

MUELLER

News Release

DATE: Tuesday, March 13, 2012

SYMBOL: MUEL (OTC)

FOR RELEASE: Immediate

FOR FURTHER INFORMATION CONTACT:

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SPRINGFIELD, MISSOURI – PAUL MUELLER COMPANY (OTC: MUEL.PK) TODAY REPORTED ITS UNAUDITED EARNINGS FOR THE YEAR 2011:

Paul Mueller Company today released its unaudited results for the year ended December 31, 2011. The Company expects to issue audited 2011 financial statements in April when it mails the proxy statement for the 2012 Annual Meeting of Shareholders and 2011 Annual Report. The Annual Meeting will be held at the Company's offices in Springfield, Missouri, on May 7, 2012 at 10:00 a.m.

**Paul Mueller Company and Subsidiaries
UNAUDITED**

CONSOLIDATED SUMMARIES OF OPERATIONS

	Three Months Ended December 31		Twelve Months Ended December 31	
	2011	2010	2011	2010
Net Sales	\$ 43,978,000	\$ 34,878,000	\$ 154,181,000	\$ 129,633,000
Cost of Sales	32,545,000	24,119,000	106,897,000	93,946,000
Gross Profit	\$ 11,433,000	\$ 10,759,000	\$ 47,284,000	\$ 35,687,000
Selling, General and Admin. Expenses	8,745,000	10,946,000	43,925,000	39,337,000
Operating Income (Loss)	\$ 2,688,000	\$ (187,000)	\$ 3,359,000	\$ (3,650,000)
Other Income (Expense)	163,000	(377,000)	(1,285,000)	(2,118,000)
Income before Provision (Benefit) for Income Taxes	\$ 2,851,000	\$ (564,000)	\$ 2,074,000	\$ (5,768,000)
Provision (Benefit) for Income Taxes	(739,000)	5,213,000	57,000	3,170,000
Net Income (Loss)	\$ 3,590,000	\$ (5,777,000)	\$ 2,017,000	\$ (8,938,000)
Earnings per Common Share				
Basic	\$2.96	(\$4.85)	\$1.68	(\$7.50)
Diluted	\$2.96	(\$4.85)	\$1.68	(\$7.50)

SUMMARIZED CONSOLIDATED BALANCE SHEETS

	December 31 2011	December 31 2010
	Current Assets	\$ 51,251,000
Net Property, Plant, and Equipment	36,251,000	44,829,000
Other assets	18,952,000	16,452,000
Total Assets	\$ 106,454,000	\$ 102,278,000
Current Liabilities	\$ 52,219,000	\$ 46,047,000
Long-Term Debt	13,066,000	18,177,000
Other Long-Term Liabilities	32,930,000	20,231,000
Shareholders' Investment	8,239,000	17,823,000
Total Liabilities and Shareholders' Investment	\$ 106,454,000	\$ 102,278,000
Book Value per Common Share	\$6.58	\$13.81
Total Shares Outstanding	1,252,977	1,291,074
Backlog	\$ 51,714,000	\$ 31,044,000

PAUL MUELLER COMPANY

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NOTES:

- 1) For the three and twelve months ended December 31, 2011, domestic sales were \$27,913,000 and \$95,077,000, respectively, and the net income was \$2,653,000 and net loss was \$1,007,000, respectively. For the three months and twelve months ended December 31, 2011, Mueller B.V sales were \$16,065,000 and \$59,104,000, respectively, and net income was \$937,000 and \$3,024,000, respectively.
- 2) The results for the twelve months ended December 31, 2011, were adversely affected by severance and non-compete expenses totaling \$1,146,000 and the accrual of \$2,667,000 (a non-cash charge) for the actuarial present value of a life annuity all of which are in accordance with the employment agreement of the former President and CEO.
- 3) The results for the three and twelve months ended December 31, 2011, included the sale of Springfield Brewing Company to Front Row Property LLC. The selling price was \$3,000,000 which included a promissory note for \$400,000 payable over five years. The gain on the sale of Springfield Brewing Company was \$580,000.
- 4) The results for the three and twelve months ended December 31, 2011, were adversely affected by an increase in the LIFO reserve of \$828,000 and \$1,063,000, respectively.
- 5) The results for the twelve months ended December 31, 2011, were favorably affected by the reduction of the valuation allowance against a portion of the company's net deferred tax assets of \$880,000.
- 6) The results for the twelve months ended December 31, 2011, included an adjustment to Other Comprehensive Income of \$11,480,000 which reduced shareholders' investment. The adjustment was caused by an increase in the pensions' underfunded status due to portfolio performance and certain actuarial assumptions.

Paul Mueller Company is a manufacturer of high quality stainless steel equipment used in over 100 countries worldwide on dairy farms and in wide varieties of industrial applications, including food, dairy, and beverage processing; pharmaceutical, biotechnological, and chemical processing; water distillation; heat transfer; heat recovery; HVAC; and process cooling.

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 on page 32 of the Company 2010 Annual Report. The Company expressly disclaims any obligation or undertaking to update these forward-looking statements to reflect any future events or circumstances.