

**IMMEDIATE RELEASE**  
**FRIDAY, APRIL 18, 2008**

**TRADED: OTC (MUEL)**  
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SPRINGFIELD, MISSOURI — PAUL MUELLER COMPANY (MUEL.PK) TODAY RELEASED ITS FIRST QUARTER REPORT FOR THE PERIOD ENDED MARCH 31, 2008, AS FOLLOWS:

**Paul Mueller Company and Subsidiaries**  


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**THREE-MONTH REPORT**  


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 (Unaudited)

**CONSOLIDATED SUMMARIES OF OPERATIONS**

	Three Months Ended		Twelve Months Ended	
	March 31		March 31	
	2008	2007	2008	2007
Net Sales .....	\$ 51,855,000	\$ 49,539,000	\$ 243,463,000	\$ 176,950,000
Cost of Sales .....	<u>43,517,000</u>	<u>41,019,000</u>	<u>203,357,000</u>	<u>145,903,000</u>
Gross Profit .....	\$ 8,338,000	\$ 8,520,000	\$ 40,106,000	\$ 31,047,000
Selling, General and Administrative Expenses.....	<u>6,787,000</u>	<u>5,754,000</u>	<u>26,308,000</u>	<u>22,937,000</u>
Operating Income .....	\$ 1,551,000	\$ 2,766,000	\$ 13,798,000	\$ 8,110,000
Other Income (Expense).....	<u>240,000</u>	<u>191,000</u>	<u>(370,000)</u>	<u>459,000</u>
Income before Provision for Income Taxes .....	\$ 1,791,000	\$ 2,957,000	\$ 13,428,000	\$ 8,569,000
Provision (Benefit) for Income Taxes.....	<u>655,000</u>	<u>1,073,000</u>	<u>5,090,000</u>	<u>(190,000)</u>
Net Income .....	<u>\$ 1,136,000</u>	<u>\$ 1,884,000</u>	<u>\$ 8,338,000</u>	<u>\$ 8,759,000</u>
Earnings per Common Share –				
Basic .....	\$ 0.98	\$ 1.64	\$ 7.22	\$ 7.61
Diluted .....	\$ 0.97	\$ 1.61	\$ 7.10	\$ 7.51

**FINANCIAL HIGHLIGHTS**

	March 31	December 31
	2008	2007
Total Assets .....	\$ 92,700,000	\$ 102,132,000
Working Capital.....	\$ 12,228,000	\$ 12,567,000
Current Ratio.....	1.25 : 1	1.22 : 1
Net Worth.....	\$ 27,885,000	\$ 27,397,000
Book Value Per Share ...	\$ 23.27	\$ 22.86
Backlog .....	\$ 54,262,000	\$ 69,270,000

NOTES: 1) First quarter 2008 net income was adversely affected by an increase to the LIFO reserve of \$231,000, after tax, or \$0.20 per share on a basic and diluted basis, while first quarter 2007 net income was adversely affected by an increase to the LIFO reserve of \$589,000, after tax, or \$0.51 per share (\$0.50 diluted).

2) The effective tax rate for the twelve months ended March 31, 2007, varies from the statutory rate (34%) due to a noncash credit of \$3,157,000 recorded during the fourth quarter of 2006 to reduce the remaining balance of the valuation allowance established during 2004 for all of the Company's net deferred tax assets.

**MUELLER**



April 18, 2008