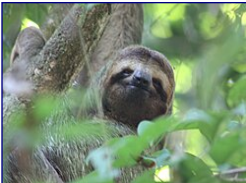


Valhi Inc. (VHI)

NYSE; chemicals; SIC 2810, Industrial Inorganic Chemicals; CIK 0000059255

Valhi Inc. VHI; chemicals	
Grade	D/E A B C D E on the D/E boundary of 331 graded peers percentile 81.5; sampling error 2.7 points; lower is stronger
Rank	259 of 331
Profitability	D/E percentile 79.0
Solvency	C percentile 49.1
Growth and financing	D percentile 63.2
Reliability	0.91 AUC filers with \$591M to \$2.67B assets; 95% interval 0.88 to 0.94; 160 events, 2020 to 2025
Peer failure rate	1.01% a year Item 1.03 bankruptcies, same asset band, 2012 to 2025
Size band	\$591M to \$2.67B assets total assets \$2.6B
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 Mar 10, 2026 213 days before the rescans; latest periodic filing 10-Q received Aug 6, 2026
Last close	\$15.17 2026-10-08; market equity \$429.6M
Price used in grade	None



D/E, the sloth
on the D/E boundary of its sector; letters are fifths of the 331 graded peers

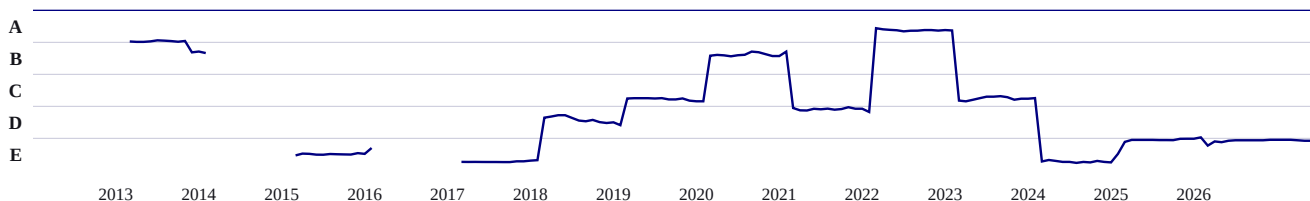
Share price, twelve months to the rescans
split-adjusted close; the letter is fixed at the rescans that set it



Rescans on file: E from Mar 21, 2024, D/E from Mar 21, 2025, E from Mar 21, 2026, D/E from Apr 21, 2026

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 Mar 10, 2026

Valhi, Inc. (NYSE: VHI) is primarily a holding company. We operate through our wholly-owned and majority-owned subsidiaries, including NL Industries, Inc., Kronos Worldwide, Inc., CompX International Inc., Basic Management, Inc. and The LandWell Company. Kronos (NYSE: KRO), NL (NYSE: NL) and CompX (NYSE American: CIX) each file periodic reports with the U.S. Securities and Exchange Commission (SEC). Our principal executive offices are located at Three Lincoln Center 5430 LBJ Freeway,

Suite 1700, Dallas, Texas 75240-2620. Our telephone number is (972) 233-1700. We maintain a website at www.valhi.net. LLC Corporation, our legal predecessor, was incorporated in Delaware in 1932.

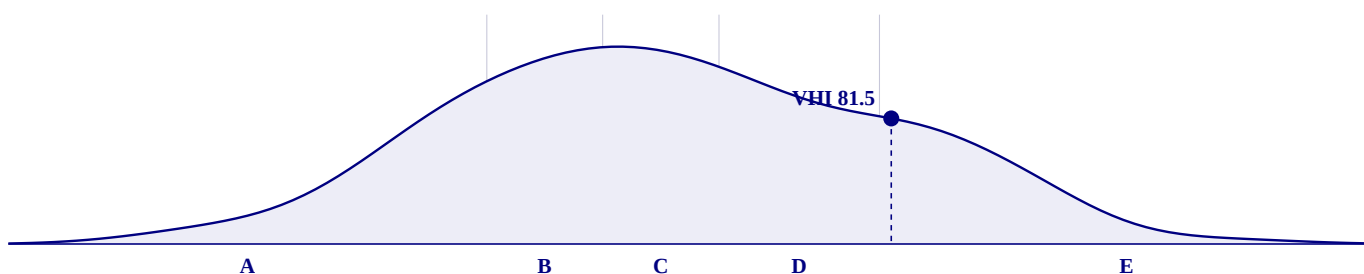
The fourteen inputs

lower percentile is stronger; equal-weighted sleeves

Input	Percentile, 0 to 100	Value	Peer median	Percentile	Peers	Period end
Profitability, sleeve percentile 79.0						
Gross profitability		11.2%	21.3%	79.6	359	2025-12-31
Return on invested capital		not computable	9.5%			pretax income must exceed the validity floor and imply a 0%-100% tax rate
Accruals ratio		(0.8%)	(4.2%)	77.4	400	2025-12-31
Gross margin stability, five years		4.7 pts	2.2 pts	80.0	301	2025-12-31
Solvency, sleeve percentile 49.1						
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	3.41			one or more required annual facts are missing latest aligned inputs end 2012-12-31; latest annual assets end 2025-12-31
Net debt to EBITDA		not computable	1.88x			
Interest coverage		1.11x	4.16x	65.5	88	2025-12-31
Current ratio		2.80x	2.20x	32.7	423	2025-12-31
Growth and financing, sleeve percentile 63.2						
Revenue growth, three-year compound		(2.2%)	1.2%	64.5	350	2025-12-31
Free cash flow growth, three-year compound		not computable	12.6%			current FCF must be positive and base FCF must exceed \$100,000 latest aligned inputs end 2012-12-31; latest annual assets end 2025-12-31
Reinvestment rate		not computable	24.3%			
Asset growth, three years		(2.5%)	2.9%	74.5	369	2025-12-31
Net share issuance, one year		0.03%	0.0%	50.6	321	2026-03-02

Among 331 peers

chemicals; 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
254	American Vanguard Corp. (AVD)	80.6	D/E	late filer
255	American Superconductor Corp. (AMSC)	80.7	D/E	
256	Crane NXT, Co. (CXT)	81.1	D/E	
257	Coty Inc. (COTY)	81.2	D/E	
258	Fuelcell Energy Inc. (FCEL)	81.5	D/E	fortress
				balance sheet
259	Valhi Inc. (VHI) <	81.5	D/E	
260	Eastman Chemical Co. (EMN)	81.8	D/E	
261	Broadwind, Inc. (BWEN)	81.9	D/E	
262	Innovate Corp. (VATE)	82.3	D/E	fortress
				balance sheet
263	Polaris Inc. (PII)	82.7	D/E	
264	Clorox Co. (CLX)	82.7	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	20.1%	13.8%	57
Distance from 52-week high	(20.2%)	(24.2%)	59
EBIT to enterprise value	7.9%	3.9%	86
Free cash flow yield	(19.4%)	3.2%	7
Book value to price	2.47	0.39	98
Sales to price	4.92	0.57	96
Composite equity issuance, five years	(9.4%)	(9.9%)	52
Relative strength against the sector, log excess return	0.01	(0.02)	53

Diagnostics

not in the grade

Measure	Value
Piotroski F-score 2 of 9, period end 2025-12-31	
Return on assets above zero	fail
Operating cash flow above zero	fail
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	\$209.7M
Operating cash flow, four quarters	\$111.7M
Months of runway	not finite
Days since last periodic filing	64 (10-Q received Aug 6, 2026)

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	\$295.4M	2025-12-31	2026-03-10	10-K	0001104659-26-025847
2	assets	us-gaap:Assets	\$2.6B	2025-12-31	2026-03-10	10-K	0001104659-26-025847
3	operating income	us-gaap:OperatingIncomeLoss	\$63.3M	2025-12-31	2026-03-10	10-K	0001104659-26-025847
4	pretax income	us-gaap:IncomeLossFromContinuingOperationsBeforeIncomeTaxesExtraord	\$43.0M	2025-12-31	2026-03-10	10-K	0001104659-26-025847
5	income tax	us-gaap:IncomeTaxExpenseBenefit	\$11.9M	2025-12-31	2026-03-10	10-K	0001104659-26-025847
6	total debt	us-gaap:LongTermDebtAndCapitalLeaseObligations	\$590.9M	2025-12-31	2026-03-10	10-K	0001104659-26-025847
7	book equity	us-gaap:StockholdersEquity	\$1.0B	2025-12-31	2026-03-10	10-K	0001104659-26-025847
8	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	\$214.0M	2025-12-31	2026-03-10	10-K	0001104659-26-025847
9	total debt	us-gaap:LongTermDebtAndCapitalLeaseObligations	\$484.4M	2024-12-31	2026-03-10	10-K	0001104659-26-025847
10	book equity	us-gaap:StockholdersEquity	\$1.0B	2024-12-31	2026-03-10	10-K	0001104659-26-025847
11	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	\$348.3M	2024-12-31	2026-03-10	10-K	0001104659-26-025847
12	net income	us-gaap:NetIncomeLoss	-\$57.6M	2025-12-31	2026-03-10	10-K	0001104659-26-025847
13	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	-\$35.5M	2025-12-31	2026-03-10	10-K	0001104659-26-025847
14	assets	us-gaap:Assets	\$2.8B	2024-12-31	2026-03-10	10-K	0001104659-26-025847
15	revenue	us-gaap:RevenueFromContractWithCustomerExcludingAssessedTax	\$2.1B	2025-12-31	2026-03-10	10-K	0001104659-26-025847
16	gross profit	us-gaap:GrossProfit	\$424.5M	2024-12-31	2026-03-10	10-K	0001104659-26-025847
17	revenue	us-gaap:RevenueFromContractWithCustomerExcludingAssessedTax	\$2.1B	2024-12-31	2026-03-10	10-K	0001104659-26-025847
18	gross profit	us-gaap:GrossProfit	\$245.2M	2023-12-31	2026-03-10	10-K	0001104659-26-025847
19	revenue	us-gaap:RevenueFromContractWithCustomerExcludingAssessedTax	\$1.9B	2023-12-31	2026-03-10	10-K	0001104659-26-025847
20	gross profit	us-gaap:GrossProfit	\$490.4M	2022-12-31	2025-03-06	10-K	0001558370-25-002409
21	revenue	us-gaap:RevenueFromContractWithCustomerExcludingAssessedTax	\$2.2B	2022-12-31	2025-03-06	10-K	0001558370-25-002409
22	gross profit	us-gaap:GrossProfit	\$580.2M	2021-12-31	2024-03-07	10-K	0001558370-24-002728
23	revenue	us-gaap:RevenueFromContractWithCustomerExcludingAssessedTax	\$2.3B	2021-12-31	2024-03-07	10-K	0001558370-24-002728
24	total debt	us-gaap:LongTermDebtAndCapitalLeaseObligations	\$880.5M	2012-12-31	2014-03-17	10-K	0001564590-14-000779
25	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	\$366.9M	2012-12-31	2016-03-11	10-K	0001564590-16-014582
26	operating income	us-gaap:OperatingIncomeLoss	\$345.4M	2012-12-31	2015-03-13	10-K	0001564590-15-001677
27	depreciation amortization	us-gaap:DepreciationDepletionAndAmortization	\$69.4M	2012-12-31	2013-03-15	10-K	0001193125-13-110265
28	interest expense	us-gaap:InterestExpense	\$57.1M	2025-12-31	2026-03-10	10-K	0001104659-26-025847
29	current assets	us-gaap:AssetsCurrent	\$1.3B	2025-12-31	2026-03-10	10-K	0001104659-26-025847
30	current liabilities	us-gaap:LiabilitiesCurrent	\$449.3M	2025-12-31	2026-03-10	10-K	0001104659-26-025847
31	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	\$46.6M	2025-12-31	2026-03-10	10-K	0001104659-26-025847
32	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	\$44.0M	2024-12-31	2026-03-10	10-K	0001104659-26-025847
33	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	\$30.9M	2024-12-31	2026-03-10	10-K	0001104659-26-025847
34	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	\$3.9M	2023-12-31	2026-03-10	10-K	0001104659-26-025847
35	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	\$48.5M	2023-12-31	2026-03-10	10-K	0001104659-26-025847
36	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	\$34.9M	2022-12-31	2025-03-06	10-K	0001558370-25-002409
37	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	\$67.6M	2022-12-31	2025-03-06	10-K	0001558370-25-002409
38	capital expenditure	us-gaap:PaymentsToAcquirePropertyPlantAndEquipment	\$98.8M	2012-12-31	2015-03-13	10-K	0001564590-15-001677
39	pretax income	us-gaap:IncomeLossFromContinuingOperationsBeforeIncomeTaxesMinority	\$5.0M	2022-12-31	2015-03-13	10-K	0001564590-15-001677
40	income tax	us-gaap:IncomeTaxExpenseBenefit	\$104.8M	2012-12-31	2015-03-13	10-K	0001564590-15-001677
41	current assets	us-gaap:AssetsCurrent	\$1.4B	2012-12-31	2014-03-17	10-K	0001564590-14-000779
42	current liabilities	us-gaap:LiabilitiesCurrent	\$398.5M	2012-12-31	2014-03-17	10-K	0001564590-14-000779
43	current assets	us-gaap:AssetsCurrent	\$944.2M	2011-12-31	2013-03-15	10-K	0001193125-13-110265
44	current liabilities	us-gaap:LiabilitiesCurrent	\$415.6M	2011-12-31	2013-03-15	10-K	0001193125-13-110265
45	assets	us-gaap:Assets	\$2.7B	2023-12-31	2025-03-06	10-K	0001558370-25-002409
46	assets	us-gaap:Assets	\$2.8B	2022-12-31	2025-03-06	10-K	0001558370-25-002409
47	shares outstanding	dei:EntityCommonStockSharesOutstanding	28,302,293	2026-03-02	2026-03-10	10-K	0001104659-26-025847
48	shares outstanding	dei:EntityCommonStockSharesOutstanding	28,294,793	2025-03-03	2025-03-06	10-K	0001558370-25-002409