



FOR: **WEBCO INDUSTRIES, INC.**
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For Immediate Release

WEBCO INDUSTRIES, INC. REPORTS FISCAL 2025 FOURTH QUARTER AND YEAR END RESULTS

SAND SPRINGS, Oklahoma, October 1, 2025 – Webco Industries, Inc. (OTC: WEBC) today reported results for our fourth fiscal quarter and year ended July 31, 2025.

For our fourth quarter of fiscal year 2025, we had a net income of \$6.5 million, or \$9.18 per diluted share, while in our fourth quarter of fiscal year 2024, we had net income of \$4.3 million, or \$4.94 per diluted share. Net sales for the fourth quarter of fiscal 2025 were \$158.2 million, a 4.5 percent increase from the \$151.4 million of sales in the fourth quarter of fiscal year 2024.

For fiscal year 2025, we generated a net income of \$9.3 million, or \$12.30 per diluted share, compared to a net income of \$16.0 million, or \$19.24 per diluted share, for fiscal year 2024. Net sales for the current fiscal year amounted to \$584.7 million, a 3.9 percent decrease from the \$608.4 million in sales for last year.

Dana S. Weber, Chief Executive Officer and Board Chair, stated, “We believe that the domestic manufacturing sector has been in a recession for more than the last two years.. Unfair dumping of products by foreign manufacturers into our markets made a suppressed manufacturing environment more difficult. The dynamic and evolving tariff environment, which affect each of our customers and vendors very differently, presents numerous opportunities and challenges. So far, we perceive that Webco’s benefits from tariffs have been greater than the costs to our business. We continue to focus on our strong balance sheet, good liquidity and making compelling investments in our business. Our total cash, short-term investments and available credit on our revolver were \$90.5 million at July 31, 2025, which we believe to be a competitive advantage.”

In the fourth quarter of fiscal year 2025, we had income from operations of \$9.0 million after depreciation of \$4.8 million. The fourth fiscal quarter of the prior year generated income from operations of \$4.3 million after depreciation of \$4.2 million. Gross profit for the fourth quarter of fiscal 2025 was \$22.0 million, or 13.9 percent of net sales, compared to \$17.6 million, or 11.6 percent of net sales, for the fourth quarter of fiscal year 2024.

Our income from operations for fiscal year 2025 was \$16.6 million, after depreciation expense of \$19.0 million. Income from operations in fiscal year 2024 was \$20.9 million, after



depreciation expense of \$15.4 million. Gross profit for fiscal year 2025 was \$66.8 million, or 11.4 percent of net sales, compared to \$71.8 million, or 11.8 percent of net sales for fiscal year 2024.

Selling, general and administrative expenses were \$12.9 million in the fourth quarter of fiscal 2025 and \$13.2 million in the fourth quarter of fiscal 2024. SG&A expenses were \$50.2 million in fiscal year 2025 and \$50.9 million for fiscal year 2024. SG&A expenses in fiscal year 2025 reflect decreases in costs related to lower profitability, such as company-wide incentive compensation and variable pay programs, offset by inflation we have experienced in wages and other expenses.

Interest expense was \$1.4 million in the fourth quarter of fiscal year 2025 and \$1.0 million in the same quarter of fiscal year 2024. Interest expense was \$5.3 million and \$4.0 million in the current and prior fiscal years, respectively. Average construction-based investments decreased in fiscal year 2025 and, as a result, capitalized interest decreased \$0.3 million and \$1.6 million when compared to the fourth quarter and complete fiscal year 2024, respectively. Capitalized interest decreases net interest expense in the consolidated statement of operations. Notwithstanding capitalized interest, interest rates were marginally lower and average debt balances were higher in the current fiscal quarter and year than in the prior fiscal year.

Capital expenditures incurred amounted to \$4.0 million in the fourth quarter of fiscal year 2025 and \$18.6 million for fiscal year 2025. Capital spending in fiscal year 2025 was dominated by construction and expansion at our stainless facilities. Included in capital spending for the fourth quarter and complete fiscal year 2024 was construction of our F. William Weber Leadership Campus, which houses our Tech Center and corporate headquarters. The Tech Center, which is the tip of the spear that leads Webco's trusted and technical brand throughout our industry, was completed in the fourth quarter of fiscal year 2024.

As of July 31, 2025, we had \$15.1 million in cash and short-term investments, in addition to \$75.4 million of available borrowing under our \$220 million senior revolving credit facility. Availability on the revolver, which had \$68.0 million drawn at July 31, 2025, is subject to advance rates on eligible accounts receivable and inventories. Our term loan and revolver mature in September 2027. Accounting rules require asset-based debt agreements like our revolver to be classified as a current liability, despite its fiscal year 2028 maturity.

Webco's stock repurchase program authorizes the purchase of our outstanding common stock in private or open market transactions. In September 2023, the Company's Board of Directors refreshed the repurchase program with a new limit of up to \$40 million and extended the



program's expiration until July 31, 2026. We purchased 1,000 shares of our stock during the fourth quarter of fiscal year 2025 and 167,000 shares in the complete fiscal year 2025, including the previously disclosed 143,000 shares acquired on December 31, 2024. At July 31, 2025, there was approximately \$4.7 million of purchase authority left in the current stock repurchase program. The repurchase plan may be extended, suspended or discontinued at any time, without notice, at the Board's discretion.

Webco's mission is to continuously build on our strengths as we create a vibrant company for the ages. We leverage our core values of trust and teamwork, continuously building strength, agility and innovation. We focus on practices that support our brand such that we are 100% engaged every day to build a forever kind of company for our Trusted Teammates, customers, business partners, investors and community. We provide high-quality carbon steel, stainless steel and other metal specialty tubing products designed to industry and customer specifications. We have five tube production facilities in Oklahoma and Pennsylvania and eight value-added facilities in Oklahoma, Illinois, Michigan, Pennsylvania and Texas, serving customers globally. Our F. William Weber Leadership Campus is in Sand Springs, Oklahoma and houses our corporate offices and our Webco TechCenter™, providing a state-of-the-art laboratory and R & D facility to lead and develop technical solutions for the metal tubing industry.

Risk Factors and Forward-looking statements: Certain statements in this release, including, but not limited to, those preceded by or predicated upon the words "anticipates," "appears," "believes," "estimates," "expects," "forever," "hopes," "intends," "plans," "projects," "pursue," "should," "will," "wishes," or similar words may constitute "forward-looking statements." Such forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause the actual results, performance or achievements of the Company, or industry results, to differ materially from any future results, performance or achievements expressed or implied herein. Such risks, uncertainties and factors include the factors discussed above and, among others: general economic and business conditions, including any global economic downturn; government policy or low hydrocarbon prices that stifle domestic investment in energy; competition from foreign imports, including any impacts associated with dumping or the strength of the U.S. dollar; political or social environments that are unfriendly to industrial or energy-related businesses; changes in manufacturing technology; the banking environment, including availability of adequate financing; worldwide and domestic monetary policy; changes in tax rates and regulation; regulatory and permitting requirements, including, but not limited to, environmental, workforce, healthcare, safety and national security; availability



and cost of adequate qualified and competent personnel; changes in import / export tariff or restrictions; volatility in raw material cost and availability for the Company, its customers and vendors; the cost and availability, including time for delivery, of parts and services necessary to maintain equipment essential to the Company's manufacturing activities; the cost and availability of manufacturing supplies, including process gases; volatility in oil, natural gas and power cost and availability; world-wide or national transition from hydrocarbon sources of energy that adversely impact demand for our products; problems associated with product development efforts; significant shifts in product demand away from internal combustion engine automobiles; appraised values of inventories that can impact available borrowing under the Company's credit facility; declaration of material adverse change by a lender; industry capacity; domestic competition; loss of, or reductions in, purchases by significant customers and customer work stoppages; work stoppages by critical suppliers; labor unrest; conditions, including acts of God, that require more costly transportation of raw materials; accidents, equipment failures and insured or uninsured casualties; third-party product liability claims; flood, tornado, winter storms and other natural disasters; customer or supplier bankruptcy; customer or supplier declarations of force majeure; customer or supplier breach of contract; insurance cost and availability; lack of insurance coverage for floods; the cost associated with providing healthcare benefits to employees; customer claims; supplier quality or delivery problems; technical and data processing capabilities; cyberattack on our information technology infrastructure; world, domestic or regional health crises; vaccine mandates or related governmental policy that would cause significant portions of our workforce, or that of our customers or vendors, to leave their current employment; global or regional wars and conflicts; our inability or unwillingness to comply with rules required to maintain the quotation of our shares on any market place; and our inability to repurchase the Company's stock. The Company assumes no obligation to publicly update any such forward-looking statements. No assurance is provided that current results are indicative of those that will be realized in the future.

TABLES FOLLOW



WEBCO INDUSTRIES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF OPERATIONS
(Dollars in thousands, except per share data – Unaudited)

	Three Months Ended July 31,		Fiscal Year Ended July 31,	
	2025	2024	2025	2024
Net sales	\$ 158,211	\$ 151,397	\$ 584,678	\$ 608,440
Cost of sales	136,255	133,834	517,896	536,603
Gross profit	21,956	17,563	66,782	71,837
Selling, general & administrative expenses	12,937	13,225	50,196	50,898
Income (loss) from operations	9,018	4,338	16,586	20,939
Interest expense	1,419	975	5,317	4,021
Pretax income (loss)	7,600	3,363	11,269	16,918
Provision for (benefit from) income taxes	1,132	(903)	1,948	868
Net income (loss)	\$ 6,468	\$ 4,266	\$ 9,321	\$ 16,050
Net income (loss) per share:				
Basic	\$ 9.79	\$ 5.32	\$ 13.21	\$ 20.14
Diluted	\$ 9.18	\$ 4.94	\$ 12.30	\$ 19.24
Weighted average common shares outstanding:				
Basic	661,000	802,000	705,000	797,000
Diluted	704,000	864,000	758,000	834,000

CONSOLIDATED CASH FLOW DATA
(Dollars in thousands – Unaudited)

	Three Months Ended July 31,		Fiscal Year Ended July 31,	
	2025	2024	2025	2024
Net cash provided by (used in) operating activities	\$ 19,417	\$ 9,494	\$ 35,965	\$ 65,596
Depreciation and amortization	\$ 4,886	\$ 4,283	\$ 19,097	\$ 15,600
Cash paid for capital expenditures	\$ 3,985	\$ 11,765	\$ 19,946	\$ 43,006

Notes: Amounts may not sum due to rounding.



WEBCO INDUSTRIES, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(Dollars in thousands - Unaudited)

	July 31, 2025	July 31, 2024
Current assets:		
Cash	\$ 1,894	\$ 1,171
U.S. Treasury Bonds	13,235	15,903
Accounts receivable	73,004	70,249
Inventories, net	188,943	169,513
Prepaid expenses	4,502	9,530
Total current assets	<u>281,579</u>	<u>266,366</u>
Property, plant and equipment, net	167,275	168,186
Right of use, finance leases, net	1,000	1,043
Right of use, operating leases, net	20,793	21,879
Other long-term assets	<u>18,605</u>	<u>15,611</u>
Total assets	<u>\$ 489,251</u>	<u>\$ 473,085</u>
Current liabilities:		
Accounts payable	\$ 51,742	\$ 28,109
Accrued liabilities	31,380	33,066
Current portion of long-term debt, net	65,636	49,115
Current portion of finance lease liabilities	459	429
Current portion of operating lease liabilities	5,367	5,063
Total current liabilities	<u>154,585</u>	<u>115,782</u>
Long-term debt, net of current portion	20,000	20,000
Finance lease liabilities, net of current portion	592	657
Operating lease liabilities, net of current portion	15,545	16,653
Deferred tax liability	-	886
Stockholders' equity:		
Common stock	7	9
Additional paid-in capital	47,007	54,256
Retained earnings	251,515	264,842
Total stockholders' equity	<u>298,529</u>	<u>319,107</u>
Total liabilities and stockholders' equity	<u>\$ 489,251</u>	<u>\$ 473,085</u>

Notes: Amounts may not sum due to rounding.