

February 7, 2017



Mueller Industries, Inc. Reports Fourth Quarter and Fiscal 2016 Earnings

MEMPHIS, Tenn., February 7, 2017 -- Mueller Industries, Inc. (NYSE: MLI) announced today that net income for the fourth quarter ending December 31, 2016 was \$17.3 million, or 30 cents per diluted share compared with net income of \$14.4 million, or 25 cents per diluted share in 2015. Net sales for the fourth quarter were \$472.2 million compared with \$472.0 million in the same quarter in 2015.

On a full year basis net income was \$99.7 million, or \$1.74 per diluted share on net sales of \$2.1 billion, compared with net income of \$87.9 million, or \$1.54 per diluted share on net sales of \$2.1 billion for 2015.

Financial and operating highlights for the fourth quarter:

- The average comex copper price rose 8.6 percent, or 19 cents per pound versus the s in an increase in net sales during the quarter of \$19.2 million from higher selling prices impact of translating net sales of the Company's foreign operations to U.S. dollars.
- The Company recognized a pre-tax impairment charge of \$3.8 million related to certain
- The results include a net loss of \$1.2 million from Tecumseh Products, Co., an uncons
- The Company ended the year with \$351.3 million of cash on hand or \$6.12 per share.
- At year end debt to total capitalization was 19.5 percent and the current ratio was 4.1 t

On January 4, 2017, the Company announced a special dividend of \$8.00 per share. The distribution, payable on March 9, 2017, will return to the Company's stockholders significant value that has accumulated from recent years' operations.

Regarding the outlook, Greg Christopher, CEO of Mueller Industries said, "As we turn the corner to 2017 we are well positioned for growth. Of particular importance are the benefits we began to realize in the fourth quarter in our brass rod business from the completion of our multi-year modernization investment. This investment positions us well for the recovery of the industrial markets.

He added, "The new administration seems resolute in growing the economy by increasing manufacturing jobs and rebuilding our nation's infrastructure. This should bode well for overall growth in the U.S. GDP, and in particular should help maintain the positive momentum in the building construction markets. On the international front, demand remained weak in the fourth quarter and the strengthening of the dollar had an adverse translation effect on our earnings. We anticipate that conditions in our international markets will improve over time."

Mueller Industries, Inc. is an industrial manufacturer that specializes in copper and copper alloy manufacturing while also producing goods made from aluminum, steel, and plastics. It is headquartered in Memphis, Tennessee and comprises a network of operations in the United States, Canada, Mexico, Great Britain, South Korea, and China. Its products include tubing, fittings, valves, vessels, and related items for plumbing and HVACR related piping systems, as well as rod, forgings, extrusions, and various components for OEM applications. Products are distributed into sectors such as building construction, appliance, defense, energy, and automotive.

Statements in this release that are not strictly historical may be "forward-looking" statements, which involve risks and uncertainties. These include economic and currency conditions, continued availability of raw materials and energy, market demand, pricing, competitive and technological factors, and the availability of financing, among others, as set forth in the Company's SEC filings. The words "outlook," "estimate," "project," "intend," "expect," "believe," "target," "encourage," "anticipate," "appear," and similar expressions are intended to identify forward-looking statements. The reader should not place undue reliance on forward-looking statements, which speak only as of the date of this report. The Company has no obligation to publicly update or revise any forward-looking statements to reflect events after the date of this report.

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MUELLER INDUSTRIES, INC.

CONDENSED CONSOLIDATED STATEMENTS OF INCOME

(Unaudited)

| <i>(In thousands, except per share data)</i> | For the Quarter Ended | | For the Year Ended | |
|--|-----------------------|----------------------|----------------------|----------------------|
| | December 31, 2016 | December 26, 2015 | December 31, 2016 | December 26, 2015 |
| Net sales | \$ 472,158 | \$ 471,983 | \$ 2,055,622 | \$ 2,100,002 |
| Cost of goods sold | 396,129 | 411,336 | 1,723,499 | 1,809,702 |
| Depreciation and amortization | 8,136 | 9,818 | 35,133 | 34,608 |
| Selling, general, and administrative expense | 34,792 | 31,866 | 137,499 | 130,358 |
| Impairment charges | 3,778 | — | 6,778 | — |
| Gain on sale of assets | — | — | — | (15,376) |
| Severance | — | — | — | 3,442 |
| Operating income | 29,323 | 18,963 | 152,713 | 137,268 |
| Interest expense | (2,017) | (1,690) | (7,387) | (7,667) |

| | | | | |
|--|-------------|-------------|-------------|-------------|
| Other (expense) income, net | (176) | 1,654 | 704 | 2,188 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Income before income taxes | 27,130 | 18,927 | 146,030 | 131,789 |
| Income tax expense | (9,174) | (7,008) | (48,137) | (43,382) |
| (Loss) income from unconsolidated affiliates, net of tax | (1,188) | 2,191 | 1,861 | — |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Consolidated net income | 16,768 | 14,110 | 99,754 | 88,407 |
| Net loss (income) attributable to noncontrolling interests | 554 | 325 | (27) | (543) |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Net income attributable to Mueller Industries, Inc. | \$ 17,322 | \$ 14,435 | \$ 99,727 | \$ 87,864 |
| | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> |
| Weighted average shares for basic earnings per share | 56,680 | 56,450 | 56,572 | 56,316 |
| Effect of dilutive stock-based awards | 620 | 537 | 597 | 652 |
| | <hr/> | <hr/> | <hr/> | <hr/> |

| | | | | |
|---|----------|----------|----------|----------|
| Adjusted weighted average shares for diluted earnings per share | 57,300 | 56,987 | 57,169 | 56,968 |
| Basic earnings per share | \$ 0.31 | \$ 0.26 | \$ 1.76 | \$ 1.56 |
| Diluted earnings per share | \$ 0.30 | \$ 0.25 | \$ 1.74 | \$ 1.54 |
| Dividends per share | \$ 0.100 | \$ 0.075 | \$ 0.375 | \$ 0.300 |

Summary Segment Data:

Net sales:

| | | | | |
|-----------------------------------|------------|------------|--------------|--------------|
| Piping Systems | \$ 320,480 | \$ 327,565 | \$ 1,429,589 | \$ 1,436,689 |
| Industrial Metals | 127,452 | 131,731 | 521,060 | 567,467 |
| Climate | 27,690 | 24,924 | 119,758 | 110,727 |
| Elimination of intersegment sales | (3,464) | (12,237) | (14,785) | (14,881) |

| | | | | |
|----------------------|------------|------------|--------------|--------------|
| | _____ | _____ | _____ | _____ |
| Net sales | \$ 472,158 | \$ 471,983 | \$ 2,055,622 | \$ 2,100,002 |
| | ===== | ===== | ===== | ===== |
| Operating income: | | | | |
| Piping Systems | \$ 15,630 | \$ 18,316 | \$ 103,886 | \$ 113,232 |
| Industrial Metals | 22,383 | 8,880 | 78,168 | 57,442 |
| Climate | 3,193 | 2,501 | 17,733 | 12,459 |
| Unallocated expenses | (11,883) | (10,734) | (47,074) | (45,865) |
| | _____ | _____ | _____ | _____ |
| Operating income | \$ 29,323 | \$ 18,963 | \$ 152,713 | \$ 137,268 |
| | ===== | ===== | ===== | ===== |

MUELLER INDUSTRIES, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited)

| | | |
|---------------------------|----------------------|----------------------|
| <i>(In thousands)</i> | December 31, 2016 | December 26, 2015 |
| | _____ | _____ |
| ASSETS | | |
| Cash and cash equivalents | \$ 351,317 | \$ 274,844 |

| | | |
|-------------------------------------|--------------|--------------|
| | 256,291 | 251,571 |
| Accounts receivable, net | | |
| Inventories | 242,013 | 239,378 |
| Other current assets | 44,702 | 34,608 |
| | <hr/> | <hr/> |
| Total current assets | 894,323 | 800,401 |
| | | |
| Property, plant, and equipment, net | 295,231 | 280,224 |
| Other assets | 257,922 | 258,176 |
| | <hr/> | <hr/> |
| | \$ 1,447,476 | \$ 1,338,801 |
| | <hr/> <hr/> | <hr/> <hr/> |

LIABILITIES AND STOCKHOLDERS' EQUITY

| | | |
|---------------------------|-----------|-----------|
| Current portion of debt | \$ 13,655 | \$ 11,760 |
| Accounts payable | 103,175 | 88,051 |
| Other current liabilities | 102,162 | 109,618 |
| | <hr/> | <hr/> |
| Total current liabilities | 218,992 | 209,429 |

| | | |
|---|--------------|--------------|
| Long-term debt | 213,709 | 204,250 |
| Pension and postretirement liabilities | 31,273 | 34,876 |
| Environmental reserves | 21,208 | 20,943 |
| Deferred income taxes | 19,573 | 7,161 |
| Other noncurrent liabilities | 6,284 | 2,440 |
| | <hr/> | <hr/> |
| Total liabilities | 511,039 | 479,099 |
| | <hr/> | <hr/> |
| Total Mueller Industries, Inc. stockholders' equity | 898,684 | 827,285 |
| Noncontrolling interests | 37,753 | 32,417 |
| | <hr/> | <hr/> |
| Total equity | 936,437 | 859,702 |
| | <hr/> | <hr/> |
| | \$ 1,447,476 | \$ 1,338,801 |
| | <hr/> <hr/> | <hr/> <hr/> |

MUELLER INDUSTRIES, INC.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(Unaudited)

| <i>(In thousands)</i> | For the Year Ended | |
|--|----------------------|----------------------|
| | December 31, 2016 | December 26, 2015 |
| Cash flows from operating activities | | |
| Consolidated net income | \$ 99,754 | \$ 88,407 |
| Reconciliation of consolidated net income to net cash provided by operating activities: | | |
| Depreciation and amortization | 35,702 | 35,040 |
| Stock-based compensation expense | 6,387 | 6,244 |
| Equity in earnings of unconsolidated affiliates | (1,861) | — |
| Gain on disposal of assets | (651) | (14,815) |
| Deferred income taxes | 6,998 | (15,818) |
| Income tax benefit from exercise of stock options | — | (972) |
| Impairment charges | 6,778 | — |
| Changes in assets and liabilities, net of businesses acquired: | | |
| Receivables | (16,552) | 51,530 |

| | | |
|---|----------|-----------|
| Inventories | 6,662 | 41,086 |
| Other assets | 5,808 | 12,449 |
| Current liabilities | 5,646 | (45,585) |
| Other liabilities | 1,518 | 436 |
| Other, net | 1,588 | 1,607 |
| | <hr/> | <hr/> |
| Net cash provided by operating activities | 157,777 | 159,609 |
| | <hr/> | <hr/> |
| Cash flows from investing activities | | |
| Capital expenditures | (37,497) | (28,834) |
| Acquisition of businesses, net of cash acquired | (20,533) | (105,944) |
| Proceeds from sale of assets, net of cash transferred | 10,304 | 5,538 |
| Investment in unconsolidated affiliates | — | (65,900) |
| Net (deposits into) withdrawals from restricted cash balances | (5,331) | 4,333 |
| | <hr/> | <hr/> |
| Net cash used in investing activities | (53,057) | (190,807) |
| | <hr/> | <hr/> |

Cash flows from financing activities

| | | |
|--|-------------------|-------------------|
| Dividends paid to stockholders of Mueller Industries, Inc. | (21,224) | (16,903) |
| Dividends paid to noncontrolling interests | (3,765) | — |
| Issuance (repayment) of debt by joint venture, net | 2,265 | (23,567) |
| Net cash used to settle stock-based awards | (1,306) | (760) |
| Issuance of long-term debt | 3,500 | — |
| Repayments of long-term debt | (1,074) | (1,000) |
| Debt issuance costs | (957) | — |
| Income tax benefit from exercise of stock options | — | 972 |
| | <hr/> | <hr/> |
| Net cash used in financing activities | (22,561) | (41,258) |
| | <hr/> | <hr/> |
| Effect of exchange rate changes on cash | (5,686) | (4,834) |
| | <hr/> | <hr/> |
| Increase (decrease) in cash and cash equivalents | 76,473 | (77,290) |
| Cash and cash equivalents at the beginning of the period | 274,844 | 352,134 |
| | <hr/> | <hr/> |
| Cash and cash equivalents at the end of the period | <u>\$ 351,317</u> | <u>\$ 274,844</u> |
