

Illinois Tool Works Inc. (ITW)

NYSE; manufacturing; SIC 3560, General Industrial Machinery & Equipment; CIK 0000049826

Illinois Tool Works Inc. ITW; manufacturing	
Grade	D A B C D E fourth fifth of 255 graded peers percentile 73.6; sampling error 3.0 points; lower is stronger
Rank	188 of 255
Profitability	C percentile 55.3
Solvency	C/D percentile 62.7
Growth and financing	C percentile 51.7
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 \$16.1B
Standard universe	inside revenue above \$1M and assets above \$10M
Warnings	none active not computable: distress
Inputs computable	9 of 14
Graded from	filings received through Feb 13, 2026 238 days before the rescans; latest periodic filing 10-Q received Aug 6, 2026
Last close	\$264.67 2026-10-08; market equity \$75.4B
Price used in grade	None

D, the sloth

fourth fifth of its sector; letters are fifths of the 255 graded peers

Share price, twelve months to the rescans

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

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 13, 2026

Illinois Tool Works Inc. (the "Company" or "ITW") was founded in 1912 and incorporated in 1915. The Company's ticker symbol is ITW. The Company is a global manufacturer of a diversified range of industrial products and equipment with 88 divisions in 49 countries. As of December 31, 2025, the Company employed approximately 43,000 people. The Company's operations are organized and managed based on similar product offerings and end markets, and are reported to senior management as the following seven

segments: Automotive OEM; Food Equipment; Test & Measurement and Electronics; Welding; Polymers & Fluids; Construction Products; and Specialty Products.

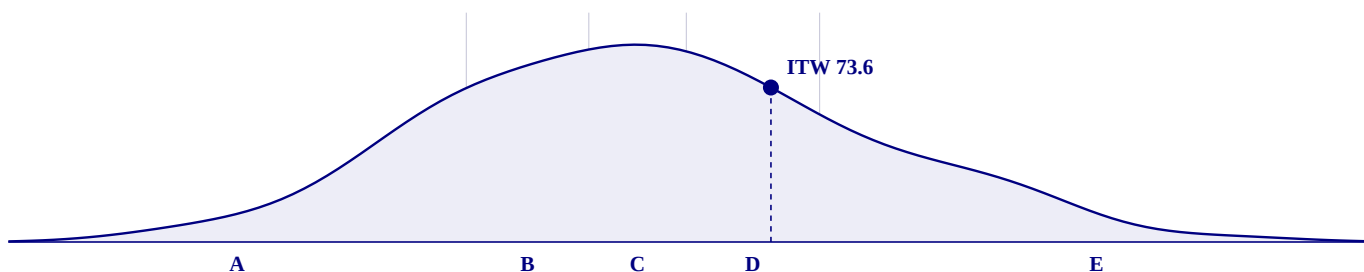
The fourteen inputs

lower percentile is stronger; equal-weighted sleeves

Input	Percentile, 0 to 100	Value	Peer median	Percentile	Peers	Period end
Profitability, sleeve percentile 55.3						
Gross profitability		52.6%	21.9%	3.3	275	2025-12-31
Return on invested capital		not computable	9.7%			latest aligned inputs end 2023-12-31; latest annual assets end 2025-12-31
Accruals ratio		(0.4%)	(3.6%)	77.2	308	2025-12-31
Gross margin stability, five years		5.5 pts	2.1 pts	85.5	229	2025-12-31
Solvency, sleeve percentile 62.7						
Twelve-month failure probability		not computable	0.04%			liabilities and a nearby cover-page share count are required at 2026-06-30 one or more required annual facts are missing
Altman Z double-prime		not computable	3.66			required annual facts are missing
Net debt to EBITDA		1.51x	1.78x	40.8	121	2025-12-31
Interest coverage		not computable	5.09x			latest aligned inputs end 2023-12-31; latest annual assets end 2025-12-31
Current ratio		1.21x	2.25x	84.6	325	2025-12-31
Growth and financing, sleeve percentile 51.7						
Revenue growth, three-year compound		0.2%	2.1%	60.4	269	2025-12-31
Free cash flow growth, three-year compound		11.8%	13.9%	57.2	139	2025-12-31
Reinvestment rate		not computable	26.4%			latest aligned inputs end 2023-12-31; latest annual assets end 2025-12-31
Asset growth, three years		1.5%	4.4%	62.9	279	2025-12-31
Net share issuance, one year		(1.8%)	0.01%	26.0	243	2026-01-31

Among 255 peers

manufacturing; 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
183	Esab Corp. (ESAB)	71.7	D	
184	Carrier Global Corp. (CARR)	72.0	D	
185	Columbus Mckinnon Corp. (CMCO)	72.4	D	
186	Nike, Inc. (NKE)	72.8	D	
187	Loar Holdings Inc. (LOAR)	73.2	D	
188	Illinois Tool Works Inc. (ITW) <	73.6	D	
189	Trimas Corp. (TRS)	74.0	D	
190	Axon Enterprise, Inc. (AXON)	74.4	D	
191	RTX Corp. (RTX)	74.8	D	
192	Entegris Inc. (ENTG)	75.2	D	
193	Crown Holdings, Inc. (CCK)	75.6	D	

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	7.6%	13.7%	43
Distance from 52-week high	(11.6%)	(24.3%)	82
EBIT to enterprise value	5.1%	4.1%	59
Free cash flow yield	3.6%	3.4%	52
Book value to price	0.04	0.34	6
Sales to price	0.21	0.54	18
Composite equity issuance, five years	(23.4%)	(9.5%)	16
Relative strength against the sector, log excess return	(0.06)	(0.00)	43

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	fail
Current ratio improved	fail
No new shares issued	pass
Gross margin improved	pass
Asset turnover improved	pass
Cash, filings, liquidity	
Cash and equivalents	\$839.0M
Operating cash flow, four quarters	\$3.3B
Months of runway	not finite
Days since last periodic filing	64 (10-Q received Aug 6, 2026)
Median daily dollar volume, 63 sessions	\$316.6M

Sources

each row links to the filing index on sec.gov

#	Concept	XBRL tag	Value	Period end	Received	Form	Accession
1	revenue	us-gaap:RevenueFromContractWithCustomerExcludingAssessedTax	\$16.0B	2025-12-31	2026-02-13	10-K	0000049826-26-000008
2	cost of revenue	us-gaap:CostOfRevenue	\$7.6B	2025-12-31	2026-02-13	10-K	0000049826-26-000008
3	assets	us-gaap:Assets	\$16.1B	2025-12-31	2026-02-13	10-K	0000049826-26-000008
4	operating income	us-gaap:OperatingIncomeLoss	\$4.0B	2023-12-31	2026-02-13	10-K	0000049826-26-000008
5	pretax income	us-gaap:IncomeLossFromContinuingOperationsBeforeIncomeTaxesMinorityInterestAndIncomeLossFromDiscontinuedOperations	\$3.8B	2023-12-31	2026-02-13	10-K	0000049826-24-000008
6	income tax	us-gaap:IncomeTaxExpenseBenefit	\$866.0M	2023-12-31	2026-02-13	10-K	0000049826-26-000008
7	total debt	us-gaap:LongTermDebt	\$7.7B	2023-12-31	2025-02-14	10-K	0000049826-25-000007
8	book equity	us-gaap:StockholdersEquityIncludingPortionAttributableToNoncontrollingInterest	\$3.8B	2023-12-31	2026-02-13	10-K	0000049826-26-000008
9	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	\$1.1B	2023-12-31	2025-02-14	10-K	0000049826-25-000007
10	total debt	us-gaap:LongTermDebt	\$6.7B	2022-12-31	2024-02-09	10-K	0000049826-24-000008
11	book equity	us-gaap:StockholdersEquityIncludingPortionAttributableToNoncontrollingInterest	\$3.4B	2022-12-31	2026-02-13	10-K	0000049826-26-000008
12	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	\$708.0M	2022-12-31	2024-02-09	10-K	0000049826-24-000008
13	net income	us-gaap:ProfitLoss	\$3.1B	2025-12-31	2026-02-13	10-K	0000049826-26-000008
14	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	\$3.1B	2025-12-31	2026-02-13	10-K	0000049826-26-000008
15	assets	us-gaap:Assets	\$15.1B	2024-12-31	2026-02-13	10-K	0000049826-26-000008
16	revenue	us-gaap:RevenueFromContractWithCustomerExcludingAssessedTax	\$15.9B	2024-12-31	2026-02-13	10-K	0000049826-26-000008
17	cost of revenue	us-gaap:CostOfRevenue	\$7.6B	2024-12-31	2026-02-13	10-K	0000049826-26-000008
18	revenue	us-gaap:RevenueFromContractWithCustomerExcludingAssessedTax	\$16.1B	2023-12-31	2026-02-13	10-K	0000049826-26-000008
19	cost of revenue	us-gaap:CostOfGoodsAndServicesSold	\$9.3B	2023-12-31	2026-02-13	10-K	0000049826-26-000008
20	revenue	us-gaap:RevenueFromContractWithCustomerExcludingAssessedTax	\$15.9B	2022-12-31	2025-02-14	10-K	0000049826-25-000007
21	cost of revenue	us-gaap:CostOfGoodsAndServicesSold	\$9.4B	2022-12-31	2025-02-14	10-K	0000049826-25-000007
22	revenue	us-gaap:RevenueFromContractWithCustomerExcludingAssessedTax	\$14.5B	2021-12-31	2024-02-09	10-K	0000049826-24-000008
23	cost of revenue	us-gaap:CostOfGoodsAndServicesSold	\$8.5B	2021-12-31	2024-02-09	10-K	0000049826-24-000008
24	total debt	us-gaap:LongTermDebt	\$7.7B	2025-12-31	2026-02-13	10-K	0000049826-26-000008
25	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	\$851.0M	2025-12-31	2026-02-13	10-K	0000049826-26-000008
26	operating income	us-gaap:OperatingIncomeLoss	\$4.2B	2025-12-31	2026-02-13	10-K	0000049826-26-000008
27	depreciation amortization	us-gaap:Depreciation	\$317.0M	2025-12-31	2026-02-13	10-K	0000049826-26-000008
28	interest expense	us-gaap:InterestExpense	\$266.0M	2023-12-31	2024-02-09	10-K	0000049826-24-000008
29	current assets	us-gaap:AssetsCurrent	\$6.2B	2025-12-31	2026-02-13	10-K	0000049826-26-000008
30	current liabilities	us-gaap:LiabilitiesCurrent	\$5.1B	2025-12-31	2026-02-13	10-K	0000049826-26-000008
31	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	\$419.0M	2025-12-31	2026-02-13	10-K	0000049826-26-000008
32	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	\$3.3B	2024-12-31	2026-02-13	10-K	0000049826-26-000008
33	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	\$437.0M	2024-12-31	2026-02-13	10-K	0000049826-26-000008
34	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	\$3.5B	2023-12-31	2026-02-13	10-K	0000049826-26-000008
35	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	\$455.0M	2023-12-31	2026-02-13	10-K	0000049826-26-000008
36	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	\$2.3B	2022-12-31	2025-02-14	10-K	0000049826-25-000007
37	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	\$412.0M	2022-12-31	2025-02-14	10-K	0000049826-25-000007
38	depreciation amortization	us-gaap:Depreciation	\$282.0M	2023-12-31	2026-02-13	10-K	0000049826-26-000008
39	current assets	us-gaap:AssetsCurrent	\$6.2B	2023-12-31	2025-02-14	10-K	0000049826-25-000007
40	current liabilities	us-gaap:LiabilitiesCurrent	\$4.7B	2023-12-31	2025-02-14	10-K	0000049826-25-000007
41	current assets	us-gaap:AssetsCurrent	\$6.3B	2022-12-31	2024-02-09	10-K	0000049826-24-000008
42	current liabilities	us-gaap:LiabilitiesCurrent	\$4.5B	2022-12-31	2024-02-09	10-K	0000049826-24-000008
43	assets	us-gaap:Assets	\$15.5B	2023-12-31	2025-02-14	10-K	0000049826-25-000007
44	assets	us-gaap:Assets	\$15.4B	2022-12-31	2025-02-14	10-K	0000049826-25-000007
45	shares outstanding	dei:EntityCommonStockSharesOutstanding	288,200,000	2026-01-31	2026-02-13	10-K	0000049826-26-000008
46	shares outstanding	dei:EntityCommonStockSharesOutstanding	293,500,000	2025-01-31	2025-02-14	10-K	0000049826-25-000007