



# Brady Corporation

## F'25 Q4 Financial Results

September 4, 2025



# Forward-Looking Statements

In this news release, statements that are not reported financial results or other historic information are “forward-looking statements.” These forward-looking statements relate to, among other things, the Company's future financial position, business strategy, targets, projected sales, costs, income, capital expenditures, debt levels and cash flows, and plans and objectives of management for future operations.

The use of words such as “may,” “will,” “expect,” “intend,” “estimate,” “anticipate,” “believe,” “should,” “project,” “plan” or similar terminology are generally intended to identify forward-looking statements. These forward-looking statements by their nature address matters that are, to different degrees, uncertain and are subject to risks, assumptions, and other factors, some of which are beyond Brady’s control, that could cause actual results to differ materially from those expressed or implied by such forward-looking statements. For Brady, uncertainties arise from: increased cost of materials, labor, material shortages and supply chain disruptions, including as a result of tariffs or other impacts of the global trade environment; decreased demand for our products; our ability to compete effectively or to successfully execute our strategy; our ability to develop technologically advanced products that meet customer demands; Brady’s ability to identify, integrate, and grow acquired companies, and to manage contingent liabilities from divested businesses; difficulties in protecting our websites, networks and systems against security breaches; extensive regulations by U.S. and non-U.S. governmental and self-regulatory entities; risks associated with the loss of key employees; litigation, including product liability claims; global climate change and environmental regulations; foreign currency fluctuations; changes in tax legislation and tax rates; potential write-offs of goodwill and other intangible assets; differing interests of voting and non-voting shareholders and changes in the regulatory and business environment around dual-class voting structures; numerous other matters of national, regional and global scale, including major public health crises and government responses thereto and those of a political, economic, business, competitive, and regulatory nature contained from time to time in Brady’s U.S. Securities and Exchange Commission filings, including, but not limited to, those factors listed in the “Risk Factors” section within Item 1A of Part I of Brady’s Form 10-K for the year ended July 31, 2025.

These uncertainties may cause Brady’s actual future results to be materially different than those expressed in its forward-looking statements. Brady does not undertake to update its forward-looking statements except as required by law.

# Q4 F'25 Highlights

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## Sales Growth

- ▶ Organic sales growth of 2.4%.
- ▶ Total sales growth of 15.7% including acquisitions and Fx.

## Regional Sales Results

- ▶ Americas & Asia organic sales growth of 4.3%.
- ▶ Europe & Australia organic sales decline of 1.3%.

## Record High Adjusted Diluted EPS\*

- ▶ GAAP EPS of \$1.04 in Q4 F'25 vs. \$1.15 in Q4 F'24.
- ▶ Adjusted Diluted EPS\* increased 5.9% to \$1.26 in Q4 F'25 from \$1.19 in Q4 F'24.

# Full-Year F'25 Highlights

## Record High Adjusted Diluted EPS\*

- ▶ GAAP EPS was \$3.94 in F'25 vs. \$4.07 in F'24.
- ▶ Adjusted Diluted EPS\* was up 9.0% from \$4.22 to an all-time high of \$4.60.

## Returned \$96.4M to our Shareholders

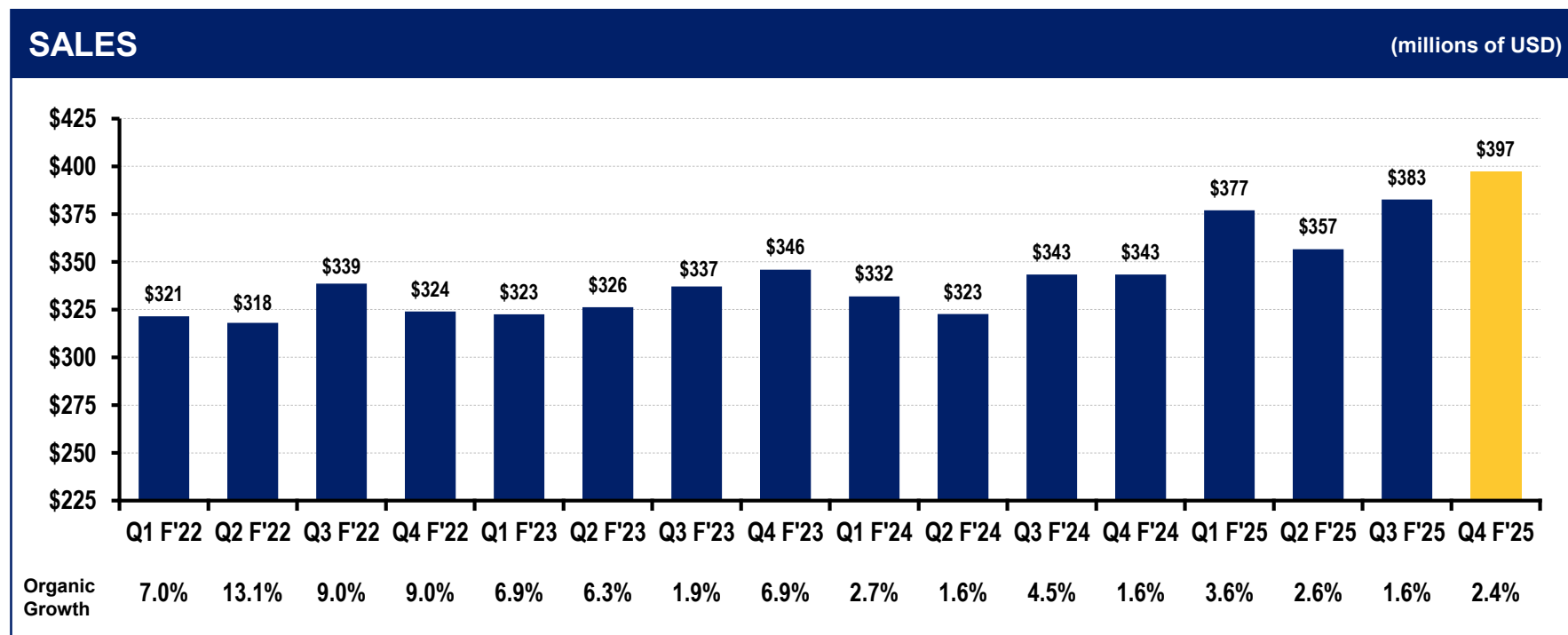
- ▶ Purchased 733,360 shares in F'25 for \$50.9M.
- ▶ Paid dividends of \$45.5M and announced our 40<sup>th</sup> consecutive year of dividend increases.

## F'26 EPS Guidance

- ▶ F'26 GAAP EPS guidance of \$4.55 - \$4.85 (increase of 15.5% to 23.1% vs. F'25).
- ▶ F'26 Adjusted Diluted EPS\* guidance of \$4.85 - \$5.15 (increase of 5.4% to 12.0% vs. F'25).

\* Adjusted Diluted EPS is a non-GAAP measure. See appendix.

# Sales Overview



## Q4 F'25 SALES:

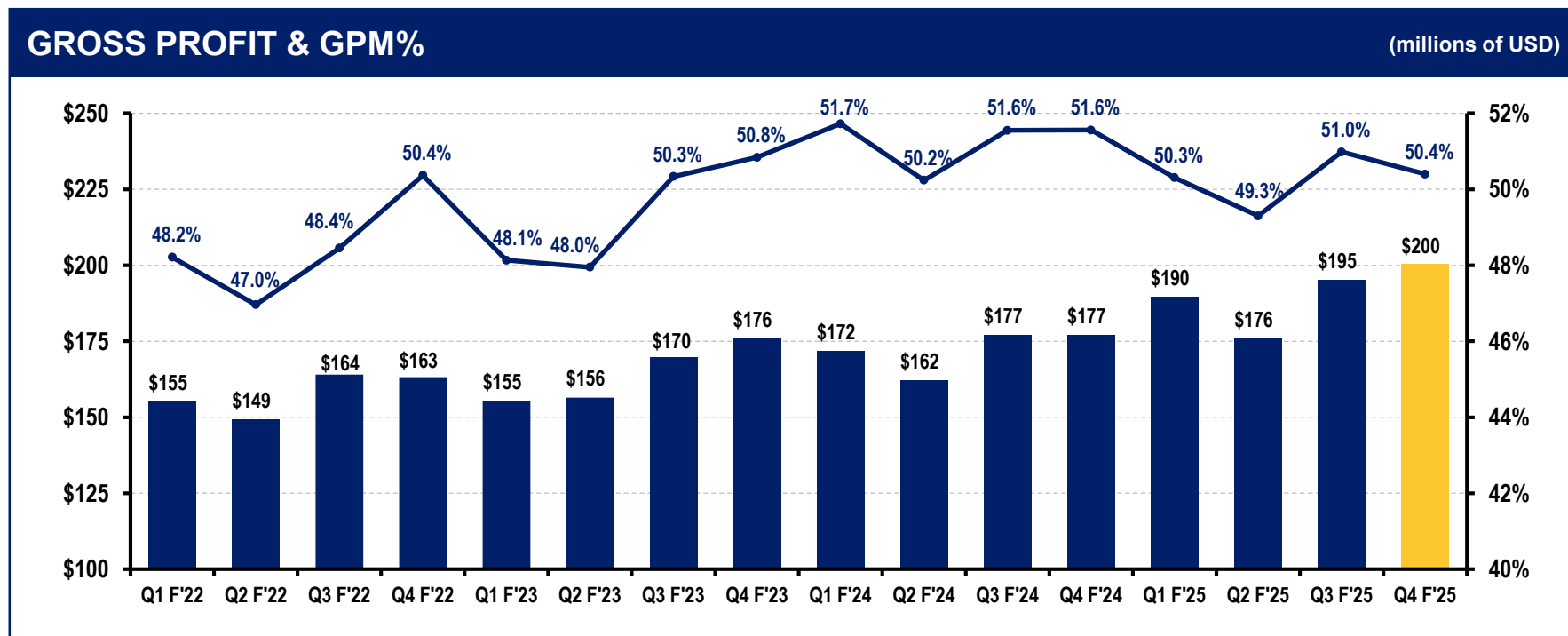
- ▶ Total sales increased 15.7%.
- ▶ Organic sales increased 2.4%.
  - Americas & Asia – Organic sales increased 4.3%.
  - Europe & Australia – Organic sales declined 1.3%.
- ▶ Foreign currency translation increased sales 2.0%.
- ▶ Acquisitions increased sales 11.3%.

## Q4 F'25 SALES COMMENTARY:

- ▶ Organic sales grew 3.3% in the Americas with growth in most major product lines.
- ▶ Asia organic sales grew 12.0% with growth throughout the region except for China.
- ▶ Organic sales declined 0.8% in Europe and declined 5.1% in Australia.

# Gross Profit Margin

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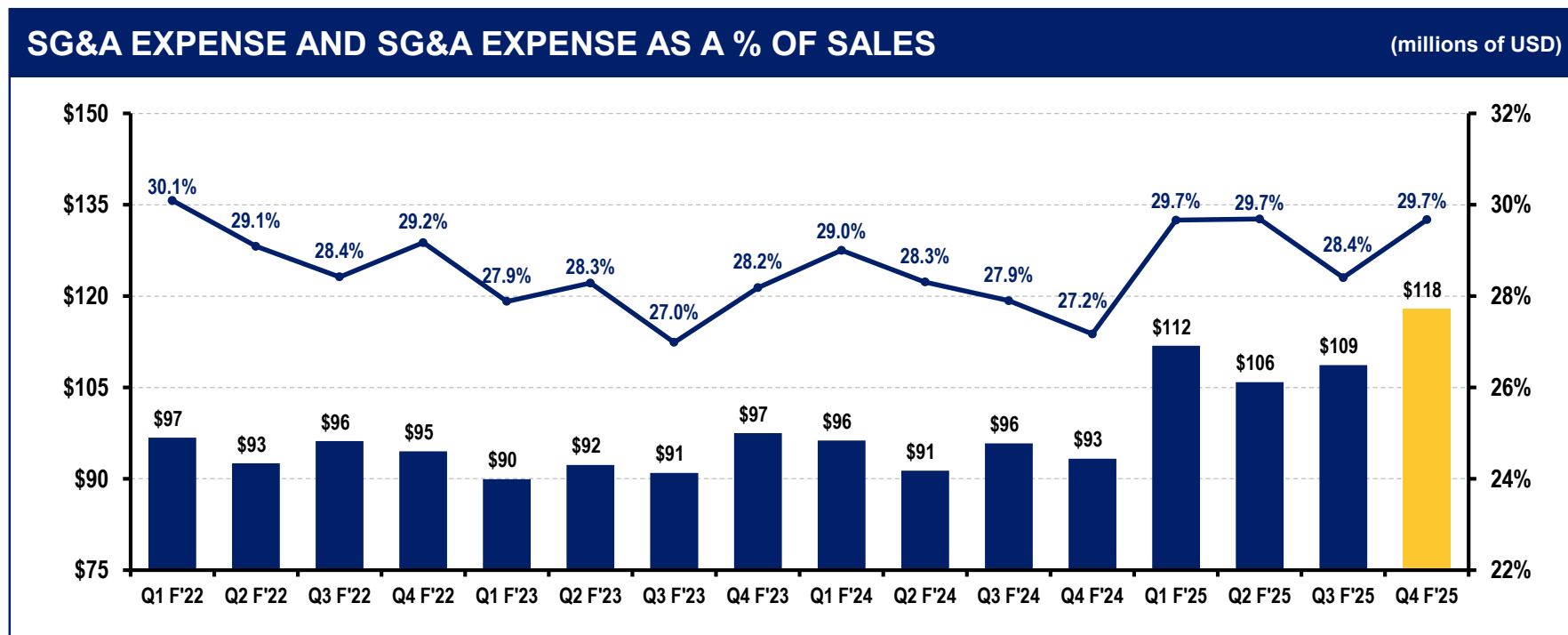


## Q4 F'25 – GROSS PROFIT MARGIN:

- ▶ Gross profit margin of 50.4% compared to 51.6% in Q4 of F'24.
- ▶ The impact of facility closures and other reorganization costs reduced gross profit margin by approximately 50 basis points in Q4 of F'25.

# SG&A Expense

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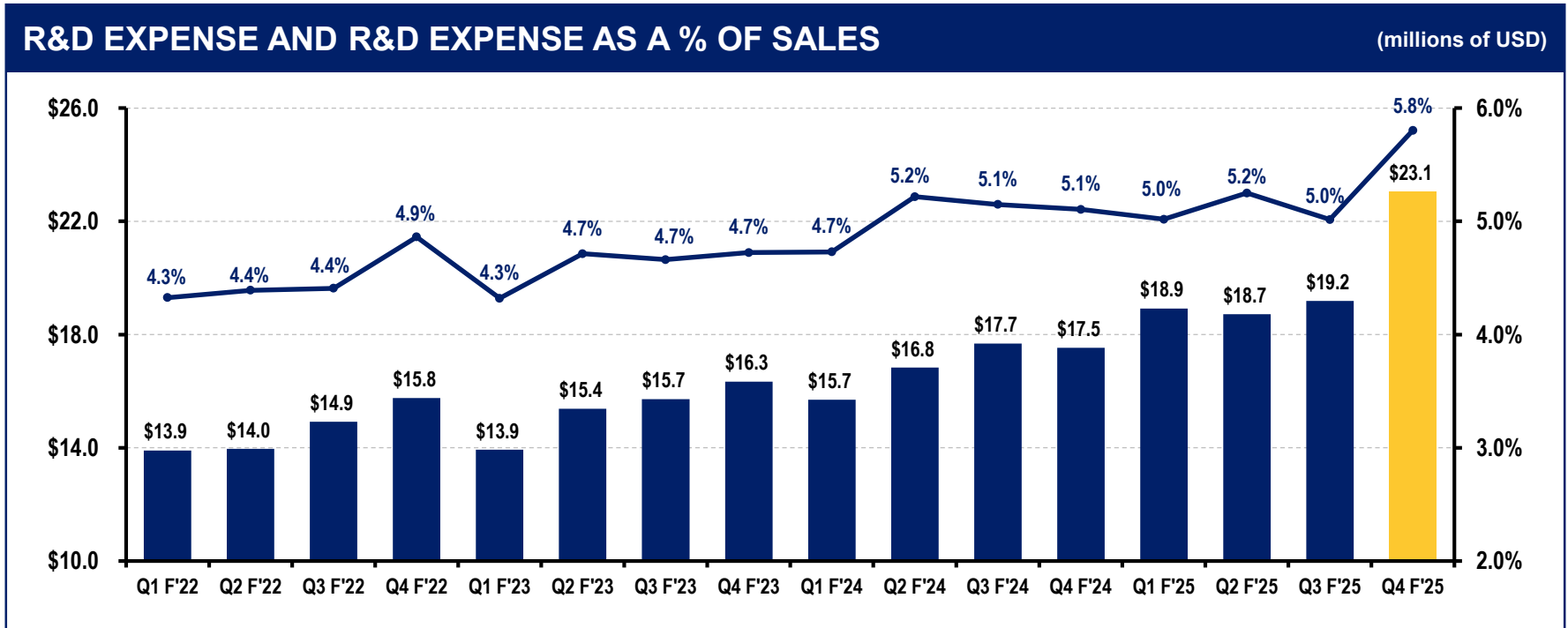


## Q4 F'25 – SG&A EXPENSE:

- ▶ SG&A expense increased as a percent of sales when compared to Q4 last year due to increased amortization and facility closure and other reorganization costs.
- ▶ Amortization expense was \$4.8M in Q4 of F'25 and \$2.3M in Q4 of F'24, and facility closure and other reorganization costs were \$6.8M in Q4 of F'25.

# R&D Expense

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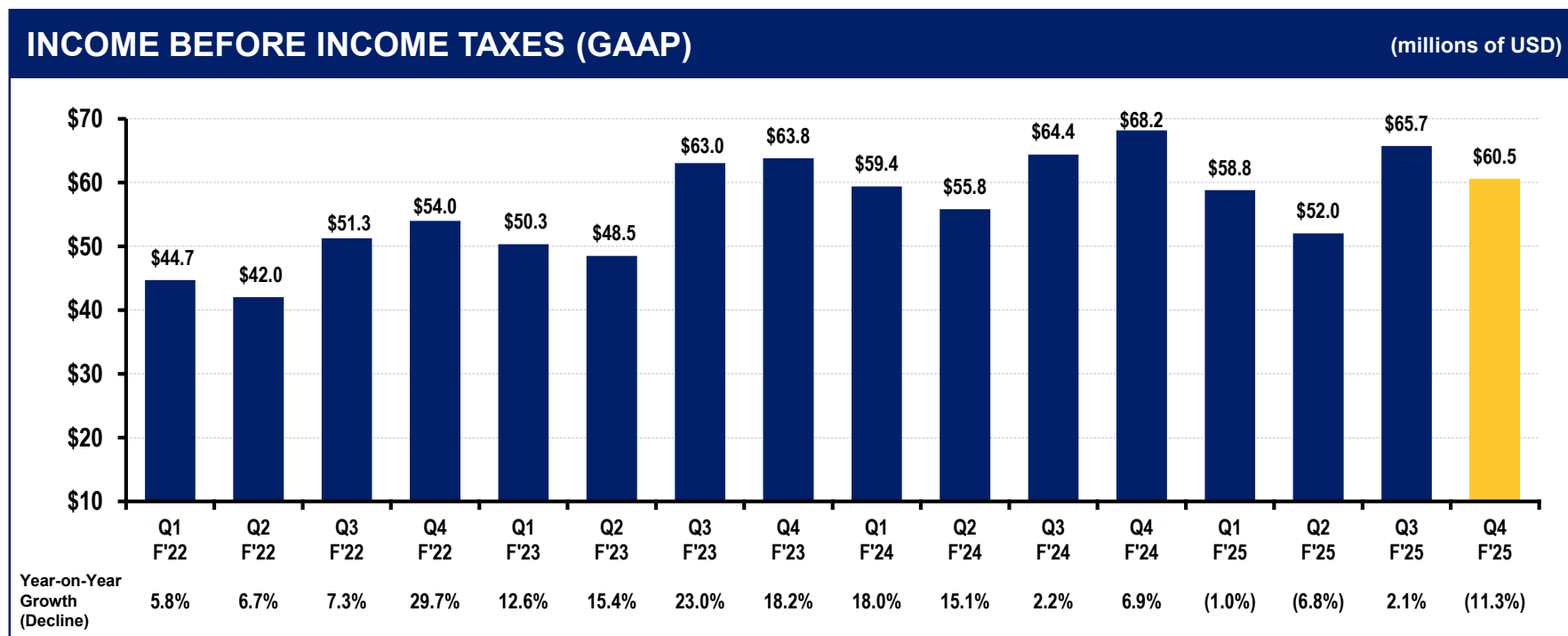


## Q4 F'25 – R&D EXPENSE:

- ▶ Investments in R&D continue to drive long-term organic sales growth; F'25 acquisitions have a higher level of R&D as a percentage of sales.

# Income Before Income Taxes

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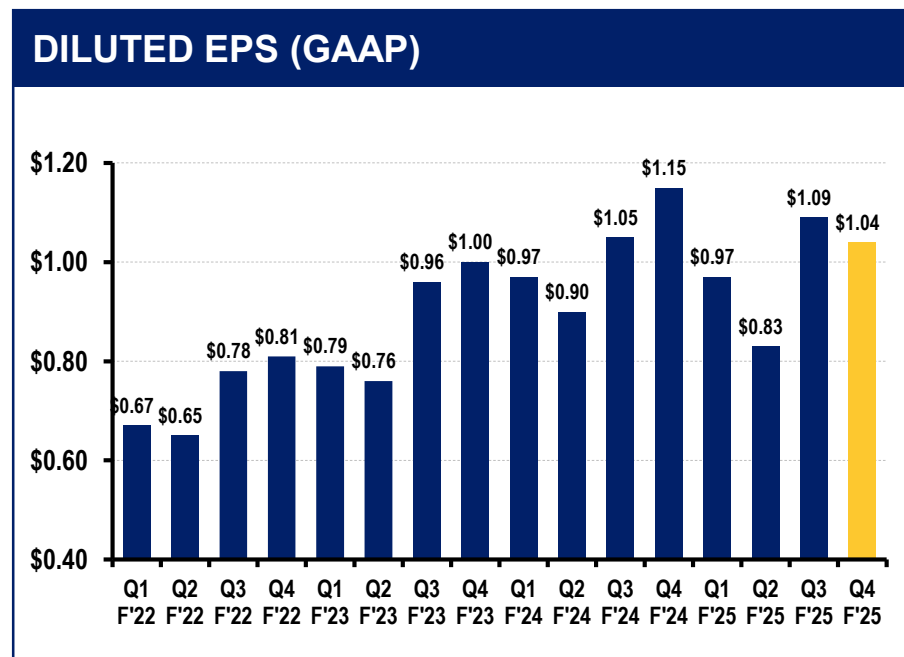
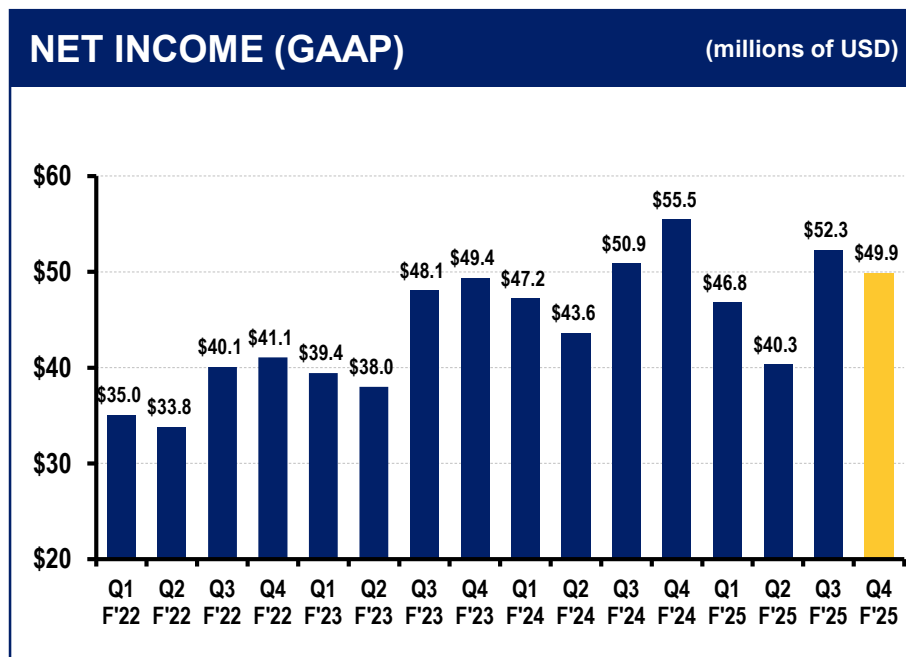
## Q4 F'25 – INCOME BEFORE INCOME TAXES:

- ▶ GAAP Income before income taxes decreased 11.3% to \$60.5M in Q4 of F'25 compared to \$68.2M in Q4 of F'24.
- ▶ Adjusted Income Before Income Taxes\* increased 5.1% to \$74.2M in Q4 of F'25 compared to \$70.5M in Q4 of F'24.



# Net Income & Diluted EPS

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## Q4 F'25 – NET INCOME & DILUTED EPS:

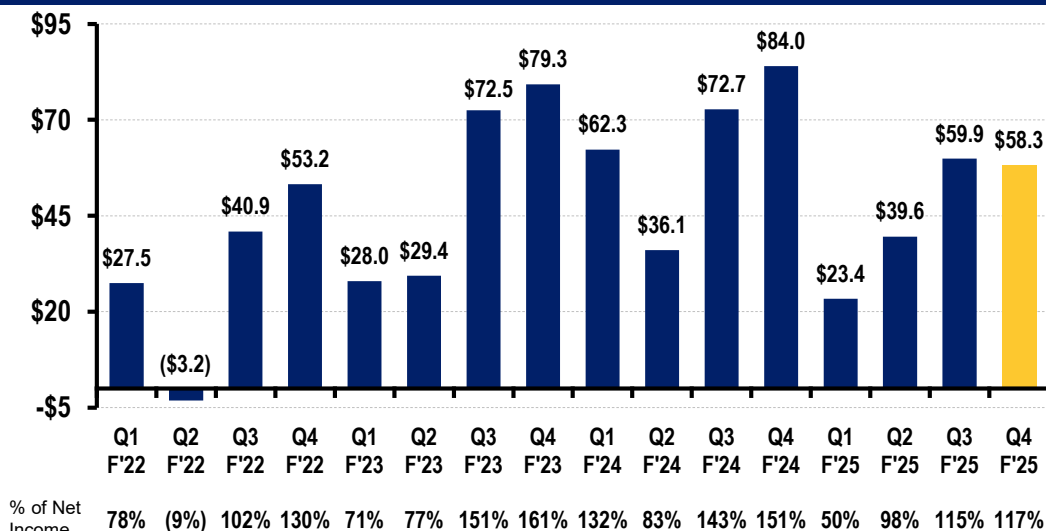
- ▶ GAAP Net Income was \$49.9M in Q4 of F'25 compared to \$55.5M in Q4 of F'24.
  - Adjusted Net Income\* was \$60.2M in Q4 of F'25 compared to \$57.3M in Q4 of F'24 (increased 5.1%).
- ▶ GAAP Diluted EPS was \$1.04 in Q4 of F'25 compared to \$1.15 in Q4 of F'24.
  - Adjusted Diluted EPS\* was \$1.26 in Q4 of F'25 compared to \$1.19 in Q4 of F'24 (increased 5.9%).

# Cash Generation

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## CASH FLOW FROM OPERATING ACTIVITIES

(millions of USD)



## CASH FLOWS IN Q4 OF F'25:

### Overview:

- ▶ Cash flow from operating activities was \$58.3M in Q4 of F'25 vs. \$84.0M in Q4 of F'24.
- ▶ Free cash flow\* was \$49.4M in Q4 of F'25 compared to \$73.2M in Q4 of F'24.

## Returning Funds to our Shareholders:

In F'25, we returned a total of \$96.4M to our shareholders in the form of dividends and share buybacks.

- ▶ **Dividends** – Increased our annual dividend for the 40<sup>th</sup> consecutive year.
- ▶ **Share Buybacks** – Repurchased 733k shares in F'25 for \$50.9M (average price of \$69.32/share).

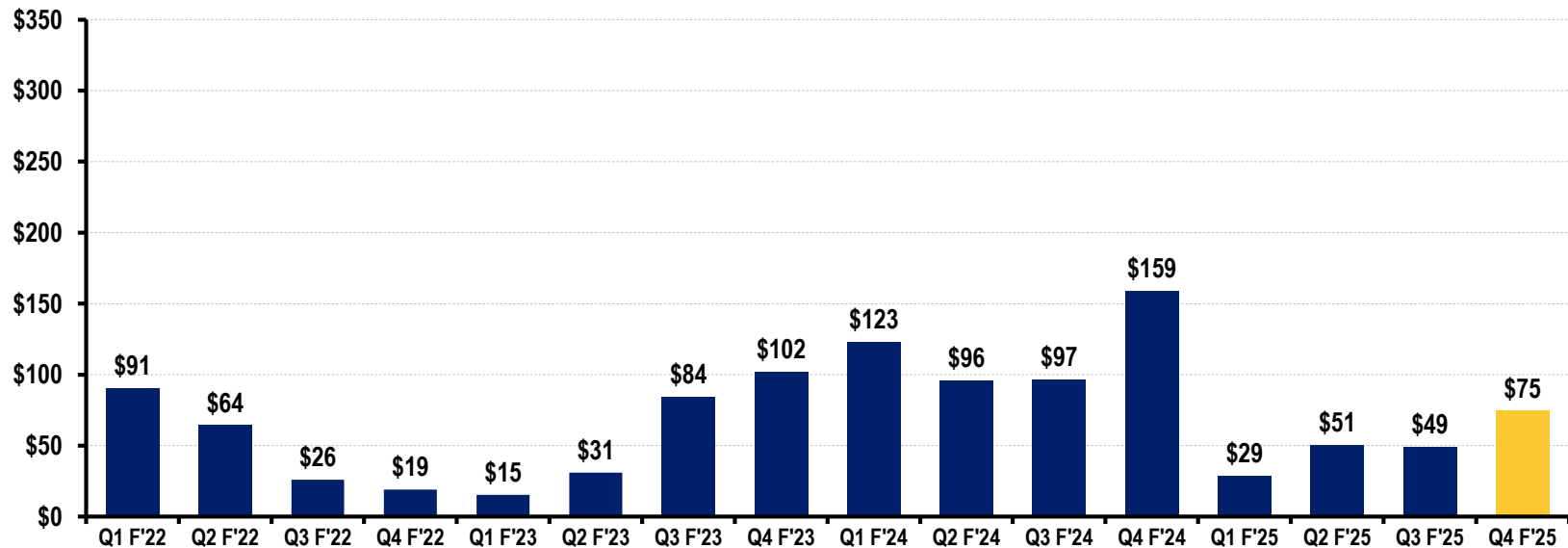
|                                           | 3 Mos. Ended<br>Jul. 31, 2025 | 3 Mos. Ended<br>Jul. 31, 2024 | 12 Mos. Ended<br>Jul. 31, 2025 | 12 Mos. Ended<br>Jul. 31, 2024 |
|-------------------------------------------|-------------------------------|-------------------------------|--------------------------------|--------------------------------|
| <b>Cash Balance - Beginning of Period</b> | \$ 152.2                      | \$ 160.5                      | \$ 250.1                       | \$ 151.5                       |
| Cash Flow from Operating Activities       | 58.3                          | 84.0                          | 181.2                          | 255.1                          |
| Capital Expenditures                      | (8.9)                         | (10.7)                        | (27.6)                         | (79.9)                         |
| Dividends                                 | (11.3)                        | (11.2)                        | (45.5)                         | (45.1)                         |
| Share Repurchases                         | (17.6)                        | -                             | (50.9)                         | (72.2)                         |
| Business Acquisitions                     | -                             | -                             | (144.5)                        | -                              |
| Net Debt (Repayments) Borrowings          | (3.1)                         | 27.2                          | 8.8                            | 41.2                           |
| Effect of Exchange Rates on Cash          | 1.8                           | (2.1)                         | (1.8)                          | (4.9)                          |
| Other                                     | 2.9                           | 2.4                           | 4.5                            | 4.4                            |
| <b>Cash Balance - End of Period</b>       | <b>\$ 174.3</b>               | <b>\$ 250.1</b>               | <b>\$ 174.3</b>                | <b>\$ 250.1</b>                |



\* Free cash flow is calculated as Net Cash Provided by Operating Activities less Capital Expenditures.

## NET CASH

(millions of USD)



## STRONG BALANCE SHEET:

- ▶ July 31, 2025 cash = \$174.3M.
- ▶ July 31, 2025 debt = \$99.8M.
- ▶ Balance sheet provides flexibility for future organic investments and strategic M&A.

# F'26 Diluted EPS Guidance

**GAAP Diluted EPS** **\$4.55 to \$4.85** (+15.5% to +23.1% vs. F'25)

**F'26 Adjusted Diluted EPS\*** **\$4.85 to \$5.15** (+5.4% to +12.0% vs. F'25)

## Guidance Assumptions:

- ▶ Organic sales growth in the low-single digit percentages.
- ▶ Full-year income tax rate of approximately 21%.
- ▶ Foreign currency exchange rates as of July 31, 2025.
- ▶ Depreciation and amortization expense of approximately \$42M.
- ▶ Capital expenditures of approximately \$40M.

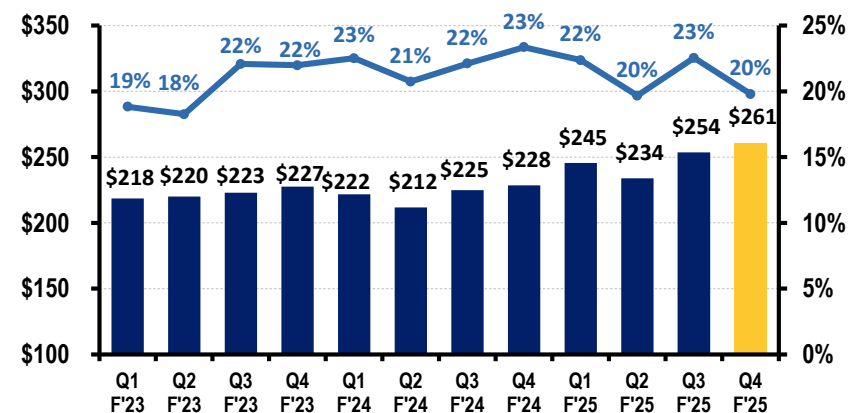
## Q4 F'25 vs. Q4 F'24

(millions of USD)

|                  | Q4 F'25  | Q4 F'24  | Change    |
|------------------|----------|----------|-----------|
| Sales            | \$ 260.8 | \$ 228.5 | 14.1%     |
| Segment Profit   | 51.6     | 53.4     | - 3.3%    |
| Segment Profit % | 19.8%    | 23.3%    | - 360 bps |

## SALES & SEGMENT PROFIT %

(millions of USD)



|             |        |        |        |        |        |        |        |        |        |        |        |      |
|-------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|------|
| Organic     | 4.0%   | 6.9%   | 1.2%   | 5.6%   | 3.3%   | 1.2%   | 4.5%   | 3.4%   | 5.1%   | 4.3%   | 5.4%   | 4.3% |
| For. Curr.  | (1.4%) | (1.0%) | (0.8%) | (0.2%) | -      | 0.1%   | (0.1%) | (0.8%) | (0.2%) | (1.4%) | (1.1%) | -    |
| Acq. & Div. | -      | -      | (0.3%) | (1.0%) | (1.9%) | (5.1%) | (3.5%) | (2.2%) | 5.8%   | 7.6%   | 8.6%   | 9.8% |

## Q4 F'25 SUMMARY:

- Revenues increased 14.1% in Q4 of F'25:
  - Organic growth = + 4.3%.
  - Acquisition = + 9.8%.
- Organic sales grew 3.3% in the Americas with growth in most major product lines.
- Organic sales grew 12.0% in Asia; growth throughout the region except for China.
- Growth in segment profit due to organic sales growth in higher gross margin product lines, which was offset by increased amortization from acquisitions and facility closure and other reorganization costs. Excluding these increased costs, segment profit increased 3.7%.

## OUTLOOK:

- Low-single digit organic sales growth in F'26.
- Growth in segment profit excluding amortization.

# Europe & Australia

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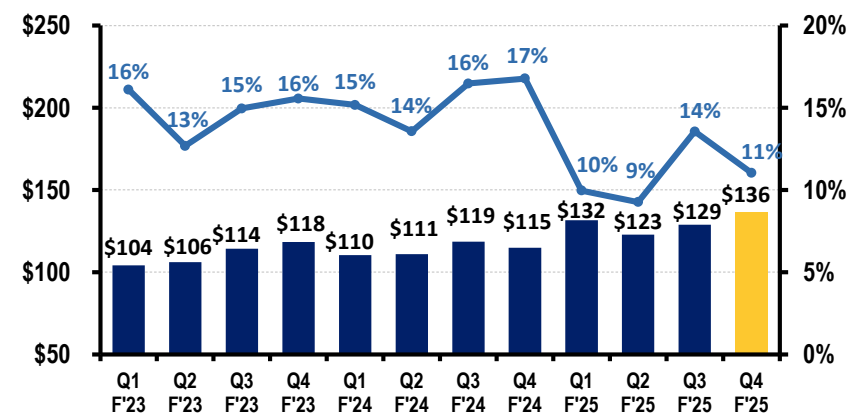
## Q4 F'25 vs. Q4 F'24

(millions of USD)

|                  | Q4 F'25  | Q4 F'24  | Change    |
|------------------|----------|----------|-----------|
| Sales            | \$ 136.5 | \$ 114.9 | + 18.8%   |
| Segment Profit   | 15.1     | 19.3     | - 21.8%   |
| Segment Profit % | 11.0%    | 16.8%    | - 580 bps |

## SALES & SEGMENT PROFIT %

(millions of USD)



|              |         |        |        |      |      |      |        |        |       |        |        |        |
|--------------|---------|--------|--------|------|------|------|--------|--------|-------|--------|--------|--------|
| Organic      | 12.8%   | 5.2%   | 3.4%   | 9.5% | 1.4% | 2.5% | 4.4%   | (1.8%) | 0.7%  | (0.8%) | (5.4%) | (1.3%) |
| For. Curr.   | (17.0%) | (8.9%) | (4.8%) | 2.0% | 4.6% | 2.0% | (0.6%) | (1.2%) | 3.6%  | (3.6%) | (0.1%) | 5.7%   |
| Acquisitions | -       | -      | -      | -    | -    | -    | -      | -      | 15.0% | 15.1%  | 14.2%  | 14.4%  |

## Q4 F'25 SUMMARY:

- Revenues increased 18.8% in Q4 of F'25:
  - Organic decline = (1.3%).
  - Fx increase = + 5.7%.
  - Acquisition = + 14.4%
- Organic sales declined 0.8% in Europe and declined 5.1% in Australia.
- Segment profit decreased primarily due to increased amortization and facility closure and other reorganization costs. Excluding these increased costs, segment profit increased 7.6%.

## OUTLOOK:

- Low-single digit organic sales growth in F'26.
- Growth in segment profit excluding amortization.

# Investor Relations

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## Brady Contact:

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**Investor Relations**

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**See our website at**

**[www.bradycorp.com/investors](http://www.bradycorp.com/investors)**





# **Appendix**

## **GAAP to Non-GAAP Reconciliations**



# Non-GAAP Reconciliations

## GAAP to NON-GAAP MEASURES

(Unaudited; Dollars in Thousands, Except Per Share Amounts)

In accordance with the U.S. Securities and Exchange Commission's Regulation G, the following provides definitions of the non-GAAP measures used in the earnings release and the reconciliation to the most closely related GAAP measure.

### Adjusted Income Before Income Taxes:

Brady is presenting the non-GAAP measure, "Adjusted Income Before Income Taxes." This is not a calculation based upon GAAP. The amounts included in this non-GAAP measure are derived from amounts included in the Consolidated Financial Statements and supporting footnote disclosures. We do not view these items to be part of our ongoing results. We believe this profit measure provides an important perspective of underlying business trends and results and provides a more comparable measure from year to year. The table below provides a reconciliation of the GAAP measure of Income before income taxes to the non-GAAP measure of Adjusted Income Before Income Taxes:

|                                                               | Three months ended July 31, |                  | Year ended July 31, |                   |
|---------------------------------------------------------------|-----------------------------|------------------|---------------------|-------------------|
|                                                               | 2025                        | 2024             | 2025                | 2024              |
| <b>Income before income taxes (GAAP measure)</b>              | <b>\$ 60,505</b>            | <b>\$ 68,208</b> | <b>\$ 237,097</b>   | <b>\$ 247,841</b> |
| Amortization expense                                          | 4,778                       | 2,337            | 18,916              | 9,421             |
| Facility closure and other reorganization costs               | 8,890                       | -                | 18,474              | -                 |
| Non-recurring acquisitions-related costs and other expenses   | -                           | -                | 5,059               | -                 |
| <b>Adjusted Income Before Income Taxes (non-GAAP measure)</b> | <b>\$ 74,173</b>            | <b>\$ 70,545</b> | <b>\$ 279,546</b>   | <b>\$ 257,262</b> |

### Adjusted Income Tax Expense:

Brady is presenting the non-GAAP measure, "Adjusted Income Tax Expense." This is not a calculation based upon GAAP. The amounts included in this non-GAAP measure are derived from amounts included in the Consolidated Financial Statements and supporting footnote disclosures. We do not view these items to be part of our ongoing results. We believe this measure provides an important perspective of underlying business trends and results and provides a more comparable measure from year to year. The table below provides a reconciliation of the GAAP measure of Income tax expense to the non-GAAP measure of Adjusted Income Tax Expense:

|                                                             | Three months ended July 31, |                  | Year ended July 31, |                  |
|-------------------------------------------------------------|-----------------------------|------------------|---------------------|------------------|
|                                                             | 2025                        | 2024             | 2025                | 2024             |
| <b>Income tax expense (GAAP measure)</b>                    | <b>\$ 10,629</b>            | <b>\$ 12,752</b> | <b>\$ 47,841</b>    | <b>\$ 50,626</b> |
| Amortization expense                                        | 1,148                       | 540              | 4,550               | 2,182            |
| Facility closure and other reorganization costs             | 2,222                       | -                | 4,618               | -                |
| Non-recurring acquisitions-related costs and other expenses | -                           | -                | 1,265               | -                |
| <b>Adjusted Income Tax Expense (non-GAAP measure)</b>       | <b>\$ 13,999</b>            | <b>\$ 13,292</b> | <b>\$ 58,274</b>    | <b>\$ 52,808</b> |

# Non-GAAP Reconciliations

## GAAP to NON-GAAP MEASURES

(Unaudited; Dollars in Thousands, Except Per Share Amounts)

In accordance with the U.S. Securities and Exchange Commission's Regulation G, the following provides definitions of the non-GAAP measures used in the earnings release and the reconciliation to the most closely related GAAP measure.

### Adjusted Net Income:

Brady is presenting the non-GAAP measure, "Adjusted Net Income." This is not a calculation based upon GAAP. The amounts included in this non-GAAP measure are derived from amounts included in the Consolidated Financial Statements and supporting footnote disclosures. We do not view these items to be part of our ongoing results. We believe this measure provides an important perspective of underlying business trends and results and provides a more comparable measure from year to year. The table below provides a reconciliation of the GAAP measure of Net income to the non-GAAP measure of Adjusted Net Income:

|                                                             | Three months ended July 31, |                  | Year ended July 31, |                   |
|-------------------------------------------------------------|-----------------------------|------------------|---------------------|-------------------|
|                                                             | 2025                        | 2024             | 2025                | 2024              |
| <b>Net income (GAAP measure)</b>                            | \$ 49,876                   | \$ 55,456        | \$ 189,256          | \$ 197,215        |
| Amortization expense                                        | 3,630                       | 1,797            | 14,366              | 7,239             |
| Facility closure and other reorganization costs             | 6,668                       | -                | 13,856              | -                 |
| Non-recurring acquisitions-related costs and other expenses | -                           | -                | 3,794               | -                 |
| <b>Adjusted Net Income (non-GAAP measure)</b>               | <b>\$ 60,174</b>            | <b>\$ 57,253</b> | <b>\$ 221,272</b>   | <b>\$ 204,454</b> |

### Adjusted Diluted EPS:

Brady is presenting the non-GAAP measure, "Adjusted Diluted EPS." This is not a calculation based upon GAAP. The amounts included in this non-GAAP measure are derived from amounts included in the Consolidated Financial Statements. We do not view these items to be part of our ongoing results. We believe this measure provides an important perspective of underlying business trends and results and provides a more comparable measure from year to year. The table below provides a reconciliation of the GAAP measure of Net income per Class A Nonvoting Common Share to the non-GAAP measure of Adjusted Diluted EPS (Note that certain amounts will not foot due to rounding):

|                                                                     | Three months ended July 31, |                | Year ended July 31, |                |
|---------------------------------------------------------------------|-----------------------------|----------------|---------------------|----------------|
|                                                                     | 2025                        | 2024           | 2025                | 2024           |
| <b>Net income per Class A Nonvoting Common Share (GAAP measure)</b> | \$ 1.04                     | \$ 1.15        | \$ 3.94             | \$ 4.07        |
| Amortization expense                                                | 0.08                        | 0.04           | 0.30                | 0.15           |
| Facility closure and other reorganization costs                     | 0.14                        | -              | 0.29                | -              |
| Non-recurring acquisitions-related costs and other expenses         | -                           | -              | 0.08                | -              |
| <b>Adjusted Diluted EPS (non-GAAP measure)</b>                      | <b>\$ 1.26</b>              | <b>\$ 1.19</b> | <b>\$ 4.60</b>      | <b>\$ 4.22</b> |

### Adjusted Diluted EPS Guidance:

|                                                                 | Fiscal 2026 Expectations |                |
|-----------------------------------------------------------------|--------------------------|----------------|
|                                                                 | Low                      | High           |
| <b>Earnings per diluted Class A Common Share (GAAP measure)</b> | \$ 4.55                  | \$ 4.85        |
| Amortization expense                                            | 0.30                     | 0.30           |
| <b>Adjusted Diluted EPS (non-GAAP measure)</b>                  | <b>\$ 4.85</b>           | <b>\$ 5.15</b> |