IMMEDIATE RELEASE
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FOR FURTHER INFORMATION CONTACT:
Donald E. Golik – Exec. Vice President & CFO
Springfield, Missouri
(417) 831-3000

SPRINGFIELD, MISSOURI — PAUL MUELLER COMPANY TODAY RELEASED ITS FIRST QUARTER REPORT FOR THE PERIOD ENDED MARCH 31, 2006, AS FOLLOWS:

Paul Mueller Company and Subsidiaries

THREE-MONTH REPORT

(Unaudited)

CONSOLIDATED SUMMARIES OF OPERATIONS

	Three Months Ended March 31		Twelve Months Ended March 31	
	2006	2005	2006	2005
Net Sales	$ 25,476,000	$ 32,783,000	$ 130,826,000	$ 127,400,000
Cost of Sales	20,558,000	25,153,000	105,388,000	108,567,000
Gross Profit	$ 4,918,000	$ 7,630,000	$ 25,438,000	$ 18,833,000
Selling, General and Administrative Expenses	4,963,000	5,038,000	21,229,000	19,041,000
Operating Income (Loss)	$ (45,000)	$ 2,592,000	$ 4,209,000	$ (208,000)
Other Income	226,000	113,000	404,000	345,000
Income before Provision (Benefit) for Income Taxes	$ 181,000	$ 2,705,000	$ 4,613,000	$ 137,000
Provision (Benefit) for Income Taxes	34,000	680,000	(126,000)	4,346,000
Net Income (Loss)	$ 147,000	$ 2,025,000	$ 4,739,000	$ (4,209,000)
Earnings (Loss) per Common Share –				
Basic	$ 0.13	$ 1.73	$ 4.09	$ (3.60)
Diluted	$ 0.13	$ 1.72	$ 4.06	$ (3.60)

NOTES:
1) The effective tax rate for the three months ended March 31, 2006, varies from the statutory rate (34%) due to the effect of the alternative minimum tax; and the effective tax rate for the three months ended March 31, 2005, varies from the statutory tax rate (34%) due primarily to the utilization of a net operating loss carryforward and tax credits.
2) The effective tax rate for the twelve months ended March 31, 2006, varies from the statutory rate (34%) due to the utilization of a net operating loss carryforward, tax credits, and a partial reduction of the valuation allowance established during 2004 for all of the Company's net deferred tax assets.
3) The tax provision for the twelve months ended March 31, 2005, includes a non-cash charge of $6,193,000 recorded during 2004 to establish a valuation allowance for all of the Company's net deferred tax assets. A consolidated cumulative loss before tax was incurred during the three-year period ended December 31, 2004, and this is sufficient objective evidence to preclude the assertion that the ultimate realization of the net deferred tax assets is more likely than not; and a full valuation allowance was required under the provisions of Statement of Financial Accounting Standards (SFAS) No. 109, "Accounting for Income Taxes." The consolidated cumulative loss before tax was attributable principally to LIFO provisions recorded during the three years ended December 31, 2004, due to the significant increase in stainless steel prices.

FINANCIAL HIGHLIGHTS

	March 31 2006	December 31 2005
Total Assets	$ 64,519,000	$ 55,171,000
Working Capital	$ 6,598,000	$ 7,705,000
Current Ratio	1.18 : 1	1.28 : 1
Net Worth	$ 20,879,000	$ 21,449,000
Book Value Per Share	$ 17.97	$ 18.46
Backlog	$ 46,382,000	$ 37,027,000

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April 21, 2006