IMMEDIATE RELEASE
FRIDAY, OCTOBER 21, 2005

TRADED: OTC (Muel)
FOR FURTHER INFORMATION CONTACT:
Donald E. Golik
Springfield, Missouri
(417) 831-3000

SPRINGFIELD, MISSOURI — PAUL MUELLER COMPANY TODAY RELEASED ITS THIRD QUARTER REPORT FOR THE PERIOD ENDED SEPTEMBER 30, 2005, AS FOLLOWS:

Paul Mueller Company and Subsidiaries

NINE-MONTH REPORT

(Unaudited)

CONSOLIDATED SUMMARIES OF OPERATIONS

	Three Months Ended September 30		Nine Months Ended September 30		Twelve Months Ended September 30	
	2005	2004	2005	2004	2005	2004
Net Sales	$ 31,322,000	$ 33,948,000	$ 98,621,000	$ 77,649,000	$ 133,900,000	$ 107,155,000
Income (Loss) from Operations before Taxes	$ 536,000	$ (600,000)	$ 3,985,000	$ (7,090,000)	$ 4,711,000	$ (8,625,000)
Tax Provision	118,000	4,724,000	1,197,000	2,330,000	1,108,000	1,495,000
Net Income (Loss)	$ 418,000	$ (5,324,000)	$ 2,788,000	$ (9,420,000)	$ 3,603,000	$ (10,120,000)
Earnings (Loss) per Common Share –						
Basic	$ 0.36	$ (4.55)	$ 2.38	$ (8.05)	$ 3.08	$ (8.66)
Diluted	$ 0.36	$ (4.55)	$ 2.37	$ (8.05)	$ 3.06	$ (8.66)

NOTE: 1) The effective tax rates for the three, nine, and twelve month periods ended September 30, 2005, vary from the statutory tax rate (34%) due to the utilization of a net operating loss, tax credits, and items that are treated differently for book and tax purposes.

The tax provision for the three months, nine months, and twelve months ended September 30, 2004, includes a non-cash charge of $5,047,000 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 September 30, 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 September 30, 2004, due to the significant increase in stainless steel prices.

FINANCIAL HIGHLIGHTS

	September 30 2005	December 31 2004
Total Assets	$ 55,965,000	$ 57,083,000
Working Capital	$ 6,148,000	$ 5,826,000
Current Ratio	1.21 : 1	1.19 : 1
Net Worth	$ 16,828,000	$ 17,000,000
Book Value Per Share	$ 14.48	$ 14.26
Backlog	$ 37,706,000	$ 46,324,000

MUELLER®

October 21, 2005