



For Immediate Release

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Paul Mueller Company Announces Its Third Quarter Earnings of 2025

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Springfield, Missouri - October 24, 2025. Paul Mueller Company (OTC: MUEL) today announced earnings for the third quarter ended September 30, 2025.

**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	
	2025	2024	2025	2024	2025	2024
Net Sales	\$ 61,375	\$ 62,085	\$ 192,859	\$ 178,111	\$ 263,333	\$ 233,897
Cost of Sales	45,349	41,028	131,147	121,459	175,812	160,203
Gross Profit	\$ 16,026	\$ 21,057	\$ 61,712	\$ 56,652	\$ 87,521	\$ 73,694
Selling, General and Administrative Expense	10,298	12,238	35,163	34,013	47,398	85,736
Operating Income (Loss)	\$ 5,728	\$ 8,819	\$ 26,549	\$ 22,639	\$ 40,123	\$ (12,042)
Interest Expense	(50)	(83)	(163)	(256)	(208)	(347)
Other Income	691	840	1,525	1,885	2,017	2,741
Income (Loss) before Provision (Benefit) for Income Taxes	\$ 6,369	\$ 9,576	\$ 27,911	\$ 24,268	\$ 41,932	\$ (9,648)
Provision (Benefit) for Income Taxes	1,487	2,297	6,472	5,736	9,353	(4,306)
Net Income (Loss)	\$ 4,882	\$ 7,279	\$ 21,439	\$ 18,532	\$ 32,579	\$ (5,342)
Earnings (Loss) per Common Share - Basic and Diluted	\$5.25	\$7.77	\$23.00	\$18.79	\$34.90	(\$5.28)

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Nine Months Ended September 30	
	2025	2024
Net Income	\$ 21,439	\$ 18,532
Other Comprehensive Income (Loss), Net of Tax:		
Foreign Currency Translation Adjustment	3,166	526
Comprehensive Income	\$ 24,605	\$ 19,058

CONSOLIDATED BALANCE SHEETS

	September 30 2025	December 31 2024
Cash and Cash Equivalents	\$ 13,812	\$ 21,169
Marketable Securities	28,345	24,446
Accounts Receivable	39,460	31,266
Inventories (FIFO)	48,859	40,905
LIFO Reserve	(21,460)	(20,146)
Inventories (LIFO)	27,399	20,759
Current Net Investments in Sales-Type Leases	57	39
Other Current Assets	9,918	4,933
Current Assets	\$ 118,991	\$ 102,612
Net Property, Plant, and Equipment	68,279	50,754
Right of Use Assets	2,403	2,235
Other Assets	1,767	1,862
Long-Term Net Investments in Sales-Type Leases	1,590	1,211
Total Assets	\$ 193,030	\$ 158,674
Accounts Payable	\$ 17,462	\$ 17,588
Current Maturities and Short-Term Debt	468	3,466
Current Lease Liabilities	412	336
Advance Billings	39,400	26,788
Other Current Liabilities	27,237	23,226
Current Liabilities	\$ 84,979	\$ 71,404
Long-Term Debt	5,382	5,096
Long-Term Pension Liabilities	-	-
Other Long-Term Liabilities	691	2,329
Lease Liabilities	977	896
Total Liabilities	\$ 92,029	\$ 79,725
Shareholders' Investment	101,001	78,949
Total Liabilities and Shareholders' Investment	\$ 193,030	\$ 158,674

SELECTED FINANCIAL DATA

	September 30 2025	December 31 2024
Book Value per Common Share	\$108.62	\$84.27
Total Shares Outstanding	929,883	936,837
Backlog	\$ 250,448	\$ 153,685

CONSOLIDATED STATEMENT OF SHAREHOLDERS' INVESTMENT

	Common Stock	Paid-in Surplus	Retained Earnings	Treasury Stock	Accumulated Other Comprehensive Income (Loss)	Total
Balance, December 31, 2024	\$ 1,508	\$ 9,708	\$ 96,037	\$ (22,697)	\$ (5,607)	\$ 78,949
Add (Deduct):						
Net Income			21,439			21,439
Other Comprehensive Income (Loss), Net of Tax					3,166	3,166
Dividends			(774)			(774)
Treasury Stock Acquisition				(1,779)		(1,779)
Other						-
Balance, September 30, 2025	\$ 1,508	\$ 9,708	\$ 116,702	\$ (24,476)	\$ (2,441)	\$ 101,001

CONSOLIDATED STATEMENT OF CASH FLOWS

	Nine Months Ended September 30, 2025	Nine Months Ended September 30, 2024
Operating Activities:		
Net Income	\$ 21,439	\$ 18,532
Pension Contributions (Greater) than Expense	-	(25)
Depreciation & Amortization	5,323	5,177
Deferred Tax Expense	288	-
(Gain) on Sales of Equipment	(42)	(104)
Loss (Gain) on Disposal of Equipment	647	(389)
Change in Assets and Liabilities		
(Inc) in Accounts and Notes Receivable	(7,843)	(6,197)
(Inc) in Cost in Excess of Estimated Earnings and Billings	(870)	-
(Inc) Dec in Inventories	(5,976)	738
(Inc) in Prepayments	(4,752)	(2,724)
(Inc) in Net Investment in Sales-type leases	(754)	(353)
Dec in Other LT Assets	2,313	1,036
(Dec) Inc in Accounts Payable	(126)	1,962
(Dec) in Accrued Income Tax	(443)	(1,063)
Inc in Other Accrued Expenses	1,295	1,606
Inc (Dec) in Advanced Billings	12,611	(4,686)
Inc in Billings in Excess of Costs and Estimated Earnings	3,190	5,842
Inc in Lease Liability for Operating	-	169
Principal payments of Lease Liability for Operating	(251)	(188)
Inc (Dec) in Long Term Deferred Tax Liabilities	24	(85)
(Dec) Inc in Other Long-Term Liabilities	(1,739)	(119)
Net Cash Provided by Operating Activities	\$ 24,334	\$ 19,129
Investing Activities		
Purchases of Marketable Securities	(26,822)	(16,442)
Proceeds from Sales of Marketable Securities	22,923	29,403
Proceeds from Sales of Equipment	42	131
Additions to Property, Plant, and Equipment	(21,106)	(8,637)
Net Cash (Required) for Investing Activities	\$ (24,963)	\$ 4,455
Financing Activities		
Principal payments of Lease Liability for Financing	(70)	(149)
(Repayment) of Short-Term Borrowings, Net	(5,186)	(1,637)
Proceeds of Short-Term Borrowings, Net	2,136	1,637
(Repayment) of Long-Term Debt	(2,187)	(1,152)
Dividends Paid	(774)	(594)
Treasury Stock Acquisitions	(1,779)	(11,910)
Net Cash Provided by (Required for) Financing Activities	\$ (7,860)	\$ (13,805)
Effect of Exchange Rate Changes	1,132	357
Net (Decrease) Increase in Cash and Cash Equivalents	\$ (7,357)	\$ 10,136
Cash and Cash Equivalents at Beginning of Year	21,169	5,894
Cash and Cash Equivalents at End of Quarter	\$ 13,812	\$ 16,030

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>	2025	2024
Domestic	\$ 48,950	\$ 52,560
Mueller BV	\$ 12,442	\$ 10,087
Eliminations	\$ (17)	\$ (562)
Net Revenue	\$ 61,375	\$ 62,085

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>	2025	2024
Domestic	\$ 157,955	\$ 144,267
Mueller BV	\$ 35,021	\$ 35,076
Eliminations	\$ (117)	\$ (1,232)
Net Revenue	\$ 192,859	\$ 178,111

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>	2025	2024
Domestic	\$ 215,870	\$ 187,349
Mueller BV	\$ 47,903	\$ 48,043
Eliminations	\$ (440)	\$ (1,495)
Net Revenue	\$ 263,333	\$ 233,897

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>	2025	2024
Domestic	\$ 4,682	\$ 7,365
Mueller BV	\$ 208	\$ (84)
Eliminations	\$ (9)	\$ (2)
Net Income (Loss)	\$ 4,881	\$ 7,279

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>	2025	2024
Domestic	\$ 21,032	\$ 17,440
Mueller BV	\$ 408	\$ 1,064
Eliminations	\$ (2)	\$ 28
Net Income (Loss)	\$ 21,438	\$ 18,532

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>	2025	2024
Domestic	\$ 31,926	\$ (8,121)
Mueller BV	\$ 680	\$ 2,775
Eliminations	\$ (28)	\$ 4
Net Income Loss	\$ 32,578	\$ (5,342)

- B.** September 30, 2025 backlog is \$250.4 million compared to \$171.5 million at September 30, 2024. The September 30, 2025 backlog has been reduced by \$50.2 million as we received notice that a large pharmaceutical project is to be canceled and we anticipate the cancellation to be finalized in the fourth quarter. As a result, we are publishing the September 30, 2025 backlog with this project removed. We did, however, receive a purchase order for a \$20 million project around the time we received the cancellation, which will help fill in our schedule primarily in 2026.

With the cancelled order removed, our U.S. backlog is \$238.4 million, compared to \$165.3 million at September 30, 2024. The increase in the U.S. backlog is primarily from pharmaceutical clients of the Industrial Equipment segment. In our European Operations, the September 30, 2025 backlog of \$12.9 million has almost doubled from the September 30, 2024 backlog of \$6.9 million.

- C.** Profits are down in the third quarter compared to the first two quarters of 2025. Most of our large projects are recorded using the over-time method of revenue recognition which recognizes revenue and profit based on either the cost or hours worked compared to the estimated total cost or hours to complete. In the third quarter, we fell behind on two large pharmaceutical jobs as we encountered some challenging fabrication tasks. We pulled resources from other areas of the company and increased outside contract labor to get back on schedule.

Although these projects are still profitable, this disruption in production in the third quarter caused us to change our opinion about the estimated cost of completing these two jobs. Since we use over-time revenue recognition, these adjustments in our estimate to completion had a negative effect on third quarter earnings.

- D. 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 below) is down over the prior year by \$4.2 million for the three months ended September 30, but up \$6.2 million for six months, and \$12 million for the trailing twelve months primarily from strong results in the Industrial Equipment segment.

Results Ending September 30th							
(In Thousands)	Three Months Ended September 30		Nine Months Ended September 30		Twelve Months Ended September 30		
	2025	2024	2025	2024	2025	2024	
Domestic Net Income	\$ 4,682	\$ 7,365	\$ 21,032	\$ 17,440	\$ 31,926	\$ (8,121)	
Income Tax Expense	\$ 1,411	\$ 2,321	\$ 6,331	\$ 5,391	\$ 9,092	\$ (3,834)	
Domestic EBT - GAAP	\$ 6,093	\$ 9,686	\$ 27,363	\$ 22,831	\$ 41,018	\$ (11,955)	
LIFO Adjustment	\$ (438)	\$ 151	\$ 1,314	\$ (312)	\$ (2)	\$ (770)	
Pension Adjustment	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 41,774	
Domestic EBT - Non-GAAP	\$ 5,655	\$ 9,837	\$ 28,677	\$ 22,519	\$ 41,016	\$ 29,049	

- E. On October 24, 2025, the Company announced the board approved a tender offer at \$485 per share that ends on November 21, 2025.
- F. On October 24, 2025, the Company announced the board approved a thirty-cent dividend payable on December 29, 2025 to shareholders of record on November 26, 2025.
- G. 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 1.12 at September 2024; 1.04 at December 2024 and 1.17 for September 2025, 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. 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 2024 annual report, available at www.paulmueller.com.