

MUELLER®

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FOR FURTHER INFORMATION CONTACT:

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SPRINGFIELD, MISSOURI — PAUL MUELLER COMPANY (OTC: MUEL.PK) TODAY RELEASED ITS SECOND QUARTER REPORT FOR THE PERIOD ENDED JUNE 30, 2011, AS FOLLOWS:

PAUL MUELLER COMPANY AND SUBSIDIARIES SIX-MONTH REPORT Unaudited

CONSOLIDATED SUMMARIES OF OPERATIONS

	Three Months Ended June 30		Six Months Ended June 30		Twelve Months Ended June 30	
	2011	2010	2011	2010	2011	2010
	Net Sales	\$ 42,561,000	\$ 32,615,000	\$ 73,389,000	\$ 57,793,000	\$ 145,229,000
Cost of Sales	28,736,000	21,788,000	49,605,000	41,054,000	102,497,000	102,275,000
Gross Profit	\$ 13,825,000	\$ 10,827,000	\$ 23,784,000	\$ 16,739,000	\$ 42,732,000	\$ 36,923,000
Selling, General and Admin. Expenses	13,688,000	9,395,000	23,186,000	19,405,000	43,118,000	39,913,000
Operating Income (Loss)	\$ 137,000	\$ 1,432,000	\$ 598,000	\$ (2,666,000)	\$ (386,000)	\$ (2,990,000)
Other Income (Expense)	(965,000)	(487,000)	(1,381,000)	(1,079,000)	(2,420,000)	(2,390,000)
Income (Loss) Before Provision for Income Taxes	\$ (828,000)	\$ 945,000	\$ (783,000)	\$ (3,745,000)	\$ (2,806,000)	\$ (5,380,000)
Provision (Benefit) for Income Taxes	373,000	178,000	675,000	(1,591,000)	5,436,000	(2,817,000)
Net Income (Loss)	\$ (1,201,000)	\$ 767,000	\$ (1,458,000)	\$ (2,154,000)	\$ (8,242,000)	\$ (2,563,000)
Earnings per Common Share						
Basic	(\$1.00)	\$0.64	(\$1.22)	(\$1.81)	(\$6.90)	(\$2.15)
Diluted	(\$1.00)	\$0.63	(\$1.22)	(\$1.81)	(\$6.90)	(\$2.15)

- NOTES:
- Domestic sales for the second quarter of 2011 were \$25,824,000 and the net loss was \$2,220,000, compared to 2010 when sales were \$18,444,000 and the net loss was \$350,000. For 2011, Mueller BV sales for the second quarter were \$16,738,000 and net income was \$1,019,000, compared to 2010 when sales were \$14,171,000 and net income was \$1,117,000.
 - The results for the three months, six months, and twelve months ended 6/30/11, were adversely affected by severance and noncompete payments totaling \$776,600 and the accrual of \$2,721,000 (a current 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.
 - The provisions for income taxes for the three months, six months, and twelve months ended June 30, 2011 included a valuation allowance (non-cash charge) against a portion of the company's net deferred tax assets of \$845,000, \$1,256,000 and \$7,228,000 respectively.
 - The effect of the LIFO provision on the results for the periods presented was not significant.

SUMMARIZED CONSOLIDATED BALANCE SHEETS

	June 30 2011	December 31 2010
Current Assets	\$ 57,063,000	\$ 40,997,000
Net Property, Plant, and Equipment	43,254,000	44,829,000
Other assets	16,974,000	16,452,000
Total Assets	\$ 117,291,000	\$ 102,278,000
Current Liabilities	\$ 62,033,000	\$ 46,047,000
Long-Term Debt	15,709,000	18,177,000
Other Long-Term Liabilities	21,512,000	20,231,000
Shareholders' Investment	18,037,000	17,823,000
Total Liabilities and Shareholders' Investment	\$ 117,291,000	\$ 102,278,000
Book Value per Common Share	\$14.29	\$13.81
Total Shares Outstanding	1,262,017	1,291,074
Backlog	\$ 53,391,000	\$ 31,044,000



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