

# MUELLER

## News Release

IMMEDIATE RELEASE

TRADED: OTC (MUEL)

WEDNESDAY, MARCH 4, 2009

FOR FURTHER INFORMATION CONTACT:

Donald E. Golik  
Executive Vice President & CFO  
Springfield, Missouri  
(417) 831-3000

SPRINGFIELD, MISSOURI – PAUL MUELLER COMPANY (OTC: MUEL.PK) TODAY REPORTED ITS EARNINGS FOR THE YEAR 2008:

### PAUL MUELLER COMPANY AND SUBSIDIARIES CONSOLIDATED SUMMARIES OF OPERATIONS

Unaudited

	Three Months Ended		Twelve Months Ended	
	December 31		December 31	
	2008	2007	2008	2007
Net Sales	\$ 65,287,000	\$ 79,444,000	\$ 217,882,000	\$ 241,147,000
Cost of Sales	48,951,000	63,578,000	176,826,000	200,859,000
Gross Profit	\$ 16,336,000	\$ 15,866,000	\$ 41,056,000	\$ 40,288,000
Selling, General and Admin. Expenses	13,768,000	6,298,000	34,443,000	25,275,000
Operating Income	\$ 2,568,000	\$ 9,568,000	\$ 6,613,000	\$ 15,013,000
Other Income (Expense)	(136,000)	(1,103,000)	(154,000)	(419,000)
Income before Provision for Income Taxes	\$ 2,432,000	\$ 8,465,000	\$ 6,459,000	\$ 14,594,000
Provision for Income Taxes	1,034,000	3,276,000	2,349,000	5,508,000
Net Income	\$ 1,398,000	\$ 5,189,000	\$ 4,110,000	\$ 9,086,000
Earnings per Common Share – Basic	\$1.17	\$4.49	\$3.53	\$7.88
Diluted	\$1.16	\$4.42	\$3.47	\$7.74

NOTES: 1) The fourth quarter of 2008 and a portion of the year 2008 included the results of Mueller B.V., a wholly owned Dutch subsidiary. Mueller B.V.'s results have been included since April 18, 2008, when it acquired Paltrok Beheer B.V. Additionally, the MEKO companies were acquired as of October 1, 2008. Mueller B.V.'s sales were \$17,325,000 and net income was \$626,400, or \$0.53 per share (\$0.52 diluted) for the fourth quarter of 2008. Mueller B.V.'s results for the partial year 2008 included sales of \$30,871,000 and net income of \$1,315,000, or \$1.12 per share (\$1.11 diluted).

Mueller B.V.'s net income for the fourth quarter and for the partial year 2008 was reduced by amortization of an intangible asset (the value of the backlog of the companies acquired during 2008). For the fourth quarter, amortization was \$384,700 after tax, or \$0.32 per share (basic and diluted); and for the partial year 2008, amortization was \$1,112,000 after tax, or \$0.95 per share (\$0.94 diluted).

Selling, general and administrative expenses included \$6,526,000 for the fourth quarter of 2008 and \$7,443,000 for the partial year of 2008, attributable to Mueller B.V.

2) Fourth quarter 2007 results were favorably affected by an adjustment to the LIFO reserve, which increased net income by \$2,163,000 after tax, or \$1.87 per share (\$1.84 diluted). The reduction in the inventory level during the fourth quarter due to the high level of sales contributed to the adjustment. There was no material LIFO adjustment for the fourth quarter of 2008.

3) For the year ended December 31, 2007, net income was adversely affected by an increase to the LIFO reserve, which reduced net income by \$1,005,000 after tax, or \$0.87 per share (\$0.86 diluted). The high price of stainless steel during 2007 contributed to the LIFO reserve increase. There was no material LIFO adjustment for the year 2008.

4) Consolidated Backlog

	December 31	
	2008	2007
	\$ 56,421,000	\$ 69,270,000

PAUL MUELLER COMPANY

P.O. Box 828 • Springfield, Missouri 65801-0828, U.S.A.  
Telephone: (417) 831-3000 • Facsimile: (417) 575-9881