

April 24, 2007



Mueller Industries, Inc. Reports First Quarter 2007 Earnings

MEMPHIS, Tenn., April 24 /PRNewswire-FirstCall/ -- Harvey L. Karp, Chairman of Mueller Industries, Inc. (NYSE: MLI), announced today that Mueller's net income in the first quarter of 2007 was \$18.9 million, or 51 cents per diluted share, which compares with \$33.4 million, or 90 cents per diluted share, for the same period of 2006. First quarter net sales for 2007 were \$609.8 million compared with \$551.0 million in 2006. The increase in net sales was primarily attributable to acquired businesses. The change in net sales was also affected by the increased cost of copper, the Company's principal raw material, which was largely passed through to customers, offset by lower unit volume.

Financial and Operating Highlights

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

- "Our Plumbing & Refrigeration segment posted operating earnings of \$26.9 million on net sales of \$370.0 million which compares with prior year earnings of \$44.2 million on net sales of \$386.9 million. Operating margins were affected by higher unit costs on lower production volume. Net sales for the Trading Group trended up but operating income was off slightly. European results overall were profitable on the strength of our trading businesses which continue to perform well.
- "Our OEM segment posted operating earnings of \$5.5 million during the first quarter of 2007 on net sales of \$243.7 million, which compares with operating earnings of \$11.0 million on net sales of \$168.0 million for the same period in 2006. Our Chinese joint venture reported total operating income of \$1.7 million.
- "We completed the acquisition of Extruded Metals, a brass rod mill, at the end of February; their results are included in the OEM segment. We are presently rationalizing production with particular emphasis on casting operations. Operations have already been accretive to earnings; however, there are opportunities for additional improvement as we integrate the brass mill operations.
- "Other income includes a gain of \$3.1 million related to the sale of mineral royalty interests.
- "During the first quarter of 2007, capital expenditures totaled \$8.7 million. We expect to invest between \$30 and \$40 million for capital expenditures during 2007.
- "Cash provided by operating activities was \$47.1 million in the first quarter of 2007.
- "The COMEX average price of copper was \$2.70 per pound in the first quarter of 2007, which compares with \$2.25 in the first quarter of 2006.
- "Our current ratio remains solid at 2.8 to 1. We ended the quarter

with \$194.5 million in cash and \$521.6 million in working capital."

Business Outlook for 2007

Regarding the outlook for 2007, Mr. Karp said, "The housing construction market is undergoing a much anticipated correction which has dampened demand for certain of our products. However, we believe this market will improve later this year or early next year. On the other hand, the commercial construction market remains 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	
	March 31, 2007	April 1, 2006
	(Unaudited)	
Net sales	\$609,782	\$551,039
Cost of goods sold	536,578	457,069
Gross profit	73,204	93,970
Depreciation and amortization	10,966	10,195
Selling, general, and administrative expense	34,927	34,959
Operating income	27,311	48,816
Interest expense	(5,494)	(4,862)
Other income, net	4,953	2,013
Income before income taxes	26,770	45,967

Income tax expense	(7,857)	(12,602)
Net income	\$18,913	\$33,365
Weighted average shares		
for basic earnings per share	37,027	36,691
Effect of dilutive stock options	117	390
Adjusted weighted average shares		
for diluted earnings per share	37,144	37,081
Basic earnings per share	\$0.51	\$0.91
Diluted earnings per share	\$0.51	\$0.90
Dividends per share	\$0.10	\$0.10
Summary Segment Data:		
Net sales:		
Plumbing & Refrigeration Segment	\$369,996	\$386,941
OEM Segment	243,730	167,972
Elimination of intersegment sales	(3,944)	(3,874)
Net sales	\$609,782	\$551,039
Operating income:		
Plumbing & Refrigeration Segment	\$26,854	\$44,193
OEM Segment	5,494	10,953
Unallocated expenses	(5,037)	(6,330)
Operating income	\$27,311	\$48,816

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

	March 31, 2007	December 30, 2006
	(Unaudited)	
ASSETS		
Cash and cash equivalents	\$194,489	\$200,471
Accounts receivable, net	370,957	281,679
Inventories	218,980	258,647
Other current assets	32,981	35,397
Total current assets	817,407	776,194
Property, plant, and equipment, net	328,742	315,064
Other assets	187,438	177,649
	\$1,333,587	\$1,268,907
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current portion of long-term debt	\$34,555	\$35,998
Accounts payable	136,888	96,095
Other current liabilities	124,386	123,426
Total current liabilities	295,829	255,519

Long-term debt	308,130	308,154
Pension and postretirement liabilities	47,447	36,599
Environmental reserves	9,197	8,907
Deferred income taxes	43,716	46,408
Other noncurrent liabilities	2,007	2,206
Total liabilities	706,326	657,793
Minority interest in subsidiaries	22,994	22,300
Stockholders' equity	604,267	588,814
	\$1,333,587	\$1,268,907

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

	For the Quarter Ended March 31, 2007	April 1, 2006 (Unaudited)
Operating activities:		
Net income	\$18,913	\$33,365
Reconciliation of net income to net cash provided by (used in) operating activities:		
Depreciation and amortization	11,012	10,240
Stock-based compensation expense	628	607
Equity in earnings of unconsolidated subsidiary	-	(964)
Gain on disposals of properties	(3,132)	(121)
Deferred income taxes	(1,156)	(3,891)
Income tax benefit from exercise of stock options	(66)	(228)
Minority interest in subsidiaries	402	393
Changes in assets and liabilities, net of businesses acquired:		
Receivables	(59,857)	(55,022)
Inventories	66,512	(14,813)
Other assets	(314)	(4,676)
Current liabilities	13,445	(14,579)
Other liabilities	23	(175)
Other, net	719	104
Net cash provided by (used in) operating activities	47,129	(49,760)
Investing activities:		
Capital expenditures	(8,725)	(12,015)
Acquisition of business, net of cash received	(31,970)	3,632
Proceeds from sales of properties	3,032	253
Net cash used in investing activities	(37,663)	(8,130)
Financing activities:		
Dividends paid	(3,703)	(3,684)
Acquisition of treasury stock	-	(388)

Issuance of shares under incentive stock option plans from treasury	155	4,200
Proceeds from issuance of long-term debt	5,434	11,164
Repayments of long-term debt	(17,429)	(162)
Income tax benefit from exercise of stock options	66	228
Net cash (used in) provided by financing activities	(15,477)	11,358
Effect of exchange rate changes on cash	29	69
Decrease in cash and cash equivalents	(5,982)	(46,463)
Cash and cash equivalents at the beginning of the period	200,471	129,685
Cash and cash equivalents at the end of the period	\$194,489	\$83,222

SOURCE Mueller Industries, Inc.