

For Immediate Release  
**Paul Mueller Company Announces Its Third Quarter Earnings of 2024**

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**PAUL MUELLER COMPANY**  
**NINE-MONTH REPORT**  
Unaudited  
(In thousands)

**CONSOLIDATED STATEMENTS OF INCOME**

	Three Months Ended September 30		Nine Months Ended September 30		Twelve Months Ended September 30	
	2024	2023	2024	2023	2024	2023
Net Sales	\$ 62,085	\$ 57,088	\$ 178,111	\$ 173,370	\$ 233,897	\$ 232,372
Cost of Sales	41,028	38,948	121,459	119,881	160,203	169,963
Gross Profit	\$ 21,057	\$ 18,140	\$ 56,652	\$ 53,489	\$ 73,694	\$ 62,409
Selling, General and Administrative Expense	12,238	11,245	34,013	36,546	85,736	41,225
Operating Income (Loss)	\$ 8,819	\$ 6,895	\$ 22,639	\$ 16,943	\$ (12,042)	\$ 21,184
Interest Expense <sup>1</sup>	(83)	(82)	(256)	(259)	(347)	(346)
Other Income <sup>1</sup>	840	477	1,885	1,810	2,741	2,749
Income (Loss) before Provision (Benefit) for Income Taxes	\$ 9,576	\$ 7,290	\$ 24,268	\$ 18,494	\$ (9,648)	\$ 23,587
Provision (Benefit) for Income Taxes	2,297	1,786	5,736	4,510	(4,306)	5,703
Net Income (Loss)	\$ 7,279	\$ 5,504	\$ 18,532	\$ 13,984	\$ (5,342)	\$ 17,884
Earnings (Loss) per Common Share - Basic and Diluted	\$7.77	\$5.07	\$18.79	\$12.88	(\$5.28)	\$16.47

1. The elimination of intercompany interest was incorrect in the 2nd Quarter release causing interest income and interest expense to be overstated by the same amount, however, net income was still correct. For this financial presentation, the error was corrected as of June 30th so the three-month, nine-month and twelve-month interest income and expense would be presented correctly.

**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

	Nine Months Ended September 30	
	2024	2023
Net Income	\$ 18,532	\$ 13,984
Other Comprehensive Income (Loss), Net of Tax:		
Foreign Currency Translation Adjustment	526	(275)
Comprehensive Income	\$ 19,058	\$ 13,709

**CONSOLIDATED BALANCE SHEETS**

	September 30 2024	December 31 2023
Cash and Cash Equivalents <sup>2</sup>	\$ 16,030	\$ 5,894
Marketable Securities <sup>2</sup>	15,070	28,031
Accounts Receivable	31,363	25,166
Inventories (FIFO)	45,450	45,910
LIFO Reserve	(21,461)	(21,774)
Inventories (LIFO)	23,989	24,136
Current Net Investments in Sales-Type Leases	35	27
Other Current Assets	6,262	3,537
Current Assets	\$ 92,749	\$ 86,791
Net Property, Plant, and Equipment	45,890	42,011
Right of Use Assets	2,271	2,421
Other Assets	2,409	2,590
Long-Term Net Investments in Sales-Type Leases	604	456
Total Assets	\$ 143,923	\$ 134,269
Accounts Payable	\$ 13,003	\$ 11,041
Current Maturities and Short-Term Debt	648	640
Current Lease Liabilities	344	402
Advance Billings	22,696	27,383
Pension Liabilities	32	32
Other Current Liabilities	25,989	19,599
Current Liabilities	\$ 62,712	\$ 59,097
Long-Term Debt	8,500	8,880
Long-Term Pension Liabilities	209	233
Other Long-Term Liabilities	1,677	1,768
Lease Liabilities	759	775
Total Liabilities	\$ 73,857	\$ 70,753
Shareholders' Investment	70,066	63,516
Total Liabilities and Shareholders' Investment	\$ 143,923	\$ 134,269

2. Has been restated to move money market accounts out of marketable securities into cash equivalents.

SELECTED FINANCIAL DATA			
	September 30 2024	December 31 2023	
Book Value per Common Share	\$74.79	\$58.50	
Total Shares Outstanding	936,837	1,085,711	
Backlog	\$ 171,505	\$ 97,350	

CONSOLIDATED STATEMENT OF SHAREHOLDERS' INVESTMENT						
	Common Stock	Paid-in Surplus	Retained Earnings	Treasury Stock	Accumulated Other Comprehensive Income (Loss)	Total
<b>Balance, December 31, 2023</b>	\$ 1,508	\$ 9,708	\$ 67,181	\$ (10,787)	\$ (4,094)	\$ 63,516
<b>Add (Deduct):</b>						
Net Income			18,532			18,532
Other Comprehensive Income (Loss), Net of Tax					526	526
Dividends, \$.45 per Common Share			(594)			(594)
Treasury Stock Acquisition				(11,910)		(11,910)
Other			(4)			(4)
<b>Balance, September 30, 2024</b>	\$ 1,508	\$ 9,708	\$ 85,115	\$ (22,697)	\$ (3,568)	\$ 70,066

CONSOLIDATED STATEMENT OF CASH FLOWS			
	Nine Months Ended September 30, 2024	Nine Months Ended September 30, 2023	
<b>Operating Activities:</b>			
Net Income	\$ 18,532	\$ 13,984	
Adjustment to Reconcile Net Income to Net Cash Provided by Operating Activities:			
Pension Contributions (Greater) Less than Expense	(25)	(1,586)	
Bad Debt Expense (Recovery)	-	112	
Depreciation & Amortization	5,177	4,718	
(Gain) on Sales of Equipment	(104)	(48)	
(Gain) on Disposal of Equipment	(389)	-	
Change in Assets and Liabilities			
(Inc) in Accts and Notes Receivable	(6,197)	(3,658)	
(Inc) in Cost in Excess of Estimated Earnings and Billings	-	(109)	
Dec (Inc) in Inventories	738	(1,985)	
(Inc) in Prepayments	(2,724)	(456)	
(Inc) in Net Investment in Sales-type leases	(353)	(80)	
Dec in Other LT Assets	1,036	373	
Inc (Dec) in Accounts Payable	1,962	(148)	
(Dec) Inc in Accrued Income Tax	(1,063)	3,519	
Inc in Other Accrued Expenses	1,606	5,515	
(Dec) in Advanced Billings	(4,686)	(4,737)	
Inc(Dec) in Billings in Excess of Costs and Estimated Earnings	5,842	(7,073)	
Inc in Lease Liability for Operating	169	-	
Inc in Lease Liability for Financing	-	130	
Principal payments of Lease Liability for Operating	(188)	(163)	
(Dec) in Long Term Deferred Tax Liabilities	(85)	-	
(Dec) Inc in Other Long-Term Liabilities	(119)	197	
<b>Net Cash Provided by Operating Activities</b>	\$ 19,129	\$ 8,505	
<b>Investing Activities</b>			
Intangibles	-	(62)	
Purchases of Marketable Securities <sup>2</sup>	(16,442)	(23,464)	
Proceeds from Sales of Marketable Securities <sup>2</sup>	29,403	18,130	
Proceeds from Sales of Equipment	131	83	
Additions to Property, Plant, and Equipment	(8,637)	(4,351)	
<b>Net Cash (Required) for Investing Activities</b>	\$ 4,455	\$ (9,664)	
<b>Financing Activities</b>			
Principal payments of Lease Liability for Financing	(149)	(146)	
(Repayment) of Short-Term Borrowings, Net	(1,637)	-	
Proceeds of Short-Term Borrowings, Net	1,637	-	
(Repayment) of Long-Term Debt	(1,152)	(479)	
Dividends Paid	(594)	(489)	
Treasury Stock Acquisitions	(11,910)	-	
<b>Net Cash Provided by (Required for) Financing Activities</b>	\$ (13,805)	\$ (1,114)	
<b>Effect of Exchange Rate Changes</b>	357	290	
<b>Net Increase in Cash and Cash Equivalents <sup>2</sup></b>	\$ 10,136	\$ (1,983)	
<b>Cash and Cash Equivalents at Beginning of Year <sup>2</sup></b>	5,894	3,468	
<b>Cash and Cash Equivalents at End of Quarter <sup>2</sup></b>	\$ 16,030	\$ 1,485	

2. Has been restated to move money market accounts out of marketable securities into cash equivalents.

PAUL MUELLER COMPANY  
SUMMARIZED NOTES TO THE FINANCIAL STATEMENTS  
(In thousands)

- A. The chart below depicts the net revenue on a consolidating basis for the three months ended September 30.

Three Months Ended September 30		
<i>Revenue</i>	2024	2023
Domestic	\$ 52,560	\$ 46,044
Mueller BV	\$ 10,087	\$ 11,366
Eliminations	\$ (562)	\$ (322)
Net Revenue	\$ 62,085	\$ 57,088

The chart below depicts the net revenue on a consolidating basis for the nine months ended September 30.

Nine Months Ended September 30		
<i>Revenue</i>	2024	2023
Domestic	\$ 144,267	\$ 139,924
Mueller BV	\$ 35,076	\$ 34,743
Eliminations	\$ (1,232)	\$ (1,297)
Net Revenue	\$ 178,111	\$ 173,370

The chart below depicts the net revenue on a consolidating basis for the twelve months ended September 30.

Twelve Months Ended September 30		
<i>Revenue</i>	2024	2023
Domestic	\$ 187,349	\$ 187,222
Mueller BV	\$ 48,043	\$ 46,745
Eliminations	\$ (1,495)	\$ (1,595)
Net Revenue	\$ 233,897	\$ 232,372

The chart below depicts the net income (loss) on a consolidating basis for the three months ended September 30.

Three Months Ended September 30		
<i>Net Income</i>	2024	2023
Domestic	\$ 7,365	\$ 5,078
Mueller BV	\$ (84)	\$ 426
Eliminations	\$ (2)	\$ -
Net Income (Loss)	\$ 7,279	\$ 5,504

The chart below depicts the net income on a consolidating basis for the nine months ended September 30.

Nine Months Ended September 30			
<i>Net Income</i>	2024		2023
Domestic	\$ 17,440	\$	14,233
Mueller BV	\$ 1,064	\$	(234)
Eliminations	\$ 28	\$	(15)
Net Income (Loss)	\$ 18,532	\$	13,984

The chart below depicts the net income on a consolidating basis for the twelve months ended September 30.

Twelve Months Ended September 30			
<i>Net Income</i>	2024		2023
Domestic	\$ (8,121)	\$	18,092
Mueller BV	\$ 2,775	\$	(182)
Eliminations	\$ 4	\$	(26)
Net Income Loss	\$ (5,342)	\$	17,884

- B.** September 30, 2024 backlog is \$171.5 million compared to \$97.4 million at September 30, 2023. The majority of this backlog is in the U.S. where the backlog is \$165.3 million at September 30, 2024 compared to \$90.3 million at September 30, 2023. The \$75.0 million increase in U.S. backlog is primarily from the pharmaceutical divisions. In the Netherlands, the backlog is \$6.9 million on September 30, 2024 versus \$9.7 million on September 30, 2023.
- C.** Compared to last year, revenue is up \$5.0 million (8.8%) on a three-month basis; up \$4.7 million (2.7%) on a nine-month basis; and flat for the trailing twelve months. In the U.S., revenues show a similar pattern with increased revenue from the pharmaceutical and food and beverage divisions driving the increase. In the Netherlands business continues to improve with revenue down for the quarter but up on the 9-month and 12-month timeframes.

Net Income is up \$1.8 million for three-months; \$4.5 million for nine months but down \$23.2 million before removing the pension settlement charges incurred in December 2023. In the Netherlands, earnings continue to improve following the business restructuring in the spring of 2023. Efficiencies achieved from the restructuring along with strategic price increases have led to the improved earnings.

We manage our business in the U.S. looking at earnings before tax (EBT) and excluding the effects of LIFO and non-reoccurring events such as the pension settlement. This non-GAAP adjusted EBT (as shown in the table on the next page) shows improved results from a strong 2023 performance in all three timeframes. This improvement comes primarily from the pharmaceutical and food and beverage divisions.

Results Ending September 30th

	Three Months Ended September 30		Nine Months Ended September 30		Twelve Months Ended September 30	
(In Thousands)	2024	2023	2024	2023	2024	2023
Domestic Net Income	\$ 7,365	\$ 5,078	\$ 17,440	\$ 14,233	\$ (8,121)	\$ 18,092
Income Tax Expense	\$ 2,321	\$ 1,595	\$ 5,391	\$ 4,468	\$ (3,834)	\$ 5,634
Domestic EBT - GAAP	\$ 9,686	\$ 6,673	\$ 22,831	\$ 18,701	\$ (11,955)	\$ 23,726
LIFO Adjustment	\$ 151	\$ 302	\$ (312)	\$ 541	\$ (770)	\$ 925
Pension Adjustment	\$ -	\$ -	\$ -	\$ -	\$ 41,774	\$ -
Domestic EBT - Non-GAAP	\$ 9,837	\$ 6,975	\$ 22,519	\$ 19,242	\$ 29,049	\$ 24,651

- D.** Due to recent record backlogs, on July 26, 2024, the Company announced a facility expansion of just over 100,000 square feet at a cost of \$22 million. On August 26, 2024, the Company had a ground-breaking ceremony with the Missouri governor, Mike Parsons, and other dignitaries present. On October 16, 2024, site preparation began. Building completion date is scheduled for the end of 2025.
- E.** The consolidated financials are affected by the euro to dollar exchange rate when consolidating Mueller B.V., the Dutch subsidiary. The month-end euro to dollar exchange rate was 1.06 at September 2023; 1.10 at December 2023 and 1.12 for September 2024, respectively.

This press release contains forward-looking statements that provide current expectations of future events based on certain assumptions. All statements regarding future performance growth, conditions, or developments are forward-looking statements. Actual future results may differ materially from those described in the forward-looking statements due to a variety of factors, including, but not limited to, the factors described in the Company's Annual Report under "Safe Harbor for Forward-Looking Statements", which is available at [paulmueller.com](http://paulmueller.com). The Company expressly disclaims any obligation or undertaking to update these forward-looking statements to reflect any future events or circumstances.

**The accounting policies related to this report and additional management discussion and analysis are provided in the 2023 annual report, available at [www.paulmueller.com](http://www.paulmueller.com).**