MUELLER

Press Contact: Dan Winters | Paul Mueller Company | Springfield, MO 65802 | (417) 575-9000
dwinters@paulmueller.com | https://paulmueller.com

For Immediate Release

Paul Mueller Company Announces Its Second Quarter Earnings of 2026

Springfield, Missouri - July 31, 2026. Paul Mueller Company (OTC: MUEL) today announced earnings for the second quarter ended June 30, 2026

PAUL MUELLER COMPANY
SIX-MONTH REPORT
Unaudited
(In thousands)

CONSOLIDATED STATEMENTS OF INCOME

	Three Months Ended June 30		Six Months Ended June 30		Twelve Months Ended June 30	
	2026	2025	2026	2025	2026	2025
Net Sales	$ 93,837	$ 72,624	$ 160,190	$ 131,484	$ 315,707	$ 264,043
Cost of Sales	65,130	44,760	116,933	85,798	224,336	171,491
Gross Profit	$ 28,707	$ 27,864	$ 43,257	$ 45,686	$ 91,371	$ 92,552
Selling, General and Administrative Expense	14,111	13,332	26,173	24,865	51,571	49,338
Operating Income	$ 14,596	$ 14,532	$ 17,084	$ 20,821	$ 39,800	$ 43,214
Interest Income [1]	325	578	901	607	2,017	1,299
Other Income (Expense) [1]	11	50	(30)	114	396	626
Income before Provision for Income Taxes	$ 14,932	$ 15,160	$ 17,955	$ 21,542	$ 42,213	$ 45,139
Provision for Income Taxes	3,513	3,531	4,237	4,985	10,372	10,163
Net Income	$ 11,419	$ 11,629	$ 13,718	$ 16,557	$ 31,841	$ 34,976
Earnings per Common Share — Basic and Diluted	$12.72	$12.50	$15.27	$17.74	$35.13	$37.40

1. Has been restated to move Interest Income out of Other Income (Expense) and net it with Interest Expense on the Interest Income line for all periods being presented.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Six Months Ended June 30	
	2026	2025
Net Income	$ 13,718	$ 16,557
Other Comprehensive Income (Loss), Net of Tax:		
Foreign Currency Translation Adjustment	(843)	2,015
Comprehensive Income	$ 12,875	$ 18,572

CONSOLIDATED BALANCE SHEETS

	June 30 2026	December 31 2025
Cash and Cash Equivalents	$ 32,113	$ 29,883
Marketable Securities	6,518	19,913
Accounts Receivable, net	51,516	41,719
Inventories (FIFO)	49,677	52,715
LIFO Reserve	(21,587)	(21,051)
Inventories (LIFO)	28,090	31,664
Current Net Investments in Sales-Type Leases	67	62
Other Current Assets	13,127	5,758
Current Assets	$ 131,431	$ 128,999
Net Property, Plant, and Equipment	90,328	79,083
Right of Use Assets	2,270	2,276
Other Assets	1,443	1,625
Long-Term Net Investments in Sales-Type Leases	2,761	2,338
Total Assets	$ 228,233	$ 214,321
Accounts Payable	$ 18,087	$ 17,750
Current Maturities and Short-Term Debt	456	468
Current Lease Liabilities	411	403
Advance Billings	35,891	36,362
Other Current Liabilities	55,209	52,594
Current Liabilities	$ 110,054	$ 107,577
Long-Term Debt	4,902	5,265
Other Long-Term Liabilities	1,551	1,618
Lease Liabilities	796	904
Total Liabilities	$ 117,303	$ 115,364
Shareholders' Investment	110,930	98,957
Total Liabilities and Shareholders' Investment	$ 228,233	$ 214,321

SELECTED FINANCIAL DATA

	June 30 2026	December 31 2025
Book Value per Common Share	$123.52	$110.09
Total Shares Outstanding	898,059	898,883
Backlog	$ 206,950	$ 243,606

CONSOLIDATED STATEMENT OF SHAREHOLDERS' INVESTMENT

	Common Stock	Paid-in Surplus	Retained Earnings	Treasury Stock	Accumulated Other Comprehensive Income (Loss)	Total
Balance, December 31, 2025	$ 1,508	$ 9,708	$ 129,674	$ (39,511)	$ (2,422)	$ 98,957
Add (Deduct):						
Net Income			13,718			13,718
Other Comprehensive Income, Net of Tax					(843)	(843)
Dividends			(539)			(539)
Treasury Stock Acquisition				(363)		(363)
Other						-
Balance, June 30, 2026	$ 1,508	$ 9,708	$ 142,853	$ (39,874)	$ (3,265)	$ 110,930

CONSOLIDATED STATEMENT OF CASH FLOWS

	Six Months Ended June 30, 2026	Six Months Ended June 30, 2025
Operating Activities:		
Net Income	$ 13,718	$ 16,557
Adjustment to Reconcile Net Income to Net Cash Provided by Operating Activities:		
Depreciation & Amortization	4,408	3,380
ROU Asset Amortization	24	-
Deferred Tax Expense	-	288
Loss on Disposal of Equipment	693	469
Change in Assets and Liabilities		
(Inc) in Accts and Notes Receivable	(9,969)	(15,765)
(Inc) in Cost in Excess of Estimated Earnings and Billings	(343)	(16)
(Inc) Dec in Inventories	3,871	(2,256)
(Inc) in Prepayments	(7,030)	(782)
(Inc) in Net Investment in Sales-Type Leases	(490)	(579)
Dec in Other Assets	360	2,026
(Dec) Inc in Accounts Payable	451	(4,589)
(Dec) Inc in Accrued Income Tax	(2,626)	913
Inc (Dec) in Other Accrued Expenses	(4,276)	3,088
Inc (Dec) in Advance Billings	(435)	12,784
Inc in Billings in Excess of Costs and Estimated Earnings	9,591	12,156
Principal payments of Lease Liability for Operating	(180)	(156)
Inc in Long Term Deferred Tax Liabilities	25	17
(Dec) in Other Long-Term Liabilities	(58)	(1,730)
Net Cash Provided by Operating Activities	$ 7,734	$ 25,805
Investing Activities		
Purchases of Marketable Securities	(40,099)	(16,464)
Proceeds from Sales of Marketable Securities	53,494	10,981
Proceeds from Sales of Equipment	6	-
Additions to Property, Plant, and Equipment	(17,442)	(13,850)
Net Cash (Required) for Investing Activities	$ (4,041)	$ (19,333)
Financing Activities		
Principal payments of Lease Liability for Financing	(39)	(50)
(Repayment) of Short-Term Borrowings, Net	(234)	(5,186)
Proceeds of Short-Term Borrowings, Net	234	2,136
(Repayment) of Long-Term Debt	(426)	(1,864)
Dividends Paid	(539)	(495)
Treasury Stock Acquisitions	(363)	(1,664)
Net Cash (Required) for Financing Activities	$ (1,367)	$ (7,123)
Effect of Exchange Rate Changes	(96)	1,160
Net Increase in Cash and Cash Equivalents	$ 2,230	$ 509
Cash and Cash Equivalents at Beginning of Year	29,883	21,169
Cash and Cash Equivalents at End of Quarter	$ 32,113	$ 21,678

PAUL MUELLER COMPANY
SUMMARIZED NOTES TO THE FINANCIAL STATEMENTS
(In thousands)

A. The table below depicts the net revenue on a consolidating basis for the three months ended June 30.

Three Months Ended June 30			
Revenue	2026	2025	Variance
Domestic	$ 76,802	$ 58,928	$ 17,874
Mueller BV	$ 17,046	$ 13,796	$ 3,250
Eliminations	$ (11)	$ (100)	$ 89
Net Revenue	$ 93,837	$ 72,624	$ 21,213

The table below depicts the net revenue on a consolidating basis for the six months ended June 30.

Six Months Ended June 30			
Revenue	2026	2025	Variance
Domestic	$ 128,386	$ 109,005	$ 19,381
Mueller BV	$ 31,825	$ 22,579	$ 9,246
Eliminations	$ (21)	$ (100)	$ 79
Net Revenue	$ 160,190	$ 131,484	$ 28,706

The table below depicts the net revenue on a consolidating basis for the twelve months ended June 30.

Twelve Months Ended June 30			
Revenue	2026	2025	Variance
Domestic	$ 255,252	$ 219,480	$ 35,772
Mueller BV	$ 60,504	$ 45,548	$ 14,956
Eliminations	$ (49)	$ (985)	$ 936
Net Revenue	$ 315,707	$ 264,043	$ 51,664

The table below depicts the net income on a consolidating basis for the three months ended June 30.

Three Months Ended June 30			
Net Income	2026	2025	Variance
Domestic	$ 9,986	$ 10,922	$ (936)
Mueller BV	$ 1,433	$ 694	$ 739
Eliminations	$ -	$ 13	$ (13)
Net Income	$ 11,419	$ 11,629	$ (210)

The table below depicts the net income on a consolidating basis for the six months ended June 30.

Six Months Ended June 30			
Net Income	2026	2025	Variance
Domestic	$ 11,308	$ 16,350	$ (5,042)
Mueller BV	$ 2,410	$ 200	$ 2,210
Eliminations	$ -	$ 7	$ (7)
Net Income	$ 13,718	$ 16,557	$ (2,839)

The table below depicts the net income on a consolidating basis for the twelve months ended June 30.

Twelve Months Ended June 30			
Net Income	2026	2025	Variance
Domestic	$ 28,056	$ 34,609	$ (6,553)
Mueller BV	$ 3,798	$ 388	$ 3,410
Eliminations	$ (13)	$ (21)	$ 8
Net Income (Loss)	$ 31,841	$ 34,976	$ (3,135)

B. The backlog as of June 30, 2026 remains strong at $208.3 million compared to $234.2 million at June 30, 2025, with the majority being in Industrial Equipment. The U.S. backlog is $193.9 million at June 30, 2026 compared to $223.6 million at June 30, 2025. In the Netherlands, the backlog has increased to $14.6 million at June 30, 2026 from $11.3 million at June 30, 2025.

C. Revenue is up from the previous year by $21.2 million on a three-month basis and up $51.7 million for the trailing twelve months. Revenues in the U.S. are up $17.9 million for the three months and $35.8 million for the twelve months, with the increases primarily from the Industrial Equipment segment. In the Netherlands, revenues are up $3.3 million on a three-month basis and $15 million on a twelve-month basis.

Net Income is flat year over year on a three-month basis, and down $3.1 million on a twelve-month basis. In the Netherlands, earnings are up $0.7 million for three months and up $3.4 million over twelve months.

Net income in the second quarter of 2026 was nearly as strong as in the same quarter of 2025. This performance was supported by the continuing high level of work in our pharmaceutical business and strong profitability in our other markets. Particularly noteworthy is the strong performance of our Dutch subsidiary, which doubled net income over the prior-year quarter and operates primarily in the dairy farm market. Revenue in the second quarter was significantly higher, but net income as a percentage of revenue was lower. Significant factors contributing to this lower margin were an unusually profitable rush project in 2025 with no comparable project in 2026, the effects of startup activities in the new building, and the continued reliance on contractors in 2026 to handle volume above our internal capacity.

Our new module fabrication building is nearly full with active work, and much of the former module space in older buildings is still occupied by jobs being disassembled for shipment or waiting for customer sites to be ready. Without the new building, we could not have maintained this level of work.

D. We manage our business in the U.S. looking at earnings before tax (EBT) and excluding the effects of LIFO. This non-GAAP adjusted EBT (as shown in the table below) is down $1.3 million for the three months, $7.8 million for the six months and $8.3 million for the trailing twelve months.

	Ended June 30					
	Three Months		Six Months		Twelve Months	
(In Thousands)	2026	2025	2026	2025	2026	2025
Domestic Net Income	$ 9,986	$ 10,922	$ 11,308	$ 16,350	$ 28,056	$ 34,609
Income Tax Expense	$ 3,016	$ 3,292	$ 3,407	$ 4,920	$ 9,113	$ 10,002
Domestic EBT - GAAP	$ 13,002	$ 14,214	$ 14,715	$ 21,270	$ 37,169	$ 44,611
LIFO Adjustment	$ 290	$ 369	$ 536	$ 1,752	$ (311)	$ 587
Domestic EBT - Non-GAAP	$ 13,292	$ 14,583	$ 15,251	$ 23,022	$ 36,858	$ 45,198

E. On June 5, 2026, the tender offer, announced on May 7, 2026, expired with 824 shares being tendered for a total of $362,560.

F. The consolidated financials are affected by the euro to dollar exchange rate when consolidating Mueller B.V., the Dutch subsidiary. The month-end euro to dollar exchange rate was 1.17 for June 2025, 1.17 for December 2025, and 1.14 for June 2026.

This press release contains forward-looking statements that provide current expectations of future events based on certain assumptions. All statements regarding future performance growth, conditions, or developments are forward-looking statements. Actual future results may differ materially from those described in the forward-looking statements due to a variety of factors, including, but not limited to, the factors described in the Company's Annual Report under "Safe Harbor for Forward-Looking Statements", which is available at paulmueller.com. The Company expressly disclaims any obligation or undertaking to update these forward-looking statements to reflect any future events or circumstances.

The accounting policies related to this report and additional management discussion and analysis are provided in the 2025 annual report, available at www.paulmueller.com.