Electro-Sensors, Inc. Announces Third Quarter 2025 Financial Results

Minnetonka, Minnesota (November 13, 2025) – Electro-Sensors, Inc. (NASDAQ: ELSE), a leading global provider of machine monitoring sensors and hazard monitoring systems, today announced financial results for the third quarter ended September 30, 2025.

- **Record quarterly revenue of $2,748,000, up 9.4% from the prior-year period**
- **Gross margin of 53.1%**
- **Cash and investments of approximately $10.6 million**

Selected Financial Information (unaudited, in thousands, except per share data)

	Q3 2025	Q3 2024	Change
Net Sales	$ 2,748	$ 2,512	9.4%
Gross Margin	53.1%	50.4%	270bps
Operating Income	$ 181	$ 173	4.6%
Operating Income Margin	6.6%	6.9%	(30)bps
Income Before Income Taxes	$ 272	$ 290	(6.2)%
Earnings Per Share (diluted)	$ 0.06	$ 0.07	(14.3)%

Net sales in the third quarter increased 9.4% to $2,748,000 from $2,512,000 in the prior-year quarter. For the first nine months of 2025, net sales increased 5.9% to $7,387,000 from $6,973,000 in the comparable prior-year period. Gross margin for the 2025 third quarter was 53.1%, up from 50.4% in the corresponding quarter in 2024.

“We are pleased to report record quarterly revenue during the 2025 third quarter, driven by improved sales through our industrial automation distribution channels and higher OEM sales,” said David L. Klenk, Electro-Sensors’ president. “Furthermore, gross margin increased during the quarter as we continue to carefully manage our supply chain, while also benefiting from sales price adjustments implemented earlier in the year.”

A full analysis of results for the period ended September 30, 2025 is available in the Company’s Form 10-Q, which is available on the Company’s website at www.electro-sensors.com or through the Securities and Exchange Commission’s Edgar database at www.sec.gov.

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Electro-Sensors, Inc.
Statements of Income
For the Three and Nine Months Ended September 30, 2025 and 2024 (unaudited)
(in thousands except share and per share amounts)

	Three Months Ended September 30, 2025	Three Months Ended September 30, 2024
Sales	$ 2,748	$ 2,512
Cost of goods sold	1,290	1,247
Gross profit	1,458	1,265
Operating expenses	1,277	1,092
Operating income	181	173
Non-operating income, net	91	117
Income before income taxes	272	290
Provision for income taxes	64	52
Net income	$ 208	$ 238
Earnings per share – diluted	$ 0.06	$ 0.07
Average shares outstanding - diluted	3,473,921	3,434,417

	Nine Months Ended September 30, 2025	Nine Months Ended September 30, 2024
Sales	$ 7,387	$ 6,973
Cost of goods sold	3,617	3,581
Gross profit	3,770	3,392
Operating expenses	3,760	3,426
Operating income (loss)	10	(34)
Non-operating income, net	261	342
Income before income taxes	271	308
Provision for income taxes	68	63
Net income	$ 203	$ 245
Earnings per share – diluted	$ 0.06	$ 0.07
Average shares outstanding - diluted	3,453,585	3,440,382

Electro-Sensors, Inc.
Balance Sheets
September 30, 2025 and December 31, 2024
(in thousands)

Assets	**September 30, 2025 (unaudited)**	**December 31, 2024**
Current Assets		
Cash and investments	$ 10,627	$ 10,004
Trade receivables, net	1,425	1,309
Inventories	2,070	1,964
Other current assets	318	197
Total current assets	14,440	13,474
Deferred income tax asset, long-term	437	501
Property and equipment, net	860	910
Total assets	$ 15,737	$ 14,885
Liabilities and Stockholders' Equity		
Current Liabilities		
Accounts payable and accrued expenses	$ 1,049	$ 552
Total current liabilities	1,049	552
Stockholders' equity		
Common stock	348	344
Additional paid-in capital	2,508	2,360
Retained earnings	11,832	11,629
Total stockholders' equity	14,688	14,333
Total liabilities and stockholders' equity	$ 15,737	$ 14,885

About Electro-Sensors

Electro-Sensors, Inc. is an industry leading designer and manufacturer of rugged and reliable machine monitoring sensors and wireless/wired hazard monitoring systems applied across multiple industries and applications. These products improve processes by protecting people, safeguarding systems, reducing downtime, and preventing waste. Electro-Sensors is proud to be an ISO9001:2015 quality certified company and is committed to providing excellent customer service and technical support. Founded in 1968 and located in Minnetonka, Minnesota, Electro-Sensors provides its loyal customers with reliable products that improve safety and help plants operate with greater efficiency, productivity and control.

Cautionary Statement Regarding Forward Looking Statements

This press release may include statements about possible or anticipated future financial performance, business activities, plans, or opportunities. These forward-looking statements may include the words "will," "should," "believes," "expects," "anticipates," "intends" or similar expressions. For these forward-looking statements, the Company claims the protection of the safe harbor for forward−looking statements contained in federal securities laws. Forward-looking statements reflect the company's current views with respect to future events and financial performance and include any statement that does not directly relate to a current or historical fact. These forward-looking statements are subject to a number of factors, risks and uncertainties, including those disclosed in our periodic filings with the SEC that could cause actual performance, activities, plans, or opportunities after the date the statements are made to differ significantly from those indicated in the forward-looking statements.

For more information please visit our website at: www.electro-sensors.com. Also look us up on:
LinkedIn: linkedin.com/company/electro-sensors-inc-
X: x.com/ESIsensors
Facebook: facebook.com/ElectroSensors