

July 24, 2007



Mueller Industries, Inc. Reports Second Quarter Results

MEMPHIS, Tenn., July 24 /PRNewswire-FirstCall/ --

Quarterly and Year-to-Date Earnings

Harvey L. Karp, Chairman of Mueller Industries, Inc. (NYSE: MLI), today announced the Company's results for the second quarter of 2007. Net income for the second quarter was \$36.4 million, or 98 cents per diluted share, constituting the third highest quarter in the Company's history. This compares with \$58.8 million, or \$1.57 per diluted share, for the extraordinary second quarter of fiscal 2006, which was the Company's best quarter ever. Net sales for the three months ended June 30, 2007 were \$772.6 million, compared with net sales of \$779.7 million for the second quarter of 2006.

Year-to-date, the Company earned \$55.3 million, or \$1.49 per diluted share, on net sales of \$1.38 billion. This compares with net income of \$92.1 million, or \$2.48 per diluted share, on net sales of \$1.33 billion for the first half of 2006.

Earnings and sales for the second quarter were affected by the decline in the residential construction sector, which saw housing starts down approximately 25 percent compared with last year.

However, the commercial construction market continues to strengthen and has increased by approximately 18 percent over last year. The Company's profit margins in the commercial construction sector have historically been better than in the other markets the Company serves.

Financial and Operating Highlights

Regarding the second quarter of 2007, Mr. Karp said:

- "Mueller ended the quarter with almost \$250 million in cash; our current ratio remains excellent at 2.48 to 1 and our working capital is \$557.3 million.
- "The COMEX average price of copper was \$3.46 per pound in the second quarter of 2007, which compares with \$3.37 per pound in the second quarter of 2006.
- "Our Plumbing & Refrigeration segment posted operating earnings of \$51.7 million on net sales of \$455.5 million which compares with operating earnings of \$78.3 million on net sales of \$551.2 million in the second quarter of 2006. Our European businesses were profitable on the strength of our trading activities.
- "Our OEM segment posted operating earnings of \$18.0 million during the second quarter of 2007 on net sales of \$322.2 million, which compared with operating earnings of \$21.5 million on net sales of \$242.1 million for the same period in 2006.
- "Selling, general, and administrative expense was \$39.0 million in the second quarter of 2007 which is comparable to the same period of 2006.
- "Capital expenditures during the first half of 2007 totaled \$15.6

million. We expect to invest between \$30 and \$40 million for capital expenditures during 2007."

Business Outlook for 2007

Regarding the outlook for 2007, Mr. Karp said, "The residential construction sector remains weak, although the rate of decline has subsided. We believe the housing market is near the bottom, and will begin to improve in the first half of 2008. Positive factors include low mortgage rates, high employment, an expanding economy, and population growth. Also, we expect the commercial construction market to remain strong."

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's operations are located throughout the United States and in Canada, Mexico, Great Britain, and China. Mueller's 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.

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," 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.

MUELLER INDUSTRIES, INC.
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(In thousands, except per share data)

	For the Quarter Ended		For the Six Months Ended	
	June 30,	July 1,	June 30,	July 1,
	2007	2006	2007	2006
	(Unaudited)		(Unaudited)	
Net sales	\$772,647	\$779,663	\$1,382,429	\$1,330,702
Cost of goods sold	661,746	637,038	1,198,324	1,094,107
Gross profit	110,901	142,625	184,105	236,595
Depreciation and amortization	11,306	10,376	22,272	20,571
Selling, general, and administrative expense	38,971	39,689	73,898	74,648
Operating income	60,624	92,560	87,935	141,376
Interest expense	(5,689)	(5,214)	(11,183)	(10,076)
Other income (expense), net	1,925	(67)	6,878	1,946

Income before income taxes	56,860	87,279	83,630	133,246
Income tax expense	(20,462)	(28,529)	(28,319)	(41,131)
Net income	\$36,398	\$58,750	\$55,311	\$92,115
Weighted average shares for basic earnings per share	37,060	36,891	37,044	36,791
Effect of dilutive stock options	204	421	160	405
Adjusted weighted average shares for diluted earnings per share	37,264	37,312	37,204	37,196
Basic earnings per share	\$0.98	\$1.59	\$1.49	\$2.50
Diluted earnings per share	\$0.98	\$1.57	\$1.49	\$2.48
Summary Segment Data:				
Net sales:				
Plumbing & Refrigeration Segment	\$455,486	\$551,158	\$825,482	\$938,099
OEM Segment	322,201	242,128	565,931	410,100
Elimination of intersegment sales	(5,040)	(13,623)	(8,984)	(17,497)
Net sales	\$772,647	\$779,663	\$1,382,429	\$1,330,702
Operating income:				
Plumbing & Refrigeration Segment	\$51,746	\$78,328	\$78,600	\$122,521
OEM Segment	17,999	21,511	23,493	32,464
Unallocated expenses	(9,121)	(7,279)	(14,158)	(13,609)
Operating income	\$60,624	\$92,560	\$87,935	\$141,376

MUELLER INDUSTRIES, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(In thousands)

	June 30, 2007	December 30, 2006
	(Unaudited)	
ASSETS		
Cash and cash equivalents	\$247,916	\$200,471
Accounts receivable, net	392,326	281,679
Inventories	251,544	258,647
Other current assets	41,497	35,397
Total current assets	933,283	776,194
Property, plant, and equipment, net	325,822	315,064
Other assets	194,199	177,649
	\$1,453,304	\$1,268,907

LIABILITIES AND STOCKHOLDERS' EQUITY

Current portion of long-term debt	\$48,037	\$35,998
Accounts payable	181,136	96,095
Other current liabilities	146,804	123,426
Total current liabilities	375,977	255,519
Long-term debt	308,084	308,154
Pension and postretirement liabilities	48,919	36,599
Environmental reserves	9,186	8,907
Deferred income taxes	42,398	46,408
Other noncurrent liabilities	2,015	2,206
Total liabilities	786,579	657,793
Minority interest in subsidiaries	22,783	22,300
Stockholders' equity	643,942	588,814
	\$1,453,304	\$1,268,907

MUELLER INDUSTRIES, INC.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)

	For the Six Months Ended	
	June 30, 2007	July 1, 2006
	(Unaudited)	
Operating activities:		
Net income	\$55,311	\$92,115
Reconciliation of net income to net cash provided by (used in) operating activities:		
Depreciation and amortization	22,465	20,719
Deferred income taxes	(6,140)	(4,946)
(Gain) loss on disposal of properties	(3,137)	1,905
Stock-based compensation expense	1,273	1,308
Income tax benefit from exercise of stock options	(124)	(1,042)
Minority interest in subsidiaries, net of dividend paid	(18)	1,805
Gain on sale of equity investment	-	(1,876)
Equity in earnings of unconsolidated subsidiary	-	(964)
Gain on early retirement of debt	-	(97)
Changes in assets and liabilities, net of businesses acquired:		
Receivables	(78,521)	(161,990)
Inventories	35,467	(51,127)
Other assets	(10,948)	(4,642)
Current liabilities	78,376	93,142

Other liabilities	773	4,439
Other, net	2,144	(3,657)
Net cash provided by (used in) operating activities	96,921	(14,908)
Investing activities:		
Capital expenditures	(15,638)	(20,918)
Acquisition of businesses, net of cash received	(31,970)	3,632
Proceeds from sales of properties and equity investment	3,032	23,218
Net cash (used in) provided by investing activities	(44,576)	5,932
Financing activities:		
Proceeds from issuance of long-term debt	19,054	22,425
Repayments of long-term debt	(18,116)	(3,413)
Dividends paid	(7,410)	(7,373)
Issuance of shares under incentive stock option plans from treasury	977	5,823
Income tax benefit from exercise of stock options	124	1,042
Acquisition of treasury stock	(54)	(396)
Net cash (used in) provided by financing activities	(5,425)	18,108
Effect of exchange rate changes on cash	525	70
Increase in cash and cash equivalents	47,445	9,202
Cash and cash equivalents at the beginning of the period	200,471	129,685
Cash and cash equivalents at the end of the period	\$247,916	\$138,887

SOURCE Mueller Industries, Inc.