



ANNUAL REPORT | 2012

5-Year Review

(Dollars in thousands except per share data)

SUMMARY OF OPERATIONS

	2012	2011	2010	2009	2008
Net sales	\$ 2,189,938	\$ 2,417,797	\$ 2,059,797	\$ 1,547,225	\$ 2,558,448
Operating income	\$ 126,705	\$ 139,802	\$ 136,147	\$ 32,220	\$ 126,096
Net income	\$ 82,395	\$ 86,321	\$ 86,171	\$ 4,675	\$ 80,814
Diluted earnings per share	\$ 2.31	\$ 2.26	\$ 2.28	\$ 0.12	\$ 2.17
Dividends per share	\$ 0.425	\$ 0.40	\$ 0.40	\$ 0.40	\$ 0.40

SIGNIFICANT YEAR-END DATA

Cash and cash equivalents	\$ 198,934	\$ 514,162	\$ 394,139	\$ 346,001	\$ 278,860
Ratio of current assets to current liabilities	2.9 to 1	4.8 to 1	4.7 to 1	4.4 to 1	3.7 to 1
Long-term debt (including current portion)	\$ 234,870	\$ 197,741	\$ 190,246	\$ 182,551	\$ 182,910
Debt as a percent of total capitalization	30.4%	18.3%	18.9%	19.8%	20.1%
Stockholders' equity	\$ 506,908	\$ 855,688	\$ 788,736	\$ 713,167	\$ 700,683
Book value per share	\$ 18.04	\$ 22.38	\$ 20.84	\$ 18.94	\$ 18.86
Capital expenditures	\$ 56,825	\$ 18,751	\$ 18,678	\$ 13,942	\$ 22,261



Executive Leadership Team

Gregory L. Christopher

Chief Executive Officer

Fabricio Bernal

Managing Director,
Mexico Operations

Daniel R. Corbin

Vice President,
Corporate Manufacturing Engineering

John B. Hansen

Executive Vice President

Jeffrey A. Martin

Chief Financial Officer
and Treasurer

Mark Millerchip

Executive Director,
European Operations

Nicholas W. Moss

President,
Retail Business

Douglas J. Murdock

President,
Fabricated Products

Steffen Sigloch

President,
Extruded Products

Gary C. Wilkerson

Vice President,
General Counsel and Secretary



Board of Directors

Gary S. Gladstein

Chairman of the Board,
Mueller Industries, Inc.
Independent Investor & Consultant

Gregory L. Christopher

Chief Executive Officer,
Mueller Industries, Inc.

Alexander P. Federbush

Chairman,
Varick Realty Corp.

Paul J. Flaherty

Advisory Board Member,
AON Risk Services, Inc.

Gennaro J. Fulvio

Member,
Fulvio & Associates, LLP

Scott J. Goldman

CEO and Co-Founder,
TextPower, Inc.

Terry Hermanson

President,
Mr. Christmas Incorporated

Harvey L. Karp

Chairman Emeritus,
Mueller Industries, Inc.

To our Stockholders, Customers & Employees

Mueller Industries' businesses principally serve the residential and commercial construction markets. These markets were hit hard by the financial meltdown of 2007. The following five years were challenging and the company made many changes and adjustments in order to remain profitable and retain our competitive edge. As a result, we were able to achieve annual operating income of \$100 million or more during this difficult period, with the exception of 2009.

We look forward to better times ahead as the residential construction sector appears to be resurging, and we anticipate the commercial construction market will follow in due course.

For the fiscal year ended December 29, 2012, Mueller Industries' net income was \$82.4 million, or \$2.31 per diluted share, compared with \$86.3 million or \$2.26 per diluted share for the prior year. The prior year included a favorable litigation gain of \$10.5 million, or 18¢ per diluted share after tax.

Net sales for 2012 totaled \$2.2 billion compared with \$2.4 billion in 2011. The difference was largely due to the decline in copper prices which averaged \$3.61 per pound in 2012, versus \$4.01 per pound in 2011.

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In 2012, our business generated a strong cash flow of \$108 million from operating activities. At year-end, our cash on hand totaled \$199 million, or \$7.08 per share.

One of the key financial highlights of the year was the repurchase of 10.4 million of our shares at \$41 per share. This turned out to be a timely purchase, as our shares are, as of this writing, selling for \$53 per share. By this purchase, our outstanding shares were reduced from 38.5 million shares to 28.1 million shares.

Another financial highlight of 2012 was the redemption in full of our outstanding 6%, 2014 Debentures in the amount of \$148 million. The redemption will reduce our annual interest expense by approximately \$9 million.

Operations Review

PLUMBING AND REFRIGERATION SEGMENT

Operating income from our Plumbing and Refrigeration segment in 2012 increased to \$87 million, compared with \$85 million the year before. Net sales declined by 7% due largely to the decline in copper prices.

Our U.S. and U.K. copper tube businesses overall were stable despite a decline in the unit volume at our U.K. operations. This decline was offset by an increase in our U.S. export sales. This segment also includes our U.S., U.K., and Mexican Buy-Sell Plumbing businesses. New products accounted for a majority of the growth in sales, as well as improved profitability in these businesses.

In September of 2011, a fire at one of our factories in Wynne, Arkansas destroyed much of our plastic fittings manufacturing capacity. We promptly negotiated supply agreements to ensure that service to our customers was not interrupted. By year-end 2012 we had re-established much of our required capacity at our Kalamazoo, Michigan plastics plant. We anticipate being at full productive capacity by April 2013.

OEM SEGMENT

Operating income from our OEM segment in 2012 was \$67 million versus \$73 million in 2011. Net sales were \$975 million in 2012 compared to \$1.1 billion in 2011. Sales were affected by the prices of copper as previously noted, coupled with a decrease in volume.

The OEM segment is composed of our Industrial Products Division, the Engineered Products Division, and our Jiangsu Mueller-Xingrong Copper Industries joint venture in China.

In several of these OEM-driven businesses we continue to expand our product range to include the use of aluminum in addition to copper and brass. Our Gas Products, Impacts / Microgauge, Precision Tube, and Fabricated Tube Products businesses have expertise in fabricating aluminum which we believe will promote their long-term growth.

Our China copper tube mill remained solidly profitable despite a decline in unit volume.

CAPITAL INVESTMENT AND ACQUISITIONS

Our copper and brass mills are efficient and productive, but we have significant plans to further improve their operations. These businesses are capital-intensive and periodically require investments to upgrade equipment and to implement new manufacturing technologies. In 2012, we initiated several major capital expenditure programs, with more to follow over the next several years. Our objective is to enhance our position as a world-class manufacturer.

In September 2012, we acquired Westermeyer Industries, which manufactures refrigeration products that are complementary to Mueller Industries' refrigeration offerings. We welcome the Westermeyer personnel and look forward to assisting them to expand the business.

In late 2012, we also acquired manufacturing assets which will allow us to participate in the bus bar business. The equipment has been installed in our Belding, Michigan factory.

*Our objective is to enhance our position
as a world-class manufacturer.*

We believe that many domestic companies will soon bring production back to the U.S. that they previously outsourced to Asia and elsewhere. The high costs and risks associated with carrying multiple inventories may no longer justify the outsourcing model. When companies do repatriate their production, we believe our mills and operations will experience a surge in demand. We plan to be ready to handle the anticipated increase in volume.

CLOSING

Many economists have predicted that the housing and commercial construction industry will importantly contribute to the growth of the U.S. economy in 2013. Mueller Industries is well positioned to participate in such growth.

Our manufacturing facilities are in excellent shape and have the capacity to handle production increases. Our capital expenditure initiatives will add to our capacity and efficiency.

Our employees are committed and dedicated to the continued success of our company. They are the driving force behind our company.

Our balance sheet is strong and will support the growth of our company as well as investments in compatible acquisitions.

On February 19, 2013, Mr. Jeff Martin, a 16-year veteran with our company, was named Chief Financial Officer. Jeff has a comprehensive knowledge of our businesses and has seamlessly assumed his new duties.

Also, on November 2, 2012, Mr. Gary S. Gladstein was selected by our Board to be its new Non-Executive Chairman. Mr. Gladstein has been a Mueller Industries Director for over 17 years. All of us are enthusiastic that he has agreed to serve as our Chairman.

We extend our thanks and appreciation to our employees, our customers, and our stockholders.

Sincerely,



Gregory L. Christopher
Chief Executive Officer



GREGORY L. CHRISTOPHER

Global Operations Overview



Security Holder Information

ANNUAL MEETING

The annual meeting of stockholders will be held at the Company's headquarters at Suite 150, 8285 Tournament Drive, Memphis, TN 38125, 10:00 a.m. local time, May 2, 2013

FORM 10-K

The Company's Annual Report on Form 10-K is available on the Company's website at www.muellerindustries.com or upon written request:

c/o Mueller Industries, Inc.
Attention: Investor Relations
Suite 150
8285 Tournament Drive
Memphis, TN 38125

MARKET FOR MUELLER INDUSTRIES SECURITIES

- Common stock is traded on the NYSE – Symbol MLI.

TRANSFER AGENT, REGISTRAR AND PAYING AGENT

To notify the Company of address changes, lost certificates, dividend payments, or account consolidations, security holders should contact:

American Stock Transfer &
Trust Company, LLC
Shareholder Services Department
6201 15th Avenue
Brooklyn, NY 11219

Toll Free: (800) 937-5449
Local & International: (718) 921-8124
Email: info@amstock.com
Web site: www.amstock.com

NYSE CERTIFICATIONS

The Company submitted an unqualified Section 12(a) CEO Certification to the NYSE in 2012. The Company filed with the SEC the CEO/CFO Certifications required under Section 302 of the Sarbanes-Oxley Act as an exhibit to the Company's Annual Report on Form 10-K for 2012 and 2011.

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Ernst & Young LLP
Memphis, Tennessee

Capital Stock Information

The Company's Board of Directors declared a regular quarterly dividend on its common stock of 12.5 cents per share in the fourth quarter of 2012 and 10 cents per share for each of the first three quarters of 2012 and each quarter of 2011. Payment of dividends in the future is dependent upon the Company's financial condition, cash flows, capital requirements, earnings, and other factors.

The high, low, and closing prices of Mueller Industries' common stock on the New York Stock Exchange for each fiscal quarter of 2012 and 2011 were as follows:

	High	Low	Close
2012			
Fourth Quarter	\$ 51.41	\$ 42.43	\$ 49.26
Third Quarter	48.48	39.72	45.47
Second Quarter	47.28	39.89	42.59
First Quarter	49.86	38.16	45.45
2011			
Fourth quarter	\$ 46.33	\$ 35.51	\$ 38.42
Third quarter	47.72	36.14	38.59
Second quarter	40.13	34.60	38.47
First quarter	37.32	31.08	36.95

As of February 25, 2013, the number of holders of record of Mueller Industries' common stock was approximately 1,020. On February 25, 2013, the closing price for Mueller Industries' common stock on the New York Stock Exchange was \$51.98.



Mueller Industries, Inc. is a leading manufacturer of copper tube and fittings; brass and copper alloy rod, bar and shapes; aluminum and brass forgings; aluminum and copper impact extrusions; plastic fittings and valves; refrigeration valves and fittings; and fabricated tubular products. Mueller Industries' operations are located throughout the United States and in Canada, Mexico, Great Britain, and China. Mueller Industries' business is importantly linked to: (1) the construction of new homes; (2) the improvement and reconditioning of existing homes and structures; and (3) the commercial construction market which includes office buildings, factories, hotels, hospitals, etc.