

Healthstream Inc. (HSTM)

Nasdaq; business equipment; SIC 7370, Services-Computer Programming, Data Processing, Etc.; CIK 0001095565

Healthstream Inc.	
HSTM; business equipment	
Grade	E A B C D E weakest fifth of 497 graded peers percentile 82.5; sampling error 2.2 points; lower is stronger
Rank	410 of 497
Profitability	C percentile 47.9
Solvency	E percentile 82.6
Growth and financing	C percentile 56.5
Reliability	0.87 AUC filers with \$120M to \$591M assets; 95% interval 0.83 to 0.90; 206 events, 2020 to 2025
Peer failure rate	1.03% a year Item 1.03 bankruptcies, same asset band, 2012 to 2025
Size band	\$120M to \$591M assets total assets \$520.4M
Standard universe	inside revenue above \$1M and assets above \$10M
Warnings	none active not computable: distress, fortress balance sheet
Inputs computable	7 of 14
Graded from	filings received through Feb 27, 2026 224 days before the rescans; latest periodic filing 10-Q received Aug 6, 2026
Last close	\$32.49 2026-10-08; market equity \$950.0M
Price used in grade	None



E, the bear

weakest fifth of its sector;
letters are fifths of the 497
graded peers

Share price, twelve months to the rescans

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



Date	Letter
Nov 21, 2026	D/E
Mar 21, 2026	D/E
May 21, 2026	E
Jul 21, 2026	D/E
Sep 21, 2026	E

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 27, 2026

HealthStream's focus is and has always been on improving the quality of healthcare through the development and support of the dedicated individuals who deliver care. Like healthcare itself, our mission remains constant, but how we accomplish that mission continues to evolve and improve over time. Originally, we pioneered the use of online learning to hospitals, which began with courses specifically tailored to educate healthcare professionals and meet hospitals' required regulatory needs, and we remain a leading

innovator in those areas today.

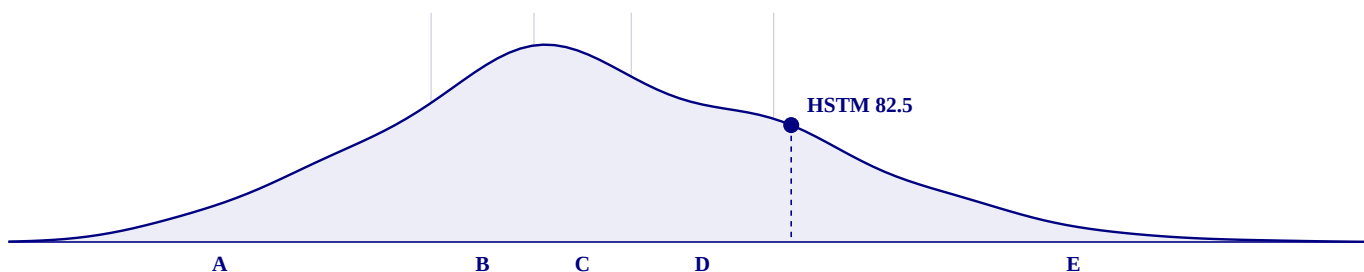
The fourteen inputs

lower percentile is stronger; equal-weighted sleeves

Input	Percentile, 0 to 100	Value	Peer median	Percentile	Peers	Period end
Profitability, sleeve percentile 47.9						
Gross profitability		not computable	28.5%			latest aligned inputs end 2012-12-31; latest annual assets end 2025-12-31
Return on invested capital		not computable	10.9%			one or more required annual facts are missing
Accruals ratio		(8.7%)	(7.4%)	47.9	621	2025-12-31
Gross margin stability, five years		not computable	2.4 pts			five annual gross margins are required; found 2
Solvency, sleeve percentile 82.6						
Twelve-month failure probability		not computable	0.05%			liabilities and a nearby cover-page share count are required at 2026-06-30
Altman Z double-prime		not computable	2.18			one or more required annual facts are missing
Net debt to EBITDA		not computable	1.11x			one or more required annual facts are missing
Interest coverage		not computable	3.77x			one or more required annual facts are missing
Current ratio		0.96x	2.02x	82.6	666	2025-12-31
Growth and financing, sleeve percentile 56.5						
Revenue growth, three-year compound		4.5%	6.4%	54.4	538	2025-12-31
Free cash flow growth, three-year compound		6.5%	17.2%	64.4	268	2025-12-31
Reinvestment rate		(511.1%)	14.3%	93.8	226	2025-12-31
Asset growth, three years		1.5%	5.0%	57.3	563	2025-12-31
Net share issuance, one year		(3.5%)	0.5%	12.6	407	2026-02-20

Among 497 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
405	Dragonfly Energy Holdings Corp. (DFLI)	81.6	D/E	short runway, late filer
406	Dragonfly Energy Holdings Corp. (DFLIW)	81.6	D/E	short runway, late filer
407	Blink Charging Co. (BLNK)	81.9	D/E	late filer, fortress balance sheet
408	TaoWeave, Inc. (TWAV)	82.1	D/E	dilution, short runway
409	Ribbon Communications Inc. (RBBN)	82.3	E	
410	Healthstream Inc. (HSTM) <	82.5	E	
411	NCR Atleos Corp. (NATL)	82.7	E	
412	Microvision, Inc. (MVIS)	82.9	E	short runway, fortress balance sheet
413	ONE Stop Systems, Inc. (OSS)	83.1	E	
414	Synaptics Inc. (SYNA)	83.3	E	
415	Comtech Telecommunications Corp. (CMTL)	83.5	E	late filer

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	3.5%	2.2%	51
Distance from 52-week high	0.0%	(30.0%)	99
EBIT to enterprise value	not computable	1.5%	
Free cash flow yield	6.3%	2.7%	74
Book value to price	0.38	0.23	64
Sales to price	0.32	0.30	52
Composite equity issuance, five years	(9.1%)	3.9%	27
Relative strength against the sector, log excess return	(0.25)	(0.26)	51

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	fail
Operating cash flow exceeds net income	pass
Long-term leverage fell	fail
Current ratio improved	fail
No new shares issued	pass
Gross margin improved	fail
Asset turnover improved	pass

Cash, filings, liquidity	
Cash and equivalents	\$46.2M
Operating cash flow, four quarters	\$71.8M
Months of runway	not finite
Days since last periodic filing	64 (10-Q received Aug 6, 2026)
Median daily dollar volume, 63 sessions	\$5.1M

Sources

each row links to the filing index on sec.gov

#	Concept	XBRL tag	Value	Period end	Received	Form	Accession
1	revenue	us-gaap:SalesRevenueNet	\$103.7M	2012-12-31	2015-02-27	10-K	0001193125-15-069659
2	cost of revenue	us-gaap:CostOfGoodsAndServicesSold	\$41.7M	2012-12-31	2013-03-01	10-K	0001193125-13-086559
3	assets	us-gaap:Assets	\$174.5M	2012-12-31	2015-02-27	10-K	0001193125-15-069659
4	net income	us-gaap:NetIncomeLoss	\$18.3M	2025-12-31	2026-02-27	10-K	0001437749-26-005916
5	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	\$63.3M	2025-12-31	2026-02-27	10-K	0001437749-26-005916
6	assets	us-gaap:Assets	\$520.4M	2025-12-31	2026-02-27	10-K	0001437749-26-005916
7	assets	us-gaap:Assets	\$510.8M	2024-12-31	2026-02-27	10-K	0001437749-26-005916
8	current assets	us-gaap:AssetsCurrent	\$119.7M	2025-12-31	2026-02-27	10-K	0001437749-26-005916
9	current liabilities	us-gaap:LiabilitiesCurrent	\$124.1M	2025-12-31	2026-02-27	10-K	0001437749-26-005916
10	revenue	us-gaap:RevenueFromContractWithCustomerExcludingAssessedTax	\$304.1M	2025-12-31	2026-02-27	10-K	0001437749-26-005916
11	revenue	us-gaap:RevenueFromContractWithCustomerExcludingAssessedTax	\$291.6M	2024-12-31	2026-02-27	10-K	0001437749-26-005916
12	revenue	us-gaap:RevenueFromContractWithCustomerExcludingAssessedTax	\$279.1M	2023-12-31	2026-02-27	10-K	0001437749-26-005916
13	revenue	us-gaap:RevenueFromContractWithCustomerExcludingAssessedTax	\$266.8M	2022-12-31	2025-02-28	10-K	0001437749-25-005705
14	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	\$3.7M	2025-12-31	2026-02-27	10-K	0001437749-26-005916
15	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	\$57.7M	2024-12-31	2026-02-27	10-K	0001437749-26-005916
16	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	\$1.4M	2024-12-31	2026-02-27	10-K	0001437749-26-005916
17	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	\$64.0M	2023-12-31	2026-02-27	10-K	0001437749-26-005916
18	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	\$2.2M	2023-12-31	2026-02-27	10-K	0001437749-26-005916
19	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	\$51.2M	2022-12-31	2025-02-28	10-K	0001437749-25-005705
20	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	\$1.8M	2022-12-31	2025-02-28	10-K	0001437749-25-005705
21	depreciation amortization	us-gaap:DepreciationDepletionAndAmortization	\$43.5M	2025-12-31	2026-02-27	10-K	0001437749-26-005916
22	operating income	us-gaap:OperatingIncomeLoss	\$20.2M	2025-12-31	2026-02-27	10-K	0001437749-26-005916
23	pretax income	us-gaap:IncomeLossFromContinuingOperationsBeforeIncomeTaxesExtraord	\$13.2M	2025-12-31	2026-02-27	10-K	0001437749-26-005916
24	income tax	us-gaap:IncomeTaxExpenseBenefit	\$4.9M	2025-12-31	2026-02-27	10-K	0001437749-26-005916
25	current assets	us-gaap:AssetsCurrent	\$153.1M	2024-12-31	2026-02-27	10-K	0001437749-26-005916
26	current liabilities	us-gaap:LiabilitiesCurrent	\$115.7M	2024-12-31	2026-02-27	10-K	0001437749-26-005916
27	assets	us-gaap:Assets	\$499.9M	2023-12-31	2025-02-28	10-K	0001437749-25-005705
28	assets	us-gaap:Assets	\$497.7M	2022-12-31	2024-02-26	10-K	0001437749-24-005530
29	shares outstanding	dei:EntityCommonStockSharesOutstanding	29,356,350	2026-02-20	2026-02-27	10-K	0001437749-26-005916
30	shares outstanding	dei:EntityCommonStockSharesOutstanding	30,434,310	2025-02-21	2025-02-28	10-K	0001437749-25-005705