

Txnm Energy Inc. (TXNM)

NYSE; utilities; SIC 4911, Electric Services; CIK 0001108426

Txnm Energy Inc.

TXNM; utilities

Grade

E

A B C D E

weakest fifth of 148 graded peers
percentile 91.2; sampling error 3.6 points; lower is stronger

Rank

135 of 148

Profitability

D

percentile 67.0

Solvency

D/E

percentile 77.0

Growth and financing

C

percentile 48.0

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 \$12.1B

Standard universe

inside

revenue above \$1M and assets above \$10M

Warnings

none active

not computable: distress

Inputs computable

7 of 14

Graded from

filings received through Feb 27, 2026

224 days before the rescans; latest periodic filing 10-Q received Jul 31, 2026

Last close

\$58.58

2026-10-08; market equity \$6.5B

Price used in grade

None



E, the bear

weakest fifth of its sector;
letters are fifths of the 148
graded peers

Share price, twelve months to the rescans

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



Date	Price (\$)
Nov	~50.00
Jan	~59.00
Mar	~55.00
May	~45.00
Jul	~50.00
Sep	58.58

Rescans on file: C from Feb 21, 2023, C/D from Mar 21, 2023, D from Feb 21,

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 27, 2026

. TNMP provides transmission and distribution services to REPs that provide electric service to consumers in TNMP's service territories. References to customers in the risk factors discussed below also encompass the customers of these REPs who are the ultimate consumers of electricity transmitted and distributed through TNMP's facilities. The profitability of TXNM's utilities depends on being able to recover their costs through regulated rates and earn a fair return on invested capital, including investments in

its generating plants.

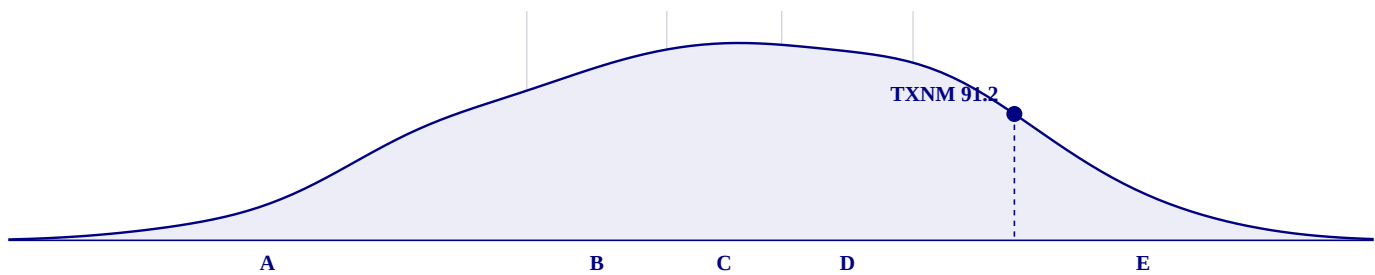
The fourteen inputs

lower percentile is stronger; equal-weighted sleeves

Input	Percentile, 0 to 100	Value	Peer median	Percentile	Peers	Period end
Profitability, sleeve percentile 67.0						
Gross profitability		not computable	17.5%			latest aligned inputs end 2023-12-31; latest annual assets end 2025-12-31
Return on invested capital		not computable	6.0%			latest aligned inputs end 2014-12-31; latest annual assets end 2025-12-31
Accruals ratio		(3.6%)	(5.0%)	67.0	271	2025-12-31
Gross margin stability, five years		not computable	4.6 pts			five annual gross margins are required; found 2
Solvency, sleeve percentile 77.0						
Twelve-month failure probability		not computable	0.06%			latest liabilities, cash plus short-term investments, book equity, and shares are required
Altman Z double-prime		0.65	1.48	66.9	152	2025-12-31
Net debt to EBITDA		not computable	3.63x			latest aligned inputs end 2014-12-31; latest annual assets end 2025-12-31
Interest coverage		not computable	2.37x			latest aligned inputs end 2023-12-31; latest annual assets end 2025-12-31
Current ratio		0.55x	0.97x	87.2	282	2025-12-31
Growth and financing, sleeve percentile 48.0						
Revenue growth, three-year compound		(1.7%)	0.7%	63.8	222	2025-12-31
Free cash flow growth, three-year compound		not computable	(11.8%)			current FCF must be positive and base FCF must exceed \$100,000
Reinvestment rate		369.0%	59.0%	4.2	72	2025-12-31
Asset growth, three years		9.2%	6.4%	36.7	246	2025-12-31
Net share issuance, one year		17.6%	0.4%	87.2	157	2026-02-13

Among 148 peers

utilities; 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
130	Kinder Morgan, Inc. (EP-PC)	88.1	E	
131	Kinder Morgan, Inc. (KMI)	88.1	E	
132	WEC Energy Group, Inc. (WEC)	89.1	E	
133	H2O America (HTO)	89.8	E	
134	Dominion Energy, Inc. (D)	90.5	E	
135	Txnm Energy Inc. (TXNM) <	91.2	E	
136	NGL Energy Partners L.P. (NGL)	92.5	E	
137	NGL Energy Partners L.P. (NGL-PB)	92.5	E	
138	NGL Energy Partners L.P. (NGL-PC)	92.5	E	
139	BIG SKY Industrial Inc. (BSIN)	93.9	E	dilution
140	Xplr Infrastructure, L.P. (XIFR)	94.6	E	

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	4.9%	15.5%	37
Distance from 52-week high	(1.5%)	(15.4%)	92
EBIT to enterprise value	5.2%	4.6%	59
Free cash flow yield	(9.4%)	1.3%	11
Book value to price	0.53	0.53	50
Sales to price	0.33	0.45	33
Composite equity issuance, five years	8.1%	(7.2%)	69
Relative strength against the sector, log excess return	0.07	0.04	57

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	pass
No new shares issued	fail
Gross margin improved	fail
Asset turnover improved	fail
Cash, filings, liquidity	
Cash and equivalents	\$5.6M
Operating cash flow, four quarters	\$596.4M
Months of runway	not finite
Days since last periodic filing	70 (10-Q received Jul 31, 2026)

Median daily dollar volume, 63 sessions

\$58.8M

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	\$655.8M	2023-12-31	2024-02-29	10-K	0001108426-24-000008
2	assets	us-gaap:Assets	\$10.3B	2023-12-31	2026-02-27	10-K	0001108426-26-000006
3	operating income	us-gaap:OperatingIncomeLoss	\$299.7M	2014-12-31	2017-02-28	10-K	0001108426-17-000006
4	pretax income	us-gaap:IncomeLossFromContinuingOperationsBeforeIncomeTaxesExtraordinaryItemsDeductibleItems	\$206.6M	2023-12-31	2024-02-28	10-K	0001108426-17-000006
5	income tax	us-gaap:IncomeTaxExpenseBenefit	\$69.7M	2014-12-31	2017-02-28	10-K	0001108426-17-000006
6	total debt	us-gaap:LongTermDebt	\$2.0B	2014-12-31	2015-02-27	10-K	0001108426-15-000008
7	book equity	us-gaap:StockholdersEquity	\$1.7B	2014-12-31	2016-02-29	10-K	0001108426-16-000165
8	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	\$28.3M	2014-12-31	2018-03-01	10-K	0001108426-18-000011
9	total debt	us-gaap:LongTermDebt	\$1.7B	2013-12-31	2015-02-27	10-K	0001108426-15-000008
10	book equity	us-gaap:StockholdersEquity	\$1.7B	2013-12-31	2015-02-27	10-K	0001108426-15-000008
11	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	\$2.5M	2013-12-31	2017-02-28	10-K	0001108426-17-000006
12	net income	us-gaap:ProfitLoss	\$169.8M	2025-12-31	2026-02-27	10-K	0001108426-26-000006
13	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	\$584.5M	2025-12-31	2026-02-27	10-K	0001108426-26-000006
14	assets	us-gaap:Assets	\$12.1B	2025-12-31	2026-02-27	10-K	0001108426-26-000006
15	assets	us-gaap:Assets	\$11.2B	2024-12-31	2026-02-27	10-K	0001108426-26-000006
16	current assets	us-gaap:AssetsCurrent	\$564.7M	2025-12-31	2026-02-27	10-K	0001108426-26-000006
17	current liabilities	us-gaap:LiabilitiesCurrent	\$1.0B	2025-12-31	2026-02-27	10-K	0001108426-26-000006
18	retained earnings	us-gaap:RetainedEarningsAccumulatedDeficit	\$866.9M	2025-12-31	2026-02-27	10-K	0001108426-26-000006
19	operating income	us-gaap:OperatingIncomeLoss	\$441.2M	2025-12-31	2026-02-27	10-K	0001108426-26-000006
20	book equity	us-gaap:StockholdersEquity	\$3.4B	2025-12-31	2026-02-27	10-K	0001108426-26-000006
21	liabilities	us-gaap:Liabilities	\$8.6B	2025-12-31	2026-02-27	10-K	0001108426-26-000006
22	depreciation amortization	us-gaap:DepreciationDepletionAndAmortization	\$209.9M	2014-12-31	2017-02-28	10-K	0001108426-17-000006
23	operating income	us-gaap:OperatingIncomeLoss	\$231.3M	2023-12-31	2026-02-27	10-K	0001108426-26-000006
24	interest expense	us-gaap:InterestExpense	\$190.4M	2023-12-31	2024-02-29	10-K	0001108426-24-000008
25	revenue	us-gaap:RevenueFromContractWithCustomerExcludingAssessedTax	\$2.1B	2025-12-31	2026-02-27	10-K	0001108426-26-000006
26	revenue	us-gaap:RevenueFromContractWithCustomerExcludingAssessedTax	\$2.0B	2024-12-31	2026-02-27	10-K	0001108426-26-000006
27	revenue	us-gaap:RevenueFromContractWithCustomerExcludingAssessedTax	\$1.9B	2023-12-31	2026-02-27	10-K	0001108426-26-000006
28	revenue	us-gaap:RevenueFromContractWithCustomerExcludingAssessedTax	\$2.3B	2022-12-31	2025-02-28	10-K	0001108426-25-000014
29	capital expenditure	us-gaap:PaymentsToAcquireProductiveAssets	\$1.2B	2025-12-31	2026-02-27	10-K	0001108426-26-000006
30	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	\$508.2M	2024-12-31	2026-02-27	10-K	0001108426-26-000006
31	capital expenditure	us-gaap:PaymentsToAcquireProductiveAssets	\$1.2B	2024-12-31	2026-02-27	10-K	0001108426-26-000006
32	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	\$551.2M	2023-12-31	2026-02-27	10-K	0001108426-26-000006
33	capital expenditure	us-gaap:PaymentsToAcquireProductiveAssets	\$1.1B	2023-12-31	2026-02-27	10-K	0001108426-26-000006
34	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	\$567.3M	2022-12-31	2025-02-28	10-K	0001108426-25-000014
35	capital expenditure	us-gaap:PaymentsToAcquireProductiveAssets	\$912.6M	2022-12-31	2025-02-28	10-K	0001108426-25-000014
36	depreciation amortization	us-gaap:DepreciationDepletionAndAmortization	\$483.4M	2025-12-31	2026-02-27	10-K	0001108426-26-000006
37	pretax income	us-gaap:IncomeLossFromContinuingOperationsBeforeIncomeTaxesExtraordinaryItemsDeductibleItems	\$186.0M	2023-12-31	2026-02-27	10-K	0001108426-26-000006
38	income tax	us-gaap:IncomeTaxExpenseBenefit	\$10.2M	2025-12-31	2026-02-27	10-K	0001108426-26-000006
39	current assets	us-gaap:AssetsCurrent	\$498.8M	2024-12-31	2026-02-27	10-K	0001108426-26-000006
40	current liabilities	us-gaap:LiabilitiesCurrent	\$1.8B	2024-12-31	2026-02-27	10-K	0001108426-26-000006
41	assets	us-gaap:Assets	\$9.3B	2022-12-31	2025-02-28	10-K	0001108426-25-000014
42	shares outstanding	dei:EntityCommonStockSharesOutstanding	108,921,356	2026-02-13	2026-02-27	10-K	0001108426-26-000006
43	shares outstanding	dei:EntityCommonStockSharesOutstanding	92,659,335	2025-02-14	2025-02-28	10-K	0001108426-25-000014