DATE: FRIDAY, JULY 22, 2005

TRADED: MUEL
FOR FURTHER INFORMATION CONTACT:
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SPRINGFIELD, MISSOURI — PAUL MUELLER COMPANY TODAY RELEASED ITS SECOND QUARTER REPORT FOR THE PERIOD ENDED JUNE 30, 2005, 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	
	2005	2004	2005	2004	2005	2004
Net Sales	$ 34,516,000	$ 25,390,000	$ 67,299,000	$ 43,701,000	$ 136,526,000	$ 102,927,000
Income (Loss) from Operations before Taxes	$ 744,000	$ (2,694,000)	$ 3,449,000	$ (6,490,000)	$ 3,575,000	$ (6,547,000)
Tax Provision (Benefit)	399,000	(969,000)	1,079,000	(2,394,000)	5,714,000	(2,768,000)
Net Income (Loss)	$ 345,000	$ (1,725,000)	$ 2,370,000	$ (4,096,000)	$ (2,139,000)	$ (3,779,000)
Earnings (Loss) per Common Share –						
Basic	$ 0.29	$ (1.48)	$ 2.02	$ (3.50)	$ (1.83)	$ (3.24)
Diluted	$ 0.29	$ (1.48)	$ 2.01	$ (3.50)	$ (1.83)	$ (3.24)

NOTES:

1) The effective tax rate for the quarter ended June 30, 2005, varies from the statutory tax rate (34%) due to a non-cash charge made during the second quarter of $520,000, after tax, that has been treated differently for book and tax purposes.

   The tax provision for the twelve months ended June 30, 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.

2) The effective tax rates for the periods ended June 30, 2004, vary from the statutory tax rate (34%) due to the effect of state income taxes, items that are treated differently for book and tax purposes, and tax credits.

FINANCIAL HIGHLIGHTS

	June 30 2005	December 31 2004
Total Assets	$ 60,709,000	$ 57,083,000
Working Capital	$ 8,799,000	$ 5,826,000
Current Ratio	1.28 : 1	1.19 : 1
Net Worth	$ 17,995,000	$ 17,000,000
Book Value Per Share	$ 15.15	$ 14.26
Backlog	$ 43,806,000	$ 46,324,000

MUELLER®

July 22, 2005