

W.W. Grainger, Inc. (GWW)

NYSE; shops; SIC 5000, Wholesale-Durable Goods; CIK 0000277135

W.W. Grainger, Inc. GWW; shops	
Grade	A ▼ A B C D E strongest fifth of 258 graded peers percentile 5.8; sampling error 2.9 points; lower is stronger
Rank	16 of 258
Profitability	B percentile 36.1
Solvency	B percentile 24.7
Growth and financing	B percentile 36.7
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 \$9.0B
Standard universe	inside revenue above \$1M and assets above \$10M
Warnings	none active not computable: distress
Inputs computable	11 of 14
Graded from	filings received through Feb 19, 2026 232 days before the rescans; latest periodic filing 10-Q received Aug 4, 2026
Last close	\$1,270.02 2026-10-08; market equity \$59.8B
Price used in grade	None



A, the bull

strongest fifth of its sector;
letters are fifths of the 258
graded peers

Share price, twelve months to the rescans

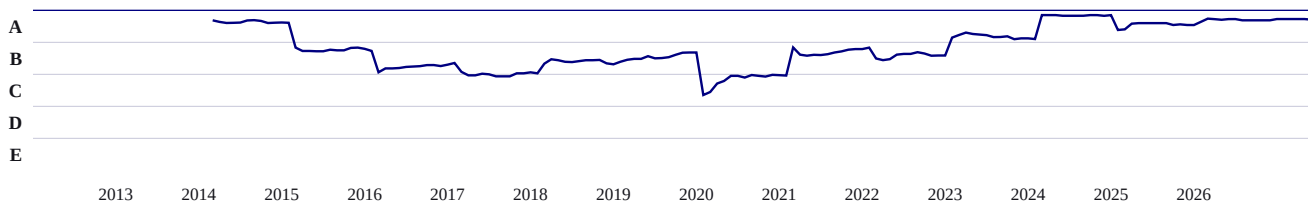
split-adjusted close; the letter is fixed at the rescans that set it



Rescans on file: A/B from Feb 21, 2023, A from Mar 21, 2023, A/B from Nov 21, 2023, A from Mar 21, 2024

Letter at every rescans

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

W.W. Grainger, Inc., incorporated in the State of Illinois in 1928, is a broad line, distributor of maintenance, repair and operating (MRO) products and services with operations primarily in North America, Japan and the United Kingdom (U.K.). In the fourth quarter of 2025, Grainger exited the U.K. market by completing the sale of the Cromwell business and closing the Zoro U.K. business. In this report, the words "Grainger" or "Company" mean W.W. Grainger, Inc. and its subsidiaries, except where the context

makes it clear that the reference is only to W.W. Grainger, Inc. itself and not its subsidiaries.

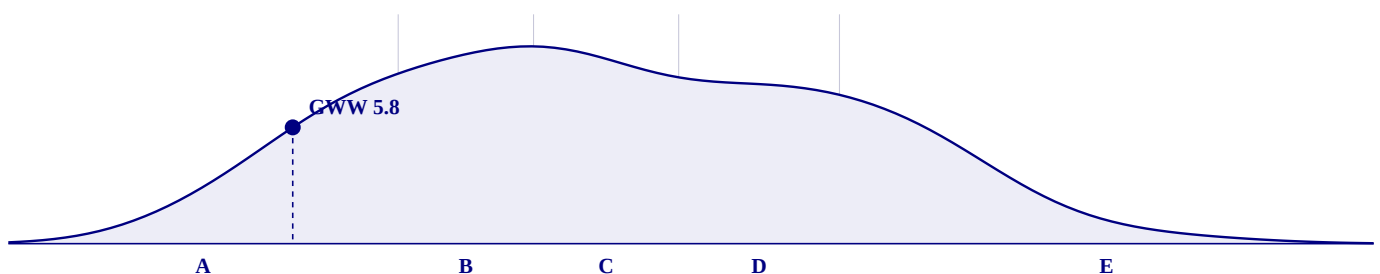
The fourteen inputs

lower percentile is stronger; equal-weighted sleeves

Input	Percentile, 0 to 100	Value	Peer median	Percentile	Peers	Period end
Profitability, sleeve percentile 36.1						
Gross profitability		78.2%	42.6%	12.9	242	2025-12-31
Return on invested capital		34.6%	10.9%	16.9	84	2025-12-31
Accruals ratio		(3.5%)	(4.9%)	68.9	287	2025-12-31
Gross margin stability, five years		1.2 pts	1.2 pts	45.9	219	2025-12-31
Solvency, sleeve percentile 24.7						
Twelve-month failure probability		not computable	0.04%			liabilities and a nearby cover-page share count are required at 2026-06-30
Altman Z double-prime		not computable	1.92			one or more required annual facts are missing
Net debt to EBITDA		0.67x	1.84x	33.3	100	2025-12-31
Interest coverage		not computable	2.26x			latest aligned inputs end 2018-12-31; latest annual assets end 2025-12-31
Current ratio		2.83x	1.37x	16.0	295	2025-12-31
Growth and financing, sleeve percentile 36.7						
Revenue growth, three-year compound		5.6%	1.5%	28.4	269	2025-12-31
Free cash flow growth, three-year compound		7.3%	5.6%	47.3	147	2025-12-31
Reinvestment rate		25.1%	7.3%	39.1	152	2025-12-31
Asset growth, three years		5.7%	3.4%	36.5	272	2025-12-31
Net share issuance, one year		(1.7%)	(0.6%)	32.4	211	2026-02-12

Among 258 peers

shops; 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
11	Global Industrial Co. (GIC)	3.9	A	
12	SiteOne Landscape Supply, Inc. (SITE)	4.3	A	
13	Costco Wholesale Corp. (COST)	4.7	A	fortress
				balance sheet
14	Tractor Supply Co. (TSCO)	5.1	A	fortress
				balance sheet

15	Chipotle Mexican Grill Inc. (CMG)	5.4	A	fortress
				balance sheet
16	W.W. Grainger, Inc. (GWW) <	5.8	A	
17	Weis Markets Inc. (WMK)	6.2	A	late filer
18	Applied Industrial Technologies Inc. (AIT)	6.6	A	
19	Winmark Corp. (WINA)	7.0	A	
20	Rave Restaurant Group, Inc. (RAVE)	7.4	A	
21	Best BUY Co. Inc. (BBY)	7.8	A	fortress
				balance sheet

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	38.5%	(0.1%)	84
Distance from 52-week high	(9.5%)	(24.1%)	82
EBIT to enterprise value	4.1%	5.3%	35
Free cash flow yield	2.2%	4.2%	33
Book value to price	0.07	0.36	19
Sales to price	0.30	1.75	6
Composite equity issuance, five years	(16.7%)	(16.7%)	50
Relative strength against the sector, log excess return	0.35	0.02	84

Diagnostics

not in the grade

Measure	Value
Piotroski F-score 6 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	\$589.0M
Operating cash flow, four quarters	\$2.2B
Months of runway	not finite
Days since last periodic filing	66 (10-Q received Aug 4, 2026)
Median daily dollar volume, 63 sessions	\$322.4M

Sources

each row links to the filing index on sec.gov

#	Concept	XBRL tag	Value	Period end	Received	Form	Accession
1	gross profit	us-gaap:GrossProfit	\$7.0B	2025-12-31	2026-02-19	10-K	0000277135-26-000011
2	assets	us-gaap:Assets	\$9.0B	2025-12-31	2026-02-19	10-K	0000277135-26-000011
3	operating income	us-gaap:OperatingIncomeLoss	\$2.5B	2025-12-31	2026-02-19	10-K	0000277135-26-000011
4	pretax income	us-gaap:IncomeLossFromContinuingOperationsBeforeIncomeTaxesExtraord	\$2.4B	2025-12-31	2026-02-19	10-K	0000277135-26-000011
5	income tax	us-gaap:IncomeTaxExpenseBenefit	\$622.0M	2025-12-31	2026-02-19	10-K	0000277135-26-000011
6	total debt	us-gaap:LongTermDebt	\$2.5B	2025-12-31	2026-02-19	10-K	0000277135-26-000011
7	book equity	us-gaap:StockholdersEquity	\$3.7B	2025-12-31	2026-02-19	10-K	0000277135-26-000011
8	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	\$585.0M	2025-12-31	2026-02-19	10-K	0000277135-26-000011
9	total debt	us-gaap:LongTermDebt	\$2.8B	2024-12-31	2026-02-19	10-K	0000277135-26-000011
10	book equity	us-gaap:StockholdersEquity	\$3.4B	2024-12-31	2026-02-19	10-K	0000277135-26-000011
11	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	\$1.0B	2024-12-31	2026-02-19	10-K	0000277135-26-000011
12	net income	us-gaap:NetIncomeLoss	\$1.7B	2025-12-31	2026-02-19	10-K	0000277135-26-000011

13	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	\$2.0B	2025-12-31	2026-02-19	10-K	0000277135-26-000011
14	assets	us-gaap:Assets	\$8.8B	2024-12-31	2026-02-19	10-K	0000277135-26-000011
15	revenue	us-gaap:RevenueFromContractWithCustomerExcludingAssessedTax	\$17.9B	2025-12-31	2026-02-19	10-K	0000277135-26-000011
16	gross profit	us-gaap:GrossProfit	\$6.8B	2024-12-31	2026-02-19	10-K	0000277135-26-000011
17	revenue	us-gaap:RevenueFromContractWithCustomerExcludingAssessedTax	\$17.2B	2024-12-31	2026-02-19	10-K	0000277135-26-000011
18	gross profit	us-gaap:GrossProfit	\$6.5B	2023-12-31	2026-02-19	10-K	0000277135-26-000011
19	revenue	us-gaap:RevenueFromContractWithCustomerExcludingAssessedTax	\$16.5B	2023-12-31	2026-02-19	10-K	0000277135-26-000011
20	gross profit	us-gaap:GrossProfit	\$5.8B	2022-12-31	2025-02-20	10-K	0000277135-25-000010
21	revenue	us-gaap:RevenueFromContractWithCustomerExcludingAssessedTax	\$15.2B	2022-12-31	2025-02-20	10-K	0000277135-25-000010
22	gross profit	us-gaap:GrossProfit	\$4.7B	2021-12-31	2024-02-22	10-K	0000277135-24-000011
23	revenue	us-gaap:RevenueFromContractWithCustomerExcludingAssessedTax	\$13.0B	2021-12-31	2024-02-22	10-K	0000277135-24-000011
24	depreciation amortization	us-gaap:DepreciationDepletionAndAmortization	\$330.0M	2025-12-31	2026-02-19	10-K	0000277135-26-000011
25	operating income	us-gaap:OperatingIncomeLoss	\$1.2B	2018-12-31	2021-02-24	10-K	0000277135-21-000007
26	interest expense	us-gaap:InterestExpense	\$88.0M	2018-12-31	2019-02-28	10-K	0000277135-19-000010
27	current assets	us-gaap:AssetsCurrent	\$5.5B	2025-12-31	2026-02-19	10-K	0000277135-26-000011
28	current liabilities	us-gaap:LiabilitiesCurrent	\$1.9B	2025-12-31	2026-02-19	10-K	0000277135-26-000011
29	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	\$684.0M	2025-12-31	2026-02-19	10-K	0000277135-26-000011
30	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	\$2.1B	2024-12-31	2026-02-19	10-K	0000277135-26-000011
31	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	\$541.0M	2024-12-31	2026-02-19	10-K	0000277135-26-000011
32	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	\$2.0B	2023-12-31	2026-02-19	10-K	0000277135-26-000011
33	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	\$445.0M	2023-12-31	2026-02-19	10-K	0000277135-26-000011
34	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	\$1.3B	2022-12-31	2025-02-20	10-K	0000277135-25-000010
35	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	\$256.0M	2022-12-31	2025-02-20	10-K	0000277135-25-000010
36	current assets	us-gaap:AssetsCurrent	\$5.7B	2024-12-31	2026-02-19	10-K	0000277135-26-000011
37	current liabilities	us-gaap:LiabilitiesCurrent	\$2.3B	2024-12-31	2026-02-19	10-K	0000277135-26-000011
38	assets	us-gaap:Assets	\$8.1B	2023-12-31	2025-02-20	10-K	0000277135-25-000010
39	assets	us-gaap:Assets	\$7.6B	2022-12-31	2024-02-22	10-K	0000277135-24-000011
40	shares outstanding	dei:EntityCommonStockSharesOutstanding	47,373,024	2026-02-12	2026-02-19	10-K	0000277135-26-000011
41	shares outstanding	dei:EntityCommonStockSharesOutstanding	48,216,708	2025-02-14	2025-02-20	10-K	0000277135-25-000010