

October 21, 2008



Mueller Industries, Inc. Reports Third Quarter Results

MEMPHIS, Tenn., Oct. 21 /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 third quarter of 2008. Net income for the third quarter was \$18.7 million, or 50 cents per diluted share, which compares with net income of \$31.3 million, or 84 cents per diluted share, for the third quarter of fiscal 2007. The third quarter of 2008 includes a pre-tax charge of \$3.3 million to write-down certain inventories to the lower-of-cost-or-market that resulted from falling copper prices. Net sales for the three months ended September 27, 2008 were \$665.5 million, compared with net sales of \$693.7 million for the third quarter of 2007. The third quarter of 2007 included a one-time gain of approximately \$8.9 million (pre-tax) pertaining to a favorable copper antitrust litigation settlement.

Year-to-date, the Company earned \$73.0 million, or \$1.96 per diluted share, on net sales of \$2.12 billion. This compares with net income of \$86.6 million, or \$2.33 per diluted share, on net sales of \$2.08 billion for the same period of 2007.

Mr. Karp said, "Our earnings were achieved despite the adverse conditions in the housing industry and the turbulence in the financial markets. We remained focused on enhancing our operations and providing our customers with superior service.

"We believe that our financial and operating strengths will allow us to take advantage of opportunities, which are likely to arise in the current economic environment. One such opportunity arose on October 9, 2008 when we repurchased \$122.9 million of our outstanding 6% Subordinated Debentures at 84 percent of face value. This transaction will result in a fourth quarter gain of \$19.1 million."

Financial and Operating Highlights

Regarding the third quarter of 2008, Mr. Karp said:

-- "Mueller ended the quarter with \$308.4 million in cash. Subsequent to the end of the third quarter, total cash used to repurchase a portion of our outstanding 6% Subordinated Debentures, including accrued interest of approximately \$3.4 million, was approximately \$106.6 million.

-- "Our current ratio remains excellent at 2.4 to 1 and our working capital is \$552.3 million. Our ratio of debt to total capitalization is a modest 29.4 percent.

-- "Shortly after quarter end, copper values declined precipitously trading as low as \$2.16 per pound in mid-October. Consequently, the Company recognized a \$3.3 million charge to

write-down inventories that are accounted for on the FIFO method; domestic copper tube inventories were not affected, however, as they are accounted for on a LIFO basis and the net book value is substantially below current market. The COMEX average price of copper was \$3.45 per pound in the third quarter of 2008, which compares with \$3.48 per pound in the third quarter of 2007.

-- "Our Plumbing & Refrigeration segment posted operating earnings of \$25.4 million on net sales of \$371.3 million which compares with operating earnings of \$52.3 million on net sales of \$397.9 million in the third quarter of 2007. These decreases were primarily attributable to lower volumes and spreads in copper tube; also, the third quarter of last year included a gain on the proceeds from the copper antitrust litigation settlement.

-- "Our OEM segment posted operating earnings of \$10.6 million during the third quarter of 2008 on net sales of \$299.5 million, which compared with operating earnings of \$5.6 million on net sales of \$302.1 million for the same period in 2007. The operating earnings increase is primarily due to higher margins in brass rod."

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
(Unaudited)

For the Quarter Ended For the Nine Months Ended
September 27, September 29, September 27, September 29,
2008 2007 2008 2007
(In thousands, except per share data)

Net sales	\$665,496	\$693,682	\$2,123,075	\$2,076,111
Cost of goods sold	588,469	603,219	1,861,475	1,801,543
Depreciation and				

amortization	11,529	11,582	33,517	33,854
Selling, general, and administrative expense	35,674	36,246	108,583	110,144
Copper antitrust litigation settlement	-	(8,865)	-	(8,865)
Operating income	29,824	51,500	119,500	139,435
Interest expense	(5,050)	(5,384)	(15,755)	(16,567)
Other income, net	2,319	4,060	7,287	10,938
Income before income taxes	27,093	50,176	111,032	133,806
Income tax expense	(8,422)	(18,852)	(37,992)	(47,171)
Net income	\$18,671	\$31,324	\$73,040	\$86,635
Weighted average shares for basic earnings per share	37,136	37,075	37,117	37,054
Effect of dilutive stock options	176	234	238	185
Adjusted weighted average shares for diluted earnings per share	37,312	37,309	37,355	37,239
Basic earnings per share	\$0.50	\$0.84	\$1.97	\$2.34
Diluted earnings per share	\$0.50	\$0.84	\$1.96	\$2.33
Dividends per share	\$0.10	\$0.10	\$0.30	\$0.30
Summary Segment Data:				
Net sales:				
Plumbing & Refrigeration Segment	\$371,315	\$397,855	\$1,159,613	\$1,223,337
OEM Segment	299,470	302,122	979,665	868,053
Elimination of intersegment sales	(5,289)	(6,295)	(16,203)	(15,279)
Net sales	\$665,496	\$693,682	\$2,123,075	\$2,076,111
Operating income:				
Plumbing & Refrigeration Segment	\$25,449	\$52,260	\$85,903	\$130,860
OEM Segment	10,643	5,609	55,180	29,102
Unallocated expenses	(6,268)	(6,369)	(21,583)	(20,527)
Operating income	\$29,824	\$51,500	\$119,500	\$139,435

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

	September 27, 2008	December 29, 2007
	(In thousands)	
ASSETS		
Cash and cash equivalents	\$308,351	\$308,618
Accounts receivable, net	350,290	323,003
Inventories	260,937	269,032
Other current assets	38,849	39,694
Total current assets	958,427	940,347
Property, plant, and equipment, net	294,530	308,383
Other assets	203,399	200,474
	\$1,456,356	\$1,449,204
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current portion of long-term debt (Note 1)	\$160,453	\$72,743
Accounts payable	125,239	140,497
Other current liabilities	120,439	121,813
Total current liabilities	406,131	335,053
Long-term debt	158,726	281,738
Pension and postretirement liabilities	34,980	36,071
Environmental reserves	8,853	8,897
Deferred income taxes	52,784	52,156
Other noncurrent liabilities	3,041	2,029
Total liabilities	664,515	715,944
Minority interest in subsidiary	26,558	22,765
Stockholders' equity	765,283	710,495
	\$1,456,356	\$1,449,204

Note 1. - September 27, 2008 balance includes \$122.9 million principal of 6% Subordinated Debentures repurchased on October 9, 2008.

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

	For the Nine Months Ended	
	September 27, 2008	September 29, 2007
	(In thousands)	
Operating activities:		
Net income	\$73,040	\$86,635
Reconciliation of net income to net cash provided by operating activities:		
Depreciation and amortization	33,984	34,107
Gain on early retirement of debt	(2,482)	-
Minority interest in subsidiary, net of dividend paid	1,816	(644)
Stock-based compensation expense	2,238	1,975
Loss (gain) on disposal of properties	306	(3,114)
Deferred income taxes	(515)	(3,026)
Income tax benefit from exercise		

of stock options	(92)	(130)
Changes in assets and liabilities, net of business acquired:		
Receivables	(29,130)	(36,370)
Inventories	6,635	57,656
Other assets	(5,350)	(6,103)
Current liabilities	(16,027)	13,669
Other liabilities	784	3,754
Other, net	(719)	(1,003)
Net cash provided by operating activities	64,488	147,406
Investing activities:		
Capital expenditures	(17,871)	(22,776)
Net withdrawals from restricted cash balances	678	-
Acquisition of business, net of cash received	-	(31,970)
Proceeds from sales of properties	77	3,033
Net cash used in investing activities	(17,116)	(51,713)
Financing activities:		
Repayments of long-term debt	(23,650)	(18,273)
Dividends paid	(11,133)	(11,117)
(Repayment) issuance of debt by joint venture, net	(12,491)	4,506
Issuance of shares under incentive stock option plans from treasury	1,074	1,093
Income tax benefit from exercise of stock options	92	130
Acquisition of treasury stock	(31)	(54)
Net cash used in financing activities	(46,139)	(23,715)
Effect of exchange rate changes on cash	(1,500)	762
(Decrease) increase in cash and cash equivalents	(267)	72,740
Cash and cash equivalents at the beginning of the period	308,618	200,471
Cash and cash equivalents at the end of the period	\$308,351	\$273,211

SOURCE Mueller Industries, Inc.