



Mueller
Water
Products

Where Intelligence Meets Infrastructure®

Earnings Conference Call

2025 Third Quarter June 30, 2025

August 5, 2025

*These slides are not intended to be a stand-alone presentation,
but are for use in conjunction with the earnings call*



Non-GAAP Measures

In an effort to provide investors with additional information regarding the Company's results as determined by accounting principles generally accepted in the United States ("GAAP"), the Company also provides non-GAAP information that management believes is useful to investors. These non-GAAP measures have limitations as analytical tools, and securities analysts, investors and other interested parties should not consider any of these non-GAAP measures in isolation or as a substitute for analysis of the Company's results as reported under GAAP. These non-GAAP measures may not be comparable to similarly titled measures used by other companies.

Adjusted net income, adjusted net income per diluted share, adjusted operating income, adjusted operating margin, adjusted EBITDA and adjusted EBITDA margin are non-GAAP measures that the Company presents as performance measures because management uses these measures to evaluate the Company's underlying performance on a consistent basis across periods and to make decisions about operational strategies. Management also believes these measures are frequently used by securities analysts, investors and other interested parties in the evaluation of the Company's recurring performance.

Net debt and net debt leverage are non-GAAP measures that the Company presents as liquidity measures because management uses them to evaluate its capital management and financial position, and the investment community commonly uses them as measures of indebtedness. Free cash flow is a non-GAAP liquidity measure used to assist management and investors in analyzing the Company's ability to generate liquidity from its operating activities.

The calculations of these non-GAAP measures and reconciliations to GAAP results are included as an attachment to this presentation, which has been posted online at www.muellerwaterproducts.com. The Company does not reconcile forward-looking non-GAAP measures to the comparable GAAP measures, as permitted by Regulation S-K, as certain items, e.g., expenses related to corporate development activities, transactions, pension expenses/(benefits), corporate restructuring and non-cash asset impairment, may have not yet occurred, are out of the Company's control or cannot be reasonably predicted without unreasonable efforts. Additionally, such reconciliation would imply a degree of precision and certainty regarding relevant items that may be confusing to investors. Such items could have a substantial impact on GAAP measures of the Company's financial performance.

Forward-Looking Statements

This presentation contains certain statements that may be deemed “forward-looking statements” within the meaning of the federal securities laws. All statements that address activities, events or developments that the Company intends, expects, plans, projects, believes or anticipates will or may occur in the future are forward-looking statements, including, without limitation, statements regarding outlooks, projections, forecasts, expectations, commitments, trend descriptions and the ability to capitalize on trends, value creation, Board of Directors and committee composition plans, long-term strategies and the execution or acceleration thereof, operational improvements, inventory positions, the benefits of capital investments, financial or operating performance, including driving increased margins, operational and commercial initiatives, capital allocation and growth strategy plans, and the demand for the Company’s products. Forward-looking statements are based on certain assumptions and assessments made by the Company in light of the Company’s experience and perception of historical trends, current conditions and expected future developments.

Actual results and the timing of events may differ materially from those contemplated by the forward-looking statements due to a number of factors, including, without limitation, logistical challenges and supply chain disruptions, geopolitical conditions, including the Israel-Hamas war, public health crises, or other events; inventory and in-stock positions of our distributors and end customers; an inability to realize the anticipated benefits from our operational initiatives, including our large capital investments in Decatur, Illinois, plant closures, and reorganization and related strategic realignment activities; an inability to attract or retain a skilled and diverse workforce, including executive officers, increased competition related to the workforce and labor markets; an inability to protect the Company’s information systems against further service interruption, risks resulting from possible future cybersecurity incidents, misappropriation of data or breaches of security; failure to comply with personal data protection and privacy laws; cyclical and changing demand in core markets such as municipal spending, residential construction, and natural gas distribution; government monetary or fiscal policies; the impact of adverse weather conditions; the impact of manufacturing and product performance; the impact of wage, commodity and materials price inflation; foreign exchange rate fluctuations; the impact of higher interest rates; the impact of warranty charges and claims, and related accommodations; the strength of our brands and reputation; an inability to successfully resolve significant legal proceedings or government investigations; compliance with environmental, trade and anti-corruption laws and regulations; climate change and legal or regulatory responses thereto; changing regulatory, trade and tariff conditions; the failure to integrate and/or realize any of the anticipated benefits of acquisitions or divestitures; an inability to achieve some or all of our goals and commitments in environmental and sustainability programs; and other factors that are described in the section entitled “RISK FACTORS” in Item 1A. of the Company’s most recent Annual Report on Form 10-K and later filings on Form 10-Q, as applicable.

Forward-looking statements do not guarantee future performance and are only as of the date they are made. The Company undertakes no duty to update its forward-looking statements except as required by law. Undue reliance should not be placed on any forward-looking statements. You are advised to review any further disclosures the Company makes on related subjects in subsequent Forms 10-K, 10-Q, 8-K and other reports filed with the United States Securities and Exchange Commission.

Third Quarter Highlights

- Achieved impressive quarter, setting new records for consolidated net sales, gross margin and adjusted EBITDA
- Gross margin exceeded 38% (+150 bps. y/y, +320 bps. q/q) with teams capitalizing on higher-than-expected order levels and driving manufacturing efficiencies, despite challenges posed by recently enacted tariffs
- Achieved third-quarter records for adj. EBITDA and adj. Net Income per Diluted Share
- Generated \$56M of Free Cash Flow, after investing \$12M in capital expenditures, and returned \$20M to shareholders through quarterly dividend and share repurchases
- On track for record annual results for the second consecutive year, and raising our annual guidance for 2025 net sales and adjusted EBITDA
- Successful execution of commercial, supply chain and operational initiatives effectively mitigating impact of enacted tariffs and enhancing manufacturing efficiencies

Fiscal 2025 ⁽¹⁾ (y/y or bps. vs. Fiscal 2024)		
	Q3	YTD
Net Sales	\$380.3M +6.6%	\$1,048.9M +8.5%
Gross Margin	38.3% +150 bps.	35.9% -10 bps.
Adjusted EBITDA	\$86.4M +1.4%	\$234.4M +10.5%
Adjusted Net Income per Diluted Share	\$0.34 +6.3%	\$0.93 +25.7%
Free Cash Flow	\$55.7M -\$19.4M	\$103.0M -\$18.5M

(1) See Appendix for reconciliation of non-GAAP measures (Adjusted EBITDA, Adjusted Net Income per Diluted Share, Free Cash Flow) to their corresponding GAAP measures.

ESG is Part of Mueller's Rich Legacy

- We develop products and solutions that help cities and utilities deliver clean, safe drinking water to hundreds of millions of people across North America
- Our 5th annual ESG Report highlights our ongoing progress to becoming more sustainable, innovative and impactful organization

2024 ESG Report Highlights

- Successfully identified an estimated 7.7 billion gallons in water loss savings for clients through EchoShore® leak detection since 2020, achieving this milestone three years ahead of our targeted completion date, and set a new goal of identifying a total of 18 billion gallons of water loss by 2029
- Used ~69,900 metric tons of recycled metal vs ~17,700 metric tons of total waste generated
- Decreased hazardous waste directed to disposal by 21% year-over-year
- Used ~95% recycled metal to produce our products
- Reduced Scope 1 and 2 greenhouse gas (GHG) emissions intensity by 1% year-over-year compared with 2023, which is a notable accomplishment given this was the first full year of operation for the new brass foundry

External Ratings & Frameworks



ESG Pillars



PRODUCTS



ENVIRONMENT



HEALTH AND SAFETY



EMPLOYEES



COMMUNITIES



GOVERNANCE

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2024 **ESG REPORT**

Read our full 2024 ESG Report at [Mueller Water Products](#)

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Mitigating Tariff Impacts with Targeted Price Actions and Supply Chain and Operational Initiatives

Summary of Currently Enacted Tariff Impacts (As of August 4, 2025)

- Achieved record quarterly gross margin with >300 bps. improvement vs. Q2
- Seeing benefits from ongoing investments in business with improved performance and enhanced customer experience, contributing to healthy order levels compared with prior year
- Newly enacted tariffs phased in during Q3, leading to unfavorable price/cost; however, the impact lower than initial expectations
- Updated estimate for annualized tariff impact decreased to approximately 3% to 4% of cost of sales, mainly due to reduced China-related tariffs and supply chain initiatives (does not include any potential copper-related tariff impacts)
- Implemented targeted pricing actions for specialty valve and repair products and continue to expect to see benefits starting in Q4
- Teams continue to execute supply chain and operational initiatives to help mitigate tariffs through
- Working closely with suppliers, channel partners and end customers to monitor situation; remain prepared to take additional price actions to offset higher input costs, as needed

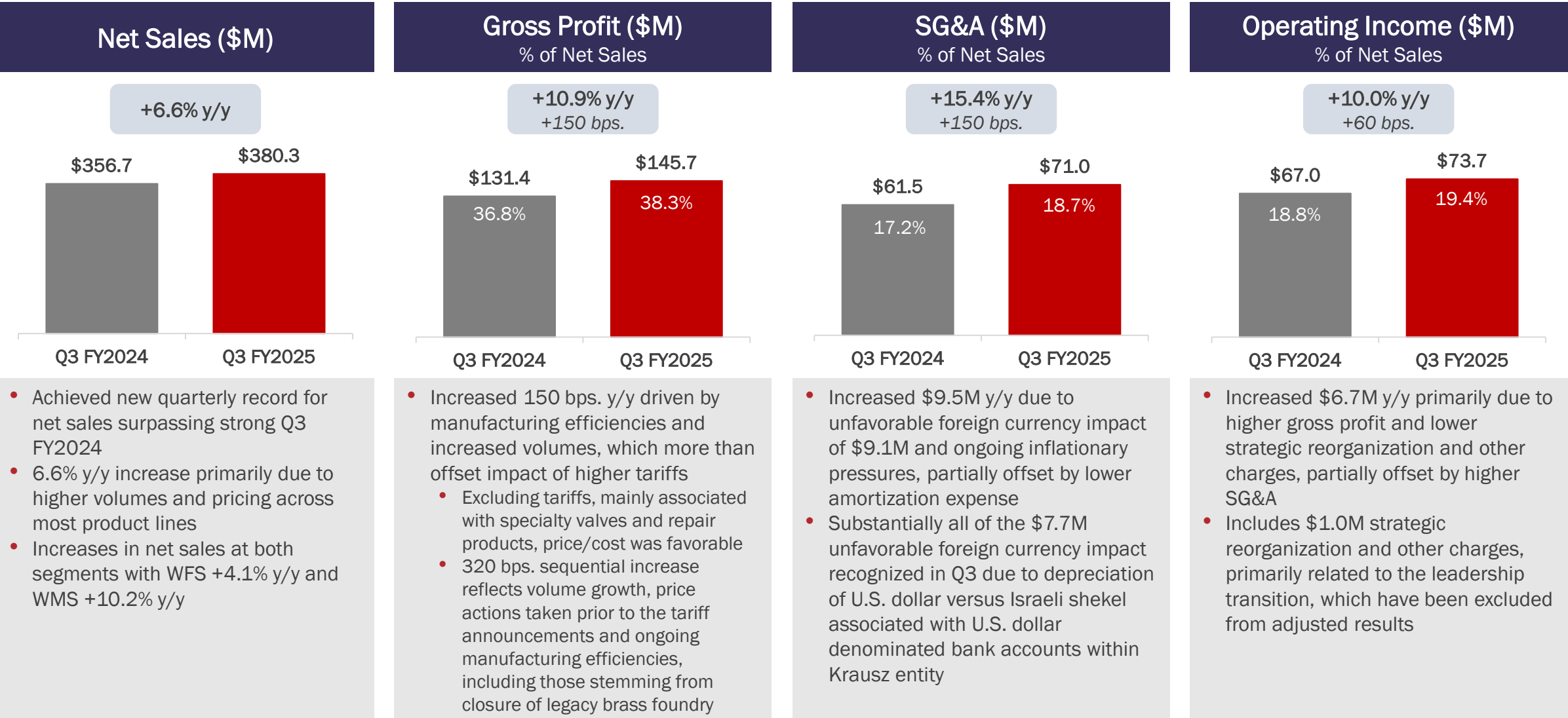
Flow of Goods	Products	Tariff Exposure
China to U.S.	Specialty Valve (parts and components for products assembled in U.S.)	U.S. Reciprocal at 10% IEEPA at 20% ⁽¹⁾
Israel to U.S.	Repair (finished goods)	U.S. Section 232 at 50% U.S. Reciprocal at 10% ⁽²⁾
Rest of World to U.S.	All Products (including Specialty Valve and Repair Products)	U.S. Section 232 U.S. Reciprocal Rest of World ⁽³⁾

(1) IEEPA = International Emergency Economic Powers Act.

(2) Israel reciprocal tariff will increase from 10% to 15% effective August 7, 2025.

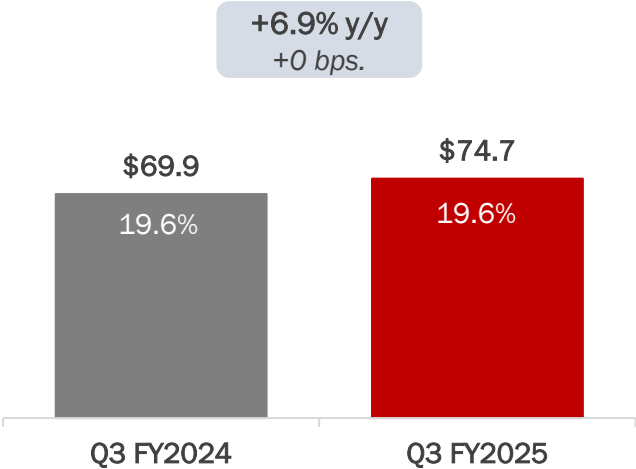
(3) Includes all countries outside of China. Rest of World rate based on specific tariff schedules.

Consolidated GAAP Results (Q3 FY2025)



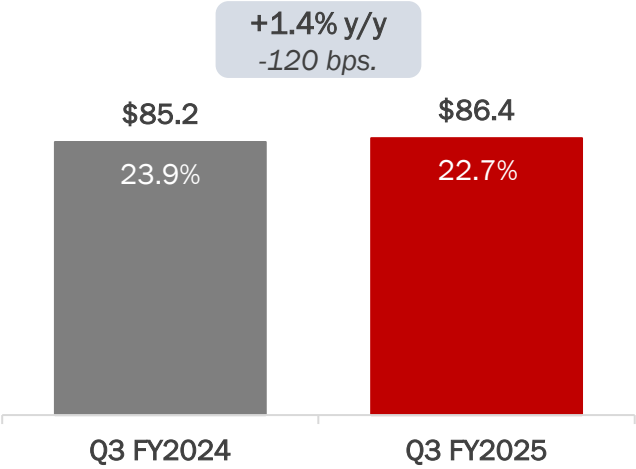
Consolidated Non-GAAP Results (Q3 FY2025) ⁽¹⁾

Adj. Operating Income (\$M) % of Net Sales



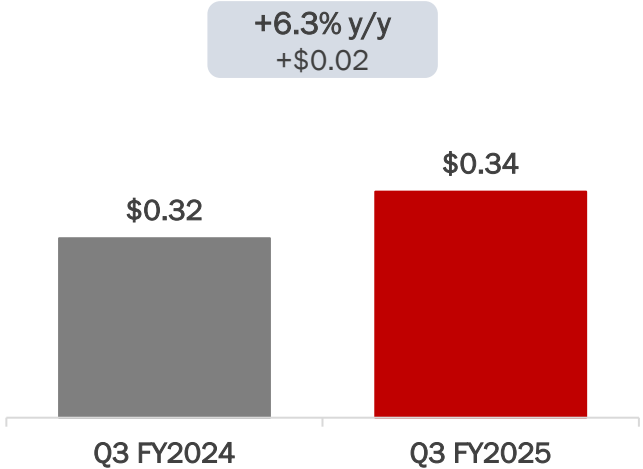
- Increased \$4.8M y/y driven by manufacturing efficiencies, volume growth and lower amortization expense, partially offset by unfavorable foreign currency and higher tariffs
- Adj. operating margin would have been 21.7% (+210 bps. y/y), excluding \$7.7M unfavorable foreign currency impact in the quarter

Adj. EBITDA (\$M) % of Net Sales



- Adj. EBITDA increased \$1.2M y/y and Adj. EBITDA margin decreased 120 bps. y/y to 22.7%
- Adj. EBITDA margin would have been 24.7% (+80 bps. y/y), excluding \$7.7M unfavorable foreign currency impact in the quarter
- LTM Q3 FY2025 Adj. EBITDA of \$306.9M with 22.0% margin, which is a 90 bps. improvement compared with the prior 12-month period

Adj. Net Income per Diluted Share



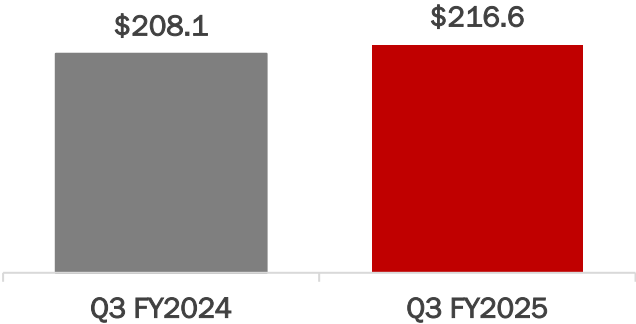
- Increased adjusted net income per diluted share by 6.3% y/y to \$0.34 compared with the prior year, setting a new third-quarter record
- Net interest expense decreased \$1.1M y/y to \$1.7M reflecting higher interest income

(1) See Appendix for reconciliation of non-GAAP measures to their corresponding GAAP measures.

Water Flow Solutions (WFS) Segment Results (Q3 FY2025)

Net Sales (\$M)

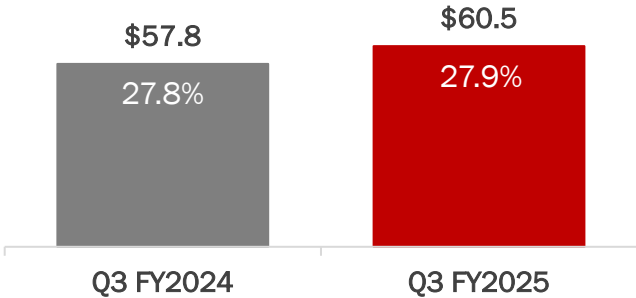
+4.1% y/y



- Increased \$8.5M y/y due to increased volumes of iron gate and specialty valves and higher pricing across most product lines
- Similar to the previous quarter, service brass volumes were below the prior year quarter, mainly due to the timing of backlog normalization and channel and customer destocking (backlog down more than 50% compared with the prior year)

Adj. Operating Income (\$M) ⁽¹⁾ % of Net Sales

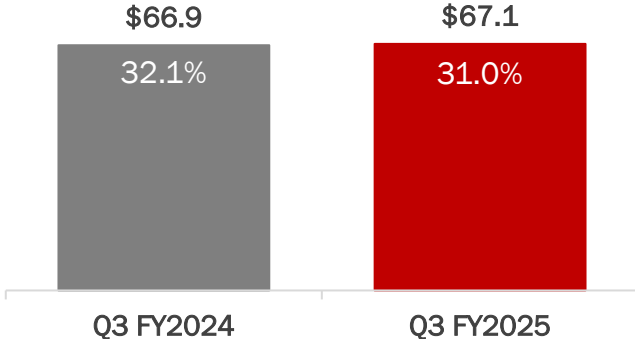
+4.7% y/y
+10 bps.



- Increased \$2.7M y/y reflecting benefits from volume growth, manufacturing efficiencies and lower amortization expense, more than offsetting higher tariffs and lower service brass volumes
- Price/cost was favorable for the quarter, excluding impact of higher tariffs, mainly associated with specialty valves

Adj. EBITDA (\$M) ⁽¹⁾ % of Net Sales

+0.3% y/y
-110 bps.



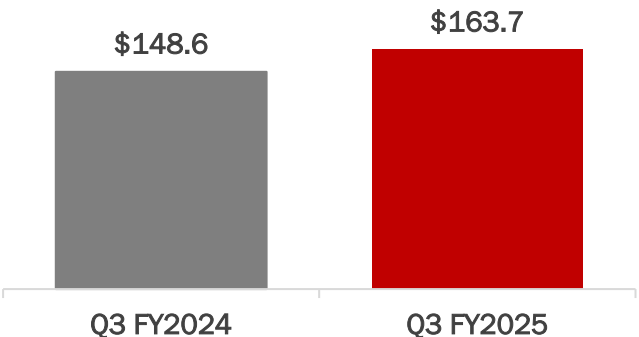
- Increased \$0.2M y/y by volume growth and manufacturing efficiencies, more than offsetting higher tariffs and lower volumes of service brass products

(1) See Appendix for reconciliation of non-GAAP measures to their corresponding GAAP measures.

Water Management Solutions (WMS) Segment Results (Q3 FY2025)

Net Sales (\$M)

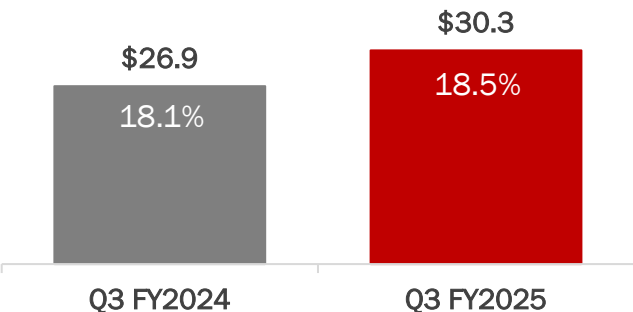
+10.2% y/y



- Increased \$15.1M y/y primarily due to increased volumes of repair products and hydrants and higher pricing
- Like the previous quarter, experienced lower volumes of natural gas distribution products due to similar factors as service brass products at WFS (backlog down nearly 50% compared with the prior year)

Adj. Operating Income (\$M) ⁽¹⁾ % of Net Sales

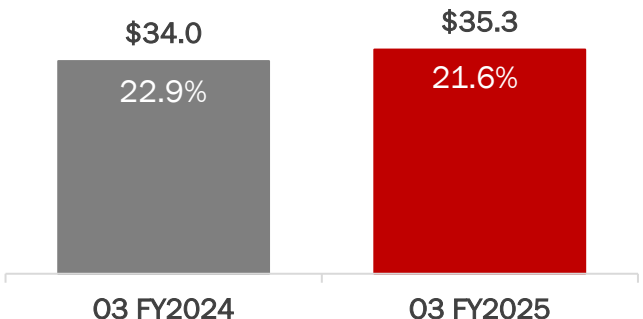
+12.6% y/y
+40 bps.



- Increased \$3.4M y/y reflecting benefits from manufacturing efficiencies, volume growth of repair products and hydrants and lower amortization expense, which more than offset unfavorable foreign currency, higher tariffs and lower gas distribution volume
- Price/cost was favorable for the quarter, excluding impact of higher tariffs, mainly associated with repair products
- Adj. operating income for the quarter would have been \$37.4M (+\$10.5M y/y), excluding \$7.1M unfavorable foreign currency impact in Q3FY25

Adj. EBITDA (\$M) ⁽¹⁾ % of Net Sales

+3.8% y/y
-130 bps.

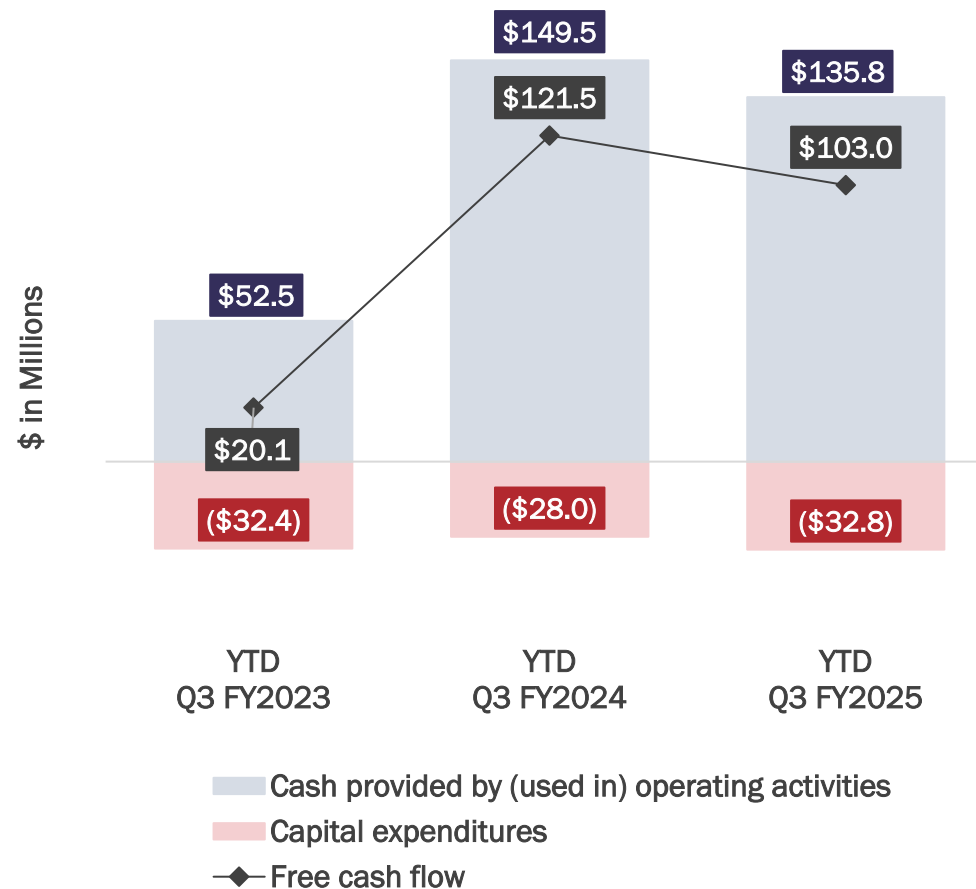


- Increased \$1.3M y/y due to manufacturing efficiencies and increased volumes more than offsetting unfavorable foreign currency, higher tariffs and lower gas distribution volume
- Adj. EBITDA margin would have been 25.9% for the quarter (+300 bps. y/y), excluding the \$7.1M unfavorable foreign currency impact in Q3FY25

(1) See Appendix for reconciliation of non-GAAP measures to their corresponding GAAP measures.

Free Cash Flow (YTD Q3 FY2025)

- Generated \$135.8M of net cash provided by operating activities for the nine-month period, \$13.7M below prior year period
 - Decrease primarily driven by changes in working capital, including decreases in other current liabilities, partially offset by higher net income compared with the prior year period
- Invested \$32.8M in capital expenditures through first nine months ended Q3 compared with \$28.0M in the prior year period
 - \$4.8M y/y increase was primarily driven by investments in our iron foundries
- Generated \$103.0M of free cash flow for the nine-month period, \$18.5M below prior year
 - Achieved 71% free cash flow as % of adjusted net income, in line with expectations



(1) See Appendix for reconciliation of non-GAAP measures to their corresponding GAAP measures.

Strong Balance Sheet and Liquidity

Ample capacity, liquidity and flexibility to support our strategic priorities, including acquisitions

Credit Rating

- Moody's: Ba1 Corporate and Notes Ratings, Stable Outlook
- S&P: BB Corporate and Notes Ratings, Positive Outlook

Debt Structure

- \$450M of 4.0% Senior Notes (mature June 2029)
- Asset based lending agreement ("ABL") provides up to \$175M revolving credit facility subject to borrowing base (SOFR + 10 bps. + 150 to 175 bps.) with none outstanding (matures March 2029)

Net Debt Leverage & Liquidity

- \$78.8M net debt with total debt of \$450.8M and total cash of \$372.0M as of June 30, 2025 ⁽¹⁾
- Net debt leverage at 0.3x as of June 30, 2025
- No debt financing repayments prior to June 2029
- \$535.0M of total liquidity, including \$163.0M of availability under the ABL as of June 30, 2025

Financial Covenants

- No financial maintenance covenants on 4.0% Senior Notes
- ABL not subject to any financial maintenance covenants unless excess availability is less than the greater of \$17.5M and 10% of the Loan Cap; consolidated Fixed Charge Ratio permitted to be <1x unless threshold is triggered

Debt Maturities



(1) 4.0% Senior Notes include \$2.7M of deferred financing costs.

FY2025 Outlook ⁽¹⁾

- Increasing net sales expectations to be between \$1,405M and \$1,415M (+6.9% to +7.6% y/y)
 - \$15M increase vs. prior guidance, at the midpoint of the range, reflects Q3 performance, as well as current expectations for end market demand, orders and price realization
- Increasing adjusted EBITDA expectations to be between \$318M and \$322M (+11.7% to +13.1% y/y)
 - \$7.5M increase vs. prior guidance, at the midpoint of the range, reflects Q3 performance, lower expected tariffs, targeted price actions associated with tariffs and continued manufacturing efficiencies*
 - Achieves 22.7% adjusted EBITDA margin, at the midpoint of the range, reflecting 100 bps. y/y improvement
- Updated expectations for total SG&A expenses primarily to reflect the impact of unfavorable foreign currency recognized in Q3 (assuming no impact from foreign currency fluctuations in Q4)
- Maintaining free cash flow expectations >80% of adjusted net income, including \$50M to \$52M of capital expenditures for the year, as we continue investing in our future growth and operational efficiencies, including investments in our iron foundries

*** NOTE: Tariff exposure as of August 4, 2025.**

(1) Provided with Q3FY25 earnings press release on August 4, 2025.

(2) Pension expense other than service expected to be a \$0.2M benefit to adjusted EBITDA in FY2025 vs. \$4.0M expense in FY2024.

(3) Total SG&A expenses assume no impact from foreign currency fluctuations in Q4FY25. In 2025, annual amortization expense will decrease by approximately \$18M due to customer relationship intangibles from 2005 becoming fully amortized.

Fiscal 2025 Metrics ⁽¹⁾	
Consolidated Net Sales (y/y Growth)	\$1,405M to \$1,415M (+6.9% to +7.6%)
Adjusted EBITDA ⁽²⁾ (y/y Growth)	\$318M to \$322M (+11.7% to +13.1%)
Total SG&A Expenses ⁽³⁾	\$245M to \$247M
Net Interest Expense	\$7.5M to \$8M
Effective Income Tax Rate	25% to 26%
Depreciation and Amortization ⁽³⁾	\$45M to \$46M
Capital Expenditures	\$50M to \$52M
Free Cash Flow % of Adjusted Net Income	>80%

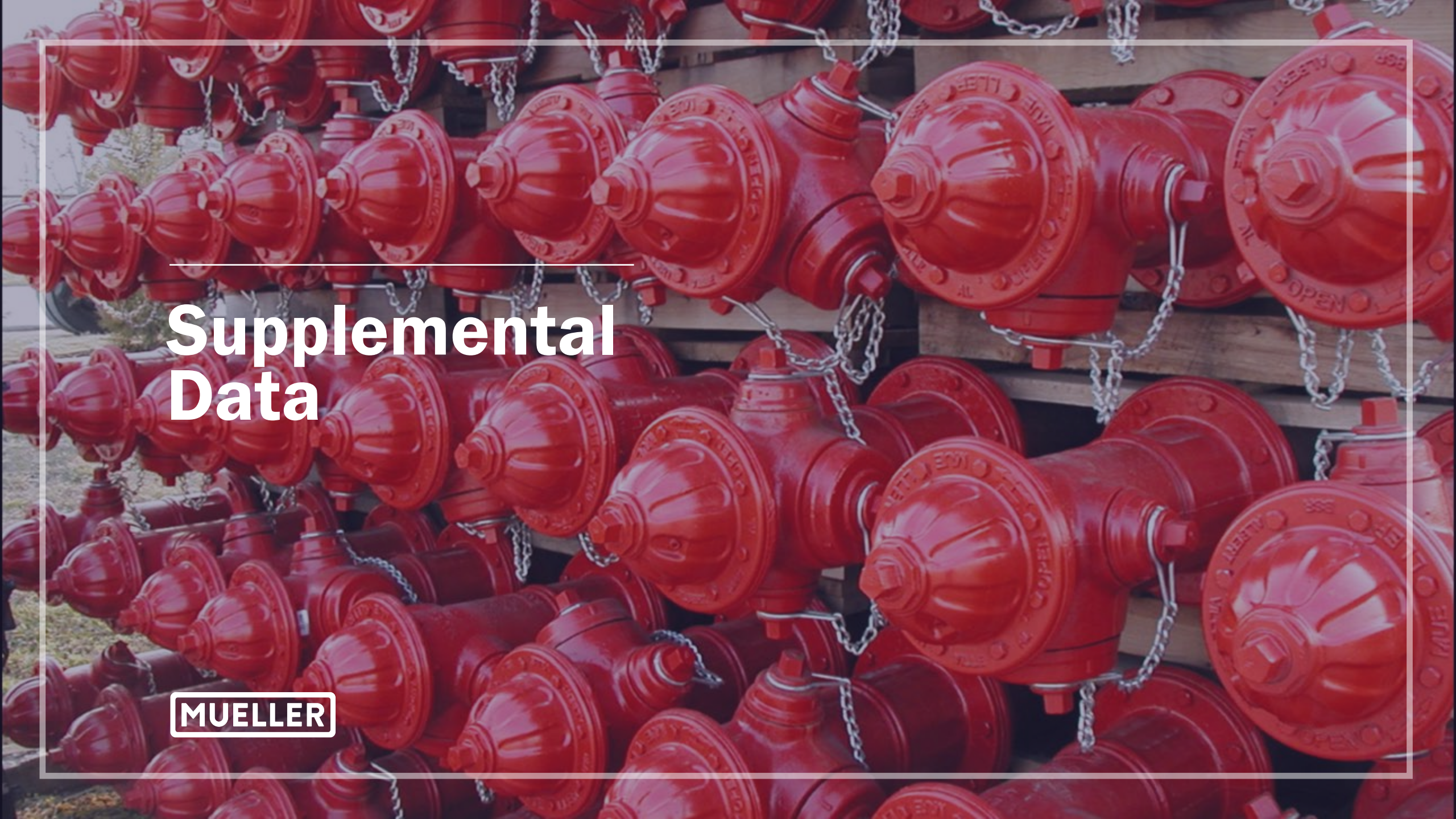
Strategic Priorities to Drive Growth and Margin Improvement Supported by Purpose-driven Organization



A large number of red fire hydrants are stacked on wooden pallets. The hydrants are arranged in rows, with some showing the top cap and others showing the side. The caps have a textured, dome-like shape. The background is slightly blurred, showing more hydrants and the outdoor setting.

Q&A

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Supplemental Data

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Segment Results and Reconciliation of Non-GAAP to GAAP Performance Measures (UNAUDITED)

Three months ended June 30, 2025				
	Water Flow Solutions	Water Management Solutions	Corporate	Consolidated
	(dollars in millions, except per share amounts)			
Net sales	\$ 216.6	\$ 163.7	\$ —	\$ 380.3
Gross profit	\$ 83.8	\$ 61.9	\$ —	\$ 145.7
Selling, general and administrative expenses	23.3	31.6	16.1	71.0
Strategic reorganization and other charges ⁽¹⁾	—	0.2	0.8	1.0
Operating income (loss)	\$ 60.5	\$ 30.1	\$ (16.9)	\$ 73.7
Operating margin	27.9 %	18.4 %		19.4 %
Capital expenditures	\$ 5.3	\$ 6.4	\$ —	\$ 11.7
Net income				\$ 52.5
Net income margin				13.8 %
Reconciliation of non-GAAP to GAAP performance measures:				
Net income				\$ 52.5
Strategic reorganization and other charges ⁽¹⁾				1.0
Income tax expense of adjusting items ⁽²⁾				(0.3)
Adjusted net income				\$ 53.2
Weighted average diluted shares outstanding				157.4
Net income per diluted share				\$ 0.33
Strategic reorganization and other charges per diluted share ⁽¹⁾				0.01
Income tax expense of adjusting items per diluted share ⁽²⁾				—
Adjusted net income per diluted share				\$ 0.34

(1) Strategic reorganization and other charges primarily relate to expenses associated with our leadership transition and certain transaction-related expenses.

(2) The income tax expense of adjusting items reflects an effective tax rate of 27.1% and may be subject to rounding.

Segment Results and Reconciliation of Non-GAAP to GAAP Performance Measures (UNAUDITED)

	Three months ended June 30, 2025			
	Water Flow Solutions	Water Management Solutions	Corporate	Consolidated
	(dollars in millions, except per share amounts)			
Net income				\$ 52.5
Income tax expense ⁽³⁾				19.5
Interest expense, net ⁽³⁾				1.7
Operating income (loss)	\$ 60.5	\$ 30.1	\$ (16.9)	73.7
Strategic reorganization and other charges ⁽¹⁾	—	0.2	0.8	1.0
Adjusted operating income (loss)	60.5	30.3	(16.1)	74.7
Depreciation and amortization	6.6	5.0	0.1	11.7
Adjusted EBITDA	<u>\$ 67.1</u>	<u>\$ 35.3</u>	<u>\$ (16.0)</u>	<u>\$ 86.4</u>
Adjusted operating margin	<u>27.9 %</u>	<u>18.5 %</u>		<u>19.6 %</u>
Adjusted EBITDA margin	<u>31.0 %</u>	<u>21.6 %</u>		<u>22.7 %</u>
Adjusted EBITDA	\$ 67.1	\$ 35.3	\$ (16.0)	\$ 86.4
Three prior quarters' adjusted EBITDA	158.6	105.7	(43.8)	220.5
Trailing twelve months' adjusted EBITDA	<u>\$ 225.7</u>	<u>\$ 141.0</u>	<u>\$ (59.8)</u>	<u>\$ 306.9</u>
Reconciliation of net debt to total debt (end of period):				
Current portion of long-term debt				\$ 1.0
Long-term debt				449.8
Total debt				450.8
Less cash and cash equivalents				372.0
Net debt				<u>\$ 78.8</u>
Debt leverage (debt divided by trailing twelve months' adjusted EBITDA)				<u>1.5x</u>
Net debt leverage (net debt divided by trailing twelve months' adjusted EBITDA)				<u>0.3x</u>
Reconciliation of free cash flow to net cash provided by operating activities:				
Net cash provided by operating activities				\$ 67.4
Less capital expenditures				11.7
Free cash flow				<u>\$ 55.7</u>

(1) Strategic reorganization and other charges primarily relate to expenses associated with our leadership transition and certain transaction-related expenses.

(2) The income tax expense of adjusting items reflects an effective tax rate of 27.1% and may be subject to rounding.

(3) The Company does not allocate interest or income taxes to its segments.

Segment Results and Reconciliation of Non-GAAP to GAAP Performance Measures (UNAUDITED)

	Three months ended June 30, 2024			
	Water Flow Solutions	Water Management Solutions	Corporate	Consolidated
	(dollars in millions, except per share amounts)			
Net sales	\$ 208.1	\$ 148.6	\$ —	\$ 356.7
Gross profit	\$ 81.9	\$ 49.5	\$ —	\$ 131.4
Selling, general and administrative expenses	24.1	22.6	14.8	61.5
Strategic reorganization and other charges ⁽¹⁾	—	1.4	1.5	2.9
Operating income (loss)	\$ 57.8	\$ 25.5	\$ (16.3)	\$ 67.0
Operating margin	27.8 %	17.2 %		18.8 %
Capital expenditures	\$ 6.2	\$ 6.0	\$ —	\$ 12.2
Net income				\$ 47.3
Net income margin				13.3 %
Reconciliation of non-GAAP to GAAP performance measures:				
Net income				\$ 47.3
Strategic reorganization and other charges ⁽¹⁾				2.9
Income tax expense of adjusting items ⁽²⁾				(0.7)
Adjusted net income				\$ 49.5
Weighted average diluted shares outstanding				156.7
Net income per diluted share				\$ 0.30
Strategic reorganization and other charges per diluted share ⁽¹⁾				0.02
Income tax expense of adjusting items per diluted share ⁽²⁾				—
Adjusted net income per diluted share				\$ 0.32

(1) Strategic reorganization and other charges primarily relate to non-cash asset impairment, expenses associated with our leadership transition, severance and certain transaction-related expenses.

(2) The income tax expense of adjusting items reflects an effective tax rate of 25.2% and may be subject to rounding.

Segment Results and Reconciliation of Non-GAAP to GAAP Performance Measures (UNAUDITED)

	Three months ended June 30, 2024			
	Water Flow Solutions	Water Management Solutions	Corporate	Consolidated
	(dollars in millions, except per share amounts)			
Net income				\$ 47.3
Income tax expense ⁽³⁾				15.9
Interest expense, net ⁽³⁾				2.8
Pension expense other than service ⁽³⁾				1.0
Operating income (loss)	\$ 57.8	\$ 25.5	\$ (16.3)	67.0
Strategic reorganization and other charges ⁽¹⁾	—	1.4	1.5	2.9
Adjusted operating income (loss)	57.8	26.9	(14.8)	69.9
Pension expense other than service ⁽³⁾	—	—	(1.0)	(1.0)
Depreciation and amortization	9.1	7.1	0.1	16.3
Adjusted EBITDA	<u>\$ 66.9</u>	<u>\$ 34.0</u>	<u>\$ (15.7)</u>	<u>\$ 85.2</u>
Adjusted operating margin	<u>27.8 %</u>	<u>18.1 %</u>		<u>19.6 %</u>
Adjusted EBITDA margin	<u>32.1 %</u>	<u>22.9 %</u>		<u>23.9 %</u>
Adjusted EBITDA	\$ 66.9	\$ 34.0	\$ (15.7)	\$ 85.2
Three prior quarters' adjusted EBITDA	135.7	86.9	(40.2)	182.4
Trailing twelve months' adjusted EBITDA	<u>\$ 202.6</u>	<u>\$ 120.9</u>	<u>\$ (55.9)</u>	<u>\$ 267.6</u>
Reconciliation of net debt to total debt (end of period):				
Current portion of long-term debt				\$ 0.7
Long-term debt				448.2
Total debt				448.9
Less cash and cash equivalents				243.3
Net debt				<u>\$ 205.6</u>
Debt leverage (debt divided by trailing twelve months' adjusted EBITDA)				<u>1.7x</u>
Net debt leverage (net debt divided by trailing twelve months' adjusted EBITDA)				<u>0.8x</u>
Reconciliation of free cash flow to net cash provided by operating activities:				
Net cash provided by operating activities				\$ 87.3
Less capital expenditures				12.2
Free cash flow				<u>\$ 75.1</u>

(1) Strategic reorganization and other charges primarily relate to non-cash asset impairment, expenses associated with our leadership transition, severance and certain transaction-related expenses.

(2) The income tax expense of adjusting items reflects an effective tax rate of 25.2% and may be subject to rounding.

(3) The Company does not allocate interest, income taxes or pension amounts other than service to its segments.

Segment Results and Reconciliation of Non-GAAP to GAAP Performance Measures (UNAUDITED)

	Nine months ended June 30, 2025			
	Water Flow Solutions	Water Management Solutions	Corporate	Consolidated
	(dollars in millions, except per share amounts)			
Net sales	\$ 607.4	\$ 441.5	\$ —	\$ 1,048.9
Gross profit ⁽¹⁾	\$ 215.9	\$ 160.8	\$ —	\$ 376.7
Selling, general and administrative expenses	65.0	71.5	44.1	180.6
Strategic reorganization and other charges ⁽²⁾	1.0	0.6	3.5	5.1
Operating income (loss)	\$ 149.9	\$ 88.7	\$ (47.6)	\$ 191.0
Operating margin	24.7 %	20.1 %		18.2 %
Capital expenditures	\$ 15.8	\$ 17.0	\$ —	\$ 32.8
Net income				\$ 139.1
Net income margin				13.3 %
Reconciliation of non-GAAP to GAAP performance measures:				
Net income				\$ 139.1
Strategic reorganization and other charges ⁽²⁾				5.1
Inventory and other asset restructuring write-down				4.1
Income tax expense of adjusting items ⁽³⁾				(2.3)
Adjusted net income				\$ 146.0
Weighted average diluted shares outstanding				157.5
Net income per diluted share				\$ 0.88
Strategic reorganization and other charges per diluted share ⁽²⁾				0.03
Inventory and other asset restructuring write-down per diluted share				0.03
Income tax expense of adjusting items per diluted share ⁽³⁾				(0.01)
Adjusted net income per diluted share				\$ 0.93

(1) Gross profit includes \$4.1M in Inventory and other asset write-downs associated with the closure of our legacy brass foundry in Decatur, Illinois.

(2) Strategic reorganization and other charges primarily relate to expenses associated with our leadership transition, non-cash asset impairment and certain transaction-related expenses.

(3) The income tax expense of adjusting items reflects an effective tax rate of 25.0% and may be subject to rounding.

Segment Results and Reconciliation of Non-GAAP to GAAP Performance Measures (UNAUDITED)

Nine months ended June 30, 2025				
	Water Flow Solutions	Water Management Solutions	Corporate	Consolidated
	(dollars in millions, except per share amounts)			
Net income				\$ 139.1
Income tax expense ⁽⁴⁾				46.4
Interest expense, net ⁽⁴⁾				5.6
Pension benefit other than service ⁽⁴⁾				(0.1)
Operating income (loss)	\$ 149.9	\$ 88.7	\$ (47.6)	191.0
Strategic reorganization and other charges ⁽²⁾	1.0	0.6	3.5	5.1
Inventory and other asset restructuring write-down	4.1	—	—	4.1
Adjusted operating income (loss)	155.0	89.3	(44.1)	200.2
Pension benefit other than service ⁽⁴⁾	—	—	0.1	0.1
Depreciation and amortization	19.0	15.0	0.1	34.1
Adjusted EBITDA	<u>\$ 174.0</u>	<u>\$ 104.3</u>	<u>\$ (43.9)</u>	<u>\$ 234.4</u>
Adjusted operating margin	<u>25.5 %</u>	<u>20.2 %</u>		<u>19.1 %</u>
Adjusted EBITDA margin	<u>28.6 %</u>	<u>23.6 %</u>		<u>22.3 %</u>
Reconciliation of free cash flow to net cash provided by operating activities:				
Net cash provided by operating activities				\$ 135.8
Less capital expenditures				32.8
Free cash flow				<u>\$ 103.0</u>

(1) Gross profit includes \$4.1M in Inventory and other asset write-downs associated with the closure of our legacy brass foundry in Decatur, Illinois.

(2) Strategic reorganization and other charges primarily relate to expenses associated with our leadership transition, non-cash asset impairment and certain transaction-related expenses.

(3) The income tax expense of adjusting items reflects an effective tax rate of 25.0% and may be subject to rounding.

(4) The Company does not allocate interest, income taxes or pension amounts other than service to its segments.

Segment Results and Reconciliation of Non-GAAP to GAAP Performance Measures (UNAUDITED)

Nine months ended June 30, 2024				
	Water Flow Solutions	Water Management Solutions	Corporate	Consolidated
	(dollars in millions, except per share amounts)			
Net sales	\$ 555.2	\$ 411.3	\$ —	\$ 966.5
Gross profit	\$ 205.7	\$ 142.4	\$ —	\$ 348.1
Selling, general and administrative expenses	67.9	71.4	42.8	182.1
Strategic reorganization and other charges ⁽¹⁾	0.2	1.4	11.1	12.7
Operating income (loss)	\$ 137.6	\$ 69.6	\$ (53.9)	\$ 153.3
Operating margin	24.8 %	16.9 %		15.9 %
Capital expenditures	\$ 16.1	\$ 11.9	\$ —	\$ 28.0
Net income				\$ 105.9
Net income margin				11.0 %
Reconciliation of non-GAAP to GAAP performance measures:				
Net income				\$ 105.9
Strategic reorganization and other charges ⁽¹⁾				12.7
Income tax expense of adjusting items ⁽²⁾				(3.0)
Adjusted net income				\$ 115.6
Weighted average diluted shares outstanding				156.6
Net income per diluted share				\$ 0.68
Strategic reorganization and other charges per diluted share ⁽¹⁾				0.08
Income tax expense of adjusting items per diluted share ⁽²⁾				(0.02)
Adjusted net income per diluted share				\$ 0.74

- (1) Strategic reorganization and other charges primarily relate to expenses associated with our leadership transition, certain transaction-related expenses, cybersecurity incidents expense, non-cash asset impairment and severance.
- (2) The income tax expense of adjusting items reflects an effective tax rate of 23.8% and may be subject to rounding.

Segment Results and Reconciliation of Non-GAAP to GAAP Performance Measures (UNAUDITED)

Nine months ended June 30, 2024				
	Water Flow Solutions	Water Management Solutions	Corporate	Consolidated
	(dollars in millions, except per share amounts)			
Net income				\$ 105.9
Income tax expense ⁽³⁾				33.1
Other expense				1.6
Interest expense, net ⁽³⁾				9.7
Pension expense other than service ⁽³⁾				3.0
Operating income (loss)	\$ 137.6	\$ 69.6	\$ (53.9)	153.3
Strategic reorganization and other charges ⁽¹⁾	0.2	1.4	11.1	12.7
Adjusted operating income (loss)	137.8	71.0	(42.8)	166.0
Pension expense other than service ⁽³⁾	—	—	(3.0)	(3.0)
Depreciation and amortization	28.2	20.8	0.2	49.2
Adjusted EBITDA	<u>\$ 166.0</u>	<u>\$ 91.8</u>	<u>\$ (45.6)</u>	<u>\$ 212.2</u>
Adjusted operating margin	<u>24.8 %</u>	<u>17.3 %</u>		<u>17.2 %</u>
Adjusted EBITDA margin	<u>29.9 %</u>	<u>22.3 %</u>		<u>22.0 %</u>
Reconciliation of free cash flow to net cash provided by operating activities:				
Net cash provided by operating activities				\$ 149.5
Less capital expenditures				28.0
Free cash flow				<u>\$ 121.5</u>

- (1) Strategic reorganization and other charges primarily relate to expenses associated with our leadership transition, certain transaction-related expenses, cybersecurity incidents expense, non-cash asset impairment and severance.
(2) The income tax expense of adjusting items reflects an effective tax rate of 23.8% and may be subject to rounding.
(3) The Company does not allocate interest, income taxes or pension amounts other than service to its segments.