

July 26, 2016



Mueller Industries, Inc. Reports Second Quarter 2016 Earnings

MEMPHIS, Tenn., July 26, 2016 -- Mueller Industries, Inc. (NYSE: MLI) announced today net income of \$27.8 million, or 49 cents per diluted share, for the second quarter of 2016. In the second quarter of 2015, the Company reported net income of \$33.7 million, or 59 cents per diluted share which included \$6.7 million, or 12 cents per diluted share, in unusual gains.

Net sales for the second quarter of 2016 were \$544.1 million compared with \$555.6 million for the same quarter of the prior year. Overall unit volume rose over the same period in 2015, but lower selling prices as a result of lower copper prices reduced overall net sales. The average price of copper was \$2.13 per pound in the second quarter of 2016 compared with \$2.77 per pound in the second quarter of 2015.

Acquired businesses have performed well in 2016 and contributed favorably to the second quarter 2016 earnings. The earnings benefit from acquired businesses was muted by margin compression at the U.S. copper tube, copper fittings and brass rod businesses. These businesses were impacted by elevated premiums to secure copper cathode and by contracted discounts and availability of copper and brass scrap.

Financial and Related Highlights:

- The second quarter of 2015 included a pre-tax gain on the sale of assets of \$15.4 million, before tax, related to the rationalization of the U.K. copper tube business.
- The second quarter of 2016 results included a \$995 thousand net loss from Tecumseh affiliate.
- Cash ended the period at \$283.2 million, debt to total capitalization ratio was 20.0 percent to 1.

Regarding the outlook Greg Christopher, Mueller CEO, said, "In the U.S., construction activity continues at a steady pace in both the residential and non-residential sectors. Orders for our construction related products in North America are solid and we look forward to moving beyond production constraints related to our ongoing piping products plant

modernization programs."

He adds, "Activity in the U.S. industrial sector remains soft and China continues to be challenging. These factors have impacted our respective businesses and we look forward to their eventual rebound."

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)

For the Quarter Ended

For the Six Months Ended

| <i>(In thousands, except per share data)</i> | <hr/> | | <hr/> | |
|--|-----------------|------------------|-----------------|------------------|
| | July 2, 2016 | June 27, 2015 | July 2, 2016 | June 27, 2015 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Net sales | \$ 544,071 | \$ 555,593 | \$ 1,076,880 | \$ 1,092,835 |
| Cost of goods sold | 456,060 | 470,365 | 902,702 | 931,199 |
| Depreciation and amortization | 9,061 | 8,188 | 17,981 | 16,041 |
| Selling, general, and administrative expense | 34,514 | 33,420 | 70,294 | 66,251 |
| Gain on sale of assets | — | (15,376) | — | (15,376) |
| Severance | — | 3,442 | — | 3,442 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Operating income | 44,436 | 55,554 | 85,903 | 91,278 |
| Interest expense | (1,692) | (2,219) | (3,540) | (4,295) |
| Other income, net | 515 | 265 | 760 | 370 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Income before income taxes | 43,259 | 53,600 | 83,123 | 87,353 |
| Income tax expense | (14,005) | (19,738) | (28,126) | (31,151) |

| | | | | |
|---|-------------|-------------|-------------|-------------|
| Income (loss) from unconsolidated affiliates, net of tax | (995) | — | 1,927 | — |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Consolidated net income | 28,259 | 33,862 | 56,924 | 56,202 |
| Net income attributable to noncontrolling interests | (462) | (211) | (497) | (573) |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Net income attributable to Mueller Industries, Inc. | \$ 27,797 | \$ 33,651 | \$ 56,427 | \$ 55,629 |
| | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> |
| Weighted average shares for basic earnings per share | 56,511 | 56,247 | 56,489 | 56,220 |
| Effect of dilutive stock- based awards | 418 | 743 | 456 | 737 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Adjusted weighted average shares for diluted earnings per share | 56,929 | 56,990 | 56,945 | 56,957 |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Basic earnings per share | \$ 0.49 | \$ 0.60 | \$ 1.00 | \$ 0.99 |
| | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> |

Diluted earnings per share

| | | | | | | | |
|-------|------|-------|------|-------|------|-------|------|
| \$ | 0.49 | \$ | 0.59 | \$ | 0.99 | \$ | 0.98 |
| <hr/> | | <hr/> | | <hr/> | | <hr/> | |

Dividends per share

| | | | | | | | |
|-------|-------|-------|-------|-------|-------|-------|-------|
| \$ | 0.100 | \$ | 0.075 | \$ | 0.175 | \$ | 0.150 |
| <hr/> | | <hr/> | | <hr/> | | <hr/> | |

Summary Segment Data:

Net sales:

| | | | | | | | | |
|-----------------------------------|----|---------|----|---------|----|-----------|----|-----------|
| Piping Systems Segment | \$ | 388,662 | \$ | 379,750 | \$ | 757,552 | \$ | 741,232 |
| Industrial Metals Segment | | 127,737 | | 145,228 | | 262,258 | | 296,264 |
| Climate Segment | | 31,359 | | 31,498 | | 62,065 | | 57,309 |
| Elimination of intersegment sales | | (3,687) | | (883) | | (4,995) | | (1,970) |
| | | <hr/> | | <hr/> | | <hr/> | | <hr/> |
| Net sales | \$ | 544,071 | \$ | 555,593 | \$ | 1,076,880 | \$ | 1,092,835 |
| | | <hr/> | | <hr/> | | <hr/> | | <hr/> |

Operating income:

| | | | | | | | | |
|------------------------|----|--------|----|--------|----|--------|----|--------|
| Piping Systems Segment | \$ | 32,959 | \$ | 43,235 | \$ | 64,118 | \$ | 69,494 |
|------------------------|----|--------|----|--------|----|--------|----|--------|

| | | | | |
|---------------------------|-----------|-----------|-----------|-----------|
| Industrial Metals Segment | 17,124 | 20,475 | 37,036 | 39,434 |
| Climate Segment | 5,837 | 4,250 | 9,716 | 6,515 |
| Unallocated expenses | (11,484) | (12,406) | (24,967) | (24,165) |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| Operating income | \$ 44,436 | \$ 55,554 | \$ 85,903 | \$ 91,278 |
| | <hr/> | <hr/> | <hr/> | <hr/> |

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

| <i>(In thousands)</i> | July 2, 2016 | December 26, 2015 |
|---------------------------|-----------------|----------------------|
| | <hr/> | <hr/> |
| ASSETS | | |
| Cash and cash equivalents | \$ 283,161 | \$ 274,844 |
| Accounts receivable, net | 305,332 | 251,571 |
| Inventories | 249,954 | 239,378 |
| Other current assets | 27,276 | 34,608 |
| | <hr/> | <hr/> |
| Total current assets | 865,723 | 800,401 |

| | | |
|-------------------------------------|-------------|--------------|
| Property, plant, and equipment, net | 297,939 | 280,224 |
| Other assets | 256,813 | 258,176 |
| | <hr/> | <hr/> |
| | \$1,420,475 | \$ 1,338,801 |
| | <hr/> | <hr/> |

LIABILITIES AND STOCKHOLDERS' EQUITY

| | | |
|--|-----------|-----------|
| Current portion of debt | \$ 16,226 | \$ 11,760 |
| Accounts payable | 105,138 | 88,051 |
| Other current liabilities | 96,586 | 109,618 |
| | <hr/> | <hr/> |
| Total current liabilities | 217,950 | 209,429 |
| Long-term debt | 213,646 | 204,250 |
| Pension and postretirement liabilities | 32,703 | 34,876 |
| Environmental reserves | 20,830 | 20,943 |
| Deferred income taxes | 13,644 | 7,161 |
| Other noncurrent liabilities | 2,930 | 2,440 |
| | <hr/> | <hr/> |

| | | |
|---|-------------|--------------|
| | | |
| | | |
| Total liabilities | 501,703 | 479,099 |
| | | |
| Total Mueller Industries, Inc. stockholders' equity | 872,655 | 827,285 |
| | | |
| Noncontrolling interests | 46,117 | 32,417 |
| | | |
| Total equity | 918,772 | 859,702 |
| | | |
| | \$1,420,475 | \$ 1,338,801 |

MUELLER INDUSTRIES, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

| | | |
|----------------|--------------------------|----------|
| | For the Six Months Ended | |
| | | |
| | July 2, | June 27, |
| (In thousands) | 2016 | 2015 |

Cash flows from operating activities

| | | | | |
|-------------------------|----|--------|----|--------|
| Consolidated net income | \$ | 56,924 | \$ | 56,202 |
|-------------------------|----|--------|----|--------|

Reconciliation of consolidated net income to net cash provided by operating activities:

| | | |
|-------------------------------|--------|--------|
| Depreciation and amortization | 18,162 | 16,293 |
|-------------------------------|--------|--------|

| | | |
|---|---------|---|
| Equity in earnings of unconsolidated affiliates | (1,927) | — |
|---|---------|---|

| | | |
|----------------------------------|-------|-------|
| Stock-based compensation expense | 2,874 | 2,966 |
|----------------------------------|-------|-------|

| | | |
|----------------------------|-------|----------|
| Gain on disposal of assets | (555) | (15,392) |
|----------------------------|-------|----------|

| | | |
|--------------------|---|-----|
| Impairment charges | — | 570 |
|--------------------|---|-----|

| | | |
|-----------------------|-------|---------|
| Deferred income taxes | 3,548 | (1,445) |
|-----------------------|-------|---------|

| | | |
|---|-------|-------|
| Income tax benefit from exercise of stock options | (186) | (146) |
|---|-------|-------|

Changes in assets and liabilities, net of businesses acquired

| | | |
|-------------|----------|----------|
| Receivables | (52,334) | (24,304) |
|-------------|----------|----------|

| | | |
|-------------|-------|---------|
| Inventories | 1,176 | (5,252) |
|-------------|-------|---------|

| | | |
|--------------|--------|-------|
| Other assets | 17,009 | 6,963 |
|--------------|--------|-------|

| | | |
|---------------------|---------|----------|
| Current liabilities | (1,314) | (19,629) |
|---------------------|---------|----------|

| | | |
|-------------------|---------|-------|
| Other liabilities | (1,440) | (415) |
|-------------------|---------|-------|

| | | |
|--|----------|----------|
| Other, net | (72) | 739 |
| | <hr/> | <hr/> |
| Net cash provided by operating activities | 41,865 | 17,150 |
| | <hr/> | <hr/> |
| Cash flows from investing activities | | |
| Capital expenditures | (10,248) | (15,969) |
| Businesses acquired, net of cash acquired | (20,533) | (35,978) |
| Net withdrawals from restricted cash balances | 1,508 | 3,486 |
| Proceeds from the sale of assets | 1,482 | 5,518 |
| | <hr/> | <hr/> |
| Net cash used in investing activities | (27,791) | (42,943) |
| | <hr/> | <hr/> |
| Cash flows from financing activities | | |
| Repayments of long-term debt | (500) | (500) |
| Dividends paid to stockholders of Mueller Industries, Inc. | (9,887) | (8,435) |
| Issuance of debt | 2,000 | — |
| Issuance (repayment) of debt by joint ventures, net | 4,426 | (17,750) |
| Net cash received to settle stock-based awards | 326 | 125 |

| | | |
|--|------------|------------|
| Income tax benefit from exercise of stock options | 186 | 146 |
| | <hr/> | <hr/> |
| Net cash used in financing activities | (3,449) | (26,414) |
| | <hr/> | <hr/> |
| Effect of exchange rate changes on cash | (2,308) | (780) |
| | <hr/> | <hr/> |
| Increase (decrease) in cash and cash equivalents | 8,317 | (52,987) |
| 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 | \$ 283,161 | \$ 299,147 |
| | <hr/> | <hr/> |

MUELLER INDUSTRIES, INC.

Reconciliation of Net Income as Reported to Pro forma without Unusual Items

(Unaudited)

Earnings attributable to normal operations without the gain on sale of assets and severance is a measurement not derived in accordance with generally accepted accounting principles

(GAAP). Excluding these items is useful as it measures the operating results that are the outcome of daily operating decisions made in the normal course of business. Reconciliation of earnings attributable to normal operations without these items to net income as reported is as follows:

| | For the Quarter Ended June 27, 2015 | | | |
|---|-------------------------------------|-----------|------------|-----------|
| | | Impact of | | |
| | | | | |
| | As | Yorkshire | Gain on | Pro |
| | Reported | Copper | Sale of | forma |
| | | Tube | Assets | |
| <i>(In thousands, except per share data)</i> | | Severance | | |
| Operating income | \$ 55,554 | \$ 3,442 | \$(15,376) | \$ 43,620 |
| Interest expense | (2,219) | — | — | (2,219) |
| Other income, net | 265 | — | — | 265 |
| Income before income taxes | 53,600 | 3,442 | (15,376) | 41,666 |
| Income tax expense | (19,738) | (697) | 5,905 | (14,530) |
| Consolidated net income | 33,862 | 2,745 | (9,471) | 27,136 |
| Net income attributable to non-controlling interest | (211) | — | — | (211) |

Net income attributable to Mueller
Industries, Inc.

\$ 33,651 \$ 2,745 \$ (9,471) \$ 26,925

Diluted earnings per share

\$ 0.59 \$ 0.05 \$ (0.17) \$ 0.47