	54.3	C	
184	Arlo Technologies, Inc. (ARLO)	54.6	C	

What the price implies

at the 2026-10-08 close; none enters the grade

Measure	Value	Peer median	Percentile
Twelve-month price change, skipping the latest month	(2.2%)	2.0%	47
Distance from 52-week high	(14.1%)	(26.8%)	71
EBIT to enterprise value	6.7%	4.4%	73
Free cash flow yield	4.5%	4.1%	52
Book value to price	0.03	0.34	10
Sales to price	0.34	0.70	30
Composite equity issuance, five years	(25.8%)	(8.8%)	20
Relative strength against the sector, log excess return	(0.17)	(0.13)	47

Diagnostics

not in 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	pass
Operating cash flow exceeds net income	fail
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	\$42.8M
Operating cash flow, four quarters	\$221.7M
Months of runway	not finite

Days since last periodic filing

65 (10-Q received Aug 5, 2026)

Median daily dollar volume, 63 sessions

\$58.3M

Sources

each row links to the filing index on sec.gov

#	Concept	XBRL tag	Value	Period end	Received	Form	Accession
1	operating income	us-gaap:OperatingIncomeLoss	\$448.4M	2025-12-31	2026-02-19	10-K	0001046311-26-000008
2	pretax income	us-gaap:IncomeLossFromContinuingOperationsBeforeIncomeTaxesExtraordinaryItemsDeductibleItems	\$456.9M	2025-12-31	2026-02-19	10-K	0001046311-26-000008
3	income tax	us-gaap:IncomeTaxExpenseBenefit	\$86.9M	2025-12-31	2026-02-19	10-K	0001046311-26-000008
4	total debt	us-gaap:LongTermDebt	\$1.9B	2025-12-31	2026-02-19	10-K	0001046311-26-000008
5	book equity	us-gaap:StockholdersEquity	\$181.2M	2025-12-31	2026-02-19	10-K	0001046311-26-000008
6	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	\$45.0M	2025-12-31	2026-02-19	10-K	0001046311-26-000008
7	total debt	us-gaap:LongTermDebt	\$1.8B	2024-12-31	2026-02-19	10-K	0001046311-26-000008
8	book equity	us-gaap:StockholdersEquity	-\$45.3M	2024-12-31	2026-02-19	10-K	0001046311-26-000008
9	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	\$40.2M	2024-12-31	2026-02-19	10-K	0001046311-26-000008
10	net income	us-gaap:NetIncomeLoss	\$369.9M	2025-12-31	2026-02-19	10-K	0001046311-26-000008
11	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	\$270.4M	2025-12-31	2026-02-19	10-K	0001046311-26-000008
12	assets	us-gaap:Assets	\$2.9B	2025-12-31	2026-02-19	10-K	0001046311-26-000008
13	assets	us-gaap:Assets	\$2.5B	2024-12-31	2026-02-19	10-K	0001046311-26-000008
14	current assets	us-gaap:AssetsCurrent	\$406.0M	2025-12-31	2026-02-19	10-K	0001046311-26-000008
15	current liabilities	us-gaap:LiabilitiesCurrent	\$467.3M	2025-12-31	2026-02-19	10-K	0001046311-26-000008
16	retained earnings	us-gaap:RetainedEarningsAccumulatedDeficit	\$2.3B	2025-12-31	2026-02-19	10-K	0001046311-26-000008
17	liabilities	us-gaap:Liabilities	\$2.7B	2025-12-31	2026-02-19	10-K	0001046311-26-000008
18	depreciation amortization	us-gaap:DepreciationDepletionAndAmortization	\$59.7M	2025-12-31	2026-02-19	10-K	0001046311-26-000008
19	operating income	us-gaap:OperatingIncomeLoss	\$375.0M	2023-12-31	2026-02-19	10-K	0001046311-26-000008
20	interest expense	us-gaap:InterestExpense	\$63.8M	2023-12-31	2024-02-20	10-K	0001046311-24-000010
21	revenue	us-gaap:Revenues	\$1.6B	2025-12-31	2026-02-19	10-K	0001046311-26-000008
22	revenue	us-gaap:Revenues	\$1.6B	2024-12-31	2026-02-19	10-K	0001046311-26-000008
23	revenue	us-gaap:RevenueFromContractWithCustomerExcludingAssessedTax	\$1.5B	2023-12-31	2024-02-20	10-K	0001046311-24-000010
24	revenue	us-gaap:RevenueFromContractWithCustomerExcludingAssessedTax	\$1.4B	2022-12-31	2024-02-20	10-K	0001046311-24-000010
25	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	\$270.6M	2019-12-31	2022-02-24	10-K	0001046311-22-000009
26	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	\$57.3M	2019-12-31	2020-03-02	10-K	0001046311-20-000011
27	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	\$242.9M	2018-12-31	2021-02-26	10-K	0001046311-21-000014
28	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	\$47.7M	2018-12-31	2020-03-02	10-K	0001046311-20-000011
29	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	\$257.4M	2017-12-31	2020-03-02	10-K	0001046311-20-000011
30	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	\$23.4M	2017-12-31	2020-03-02	10-K	0001046311-20-000011
31	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	\$152.0M	2016-12-31	2019-02-26	10-K	0001046311-19-000011
32	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	\$25.2M	2016-12-31	2019-02-26	10-K	0001046311-19-000011
33	depreciation amortization	us-gaap:DepreciationDepletionAndAmortization	\$18.8M	2019-12-31	2022-02-24	10-K	0001046311-22-000009
34	operating income	us-gaap:OperatingIncomeLoss	\$318.5M	2019-12-31	2022-02-24	10-K	0001046311-22-000009
35	pretax income	us-gaap:IncomeLossFromContinuingOperationsBeforeIncomeTaxesExtraordinaryItemsDeductibleItems	\$259.9M	2019-12-31	2022-02-24	10-K	0001046311-22-000009
36	income tax	us-gaap:IncomeTaxExpenseBenefit	\$47.1M	2019-12-31	2022-02-24	10-K	0001046311-22-000009
37	current assets	us-gaap:AssetsCurrent	\$236.6M	2019-12-31	2021-02-26	10-K	0001046311-21-000014
38	current liabilities	us-gaap:LiabilitiesCurrent	\$325.9M	2019-12-31	2021-02-26	10-K	0001046311-21-000014
39	current assets	us-gaap:AssetsCurrent	\$243.8M	2018-12-31	2020-03-02	10-K	0001046311-20-000011
40	current liabilities	us-gaap:LiabilitiesCurrent	\$318.4M	2018-12-31	2020-03-02	10-K	0001046311-20-000011
41	assets	us-gaap:Assets	\$2.4B	2023-12-31	2025-02-20	10-K	0001046311-25-000007
42	assets	us-gaap:Assets	\$2.1B	2022-12-31	2024-02-20	10-K	0001046311-24-000010
43	shares outstanding	dei:EntityCommonStockSharesOutstanding	45,971,393	2026-02-10	2026-02-19	10-K	0001046311-26-000008
44	shares outstanding	dei:EntityCommonStockSharesOutstanding	46,728,074	2025-02-11	2025-02-20	10-K	0001046311-25-000007