SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(D) OF
THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 25, 1999 Commission file number 1-6770

MUELLER INDUSTRIES, INC.
(Exact name of registrant as specified in its charter)

DELAWARE	25-0790410
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

8285 TOURNAMENT DRIVE, SUITE 150
MEMPHIS, TENNESSEE 38125
(Address of principal executive offices)

Registrant's telephone number, including area code: (901) 753-3200
Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Name of each exchange on which registered
Common Stock, $0.01 Par Value	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by a check mark whether the registrant (1) has filed all reports required to be filed by section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes /X/ No / /

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (Section 229.405 of this chapter) is not contained herein, and will not be contained, to the best of Registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.[_X_]

The number of shares of the Registrant's common stock outstanding as of March 16, 2000 was 34,469,796, excluding 5,621,706 treasury shares. The aggregate market value of the 33,819,432 shares of common stock held by non-affiliates of the Registrant was $978,469,814 at March 16, 2000 (based on the closing price on the consolidated transaction reporting system on that date).

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the following documents are incorporated by reference into this Report: (1) Registrant's Annual Report to Stockholders for the year ended December 25, 1999 (Part I and II); Registrant's Definitive Proxy Statement for the 2000 Annual Meeting of Stockholders, scheduled to be mailed on or about March 17, 2000 (Part III).

As used in this report, the terms "Company", "Mueller" and "Registrant" mean Mueller Industries, Inc. and its consolidated subsidiaries taken as a whole, unless the context indicates otherwise.

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PART I

ITEM 1. BUSINESS

Introduction

The Company is a leading manufacturer of copper, brass, plastic, and aluminum products. The range of these products is broad: 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 plants are located throughout the United States, and in Canada, France, and Great Britain. The Company also owns a short line railroad in Utah and natural resource properties in the Western U.S.

The Company's businesses are managed and organized into three segments: (i) Standard Products Division ("SPD"); (ii) Industrial Products Division ("IPD"); and (iii) Other Businesses. SPD manufactures and sells copper tube, copper and plastic fittings, and valves. Outside of the United States, SPD manufactures copper tube in Europe and copper fittings in Canada. SPD sells these products to wholesalers in the HVAC (heating, ventilation, and air-conditioning), plumbing, and refrigeration markets, and to distributors to the manufactured housing and recreational vehicle industries. IPD manufactures and sells brass and copper alloy rod, bar, and shapes; aluminum and brass forgings; aluminum and copper impact extrusions; refrigeration valves and fittings; fabricated tubular products; and gas valves and assemblies. IPD sells its products primarily to original equipment manufacturers ("OEMs"), many of which are in the HVAC, plumbing, and refrigeration markets. Other Businesses include Utah Railway Company and other natural resource properties and interests. SPD and IPD account for more than 98 percent of consolidated net sales and more than 81 percent of consolidated net assets. The majority of the Company's manufacturing facilities operated at high levels during 1999, 1998, and 1997.

Information concerning segments appears under "Note 13 - Industry Segments" in the Notes to Consolidated Financial Statements in Mueller's Annual Report to Stockholders for the year ended December 25, 1999. Such information is incorporated herein by reference.

Standard Products Division

Mueller's Standard Products Division includes a broad line of copper tube, which ranges in size from 1/8 inch to 8 inch diameter, and is sold in various straight lengths and coils. Mueller is a market leader in the air-conditioning and refrigeration tube markets. Additionally, Mueller supplies a variety of water tube in straight lengths and coils used for plumbing applications in virtually every type of construction project.

SPD also includes copper and plastic fittings and related components for the plumbing and heating industry that are used in water distribution systems, heating systems, air-conditioning, and refrigeration applications, and drainage, waste, and vent systems. A major portion of Mueller's products are ultimately used in the domestic residential and commercial construction markets and, to a lesser extent, in the automotive and heavy on and off-the-road vehicle markets.

During the fourth quarter of 1998, the Company acquired Halstead Industries, Inc. ("Halstead"). Halstead operates a tube mill in Wynne, Arkansas, and a line sets factory in Clinton, Tennessee. This acquisition expanded the Company's copper tube and line sets businesses and created opportunities for improved production and distribution efficiency. Following the acquisition, Halstead's name was changed to Mueller Copper Tube Products, Inc. In addition, in August 1998, the Company acquired B&K Industries, Inc. ("B&K"), an importer and distributor of residential and commercial plumbing products. The acquisition of B&K facilitated the sale of Mueller's manufactured products in the large, and growing, retail marketplace. In 1997, the Company acquired copper tube manufacturing operations in England and France. These acquisitions established a significant manufacturing and sales presence in Europe for the Company's operations.

SPD markets primarily through its own sales and distribution organization, which maintains sales offices and distribution centers throughout the United States and in Canada, Great Britain, and France. Additionally, products are sold and marketed through a network of agents, which, when combined with the Company's sales organization, provide the Company broad geographic market representation.

The businesses in which SPD is engaged are highly competitive. The principal methods of competition for Mueller's products are customer service, availability, and price. No material portion of Mueller's business is dependent upon a single customer or a small group of related customers. The total amount of order backlog for SPD as of December 25, 1999 was not significant.

The Company competes with various companies depending on the product line. In the U.S. copper tubing business, the domestic competition includes Cerro Copper Products Co., Inc., Reading Tube Corporation, and Wolverine Tube, Inc., as well as many actual and potential foreign competitors. In the European copper tubing business, Mueller competes with more than ten European-based manufacturers of copper tubing as well as foreign-based manufacturers. Additionally, the Company's copper tube businesses compete with a large number of manufacturers of substitute products made from plastic, iron, and steel. In the copper fittings market, competitors include Elkhart Products, a division of Amcast Industrial Corporation, and NIBCO, Inc., as well as several foreign manufacturers. The plastic fittings competitors include NIBCO, Inc., Charlotte Pipe & Foundry, and other companies. No single competitor offers such a wide-ranging product line; management believes that this is a competitive advantage in some markets.

Industrial Products Division

Mueller's Industrial Products Division includes brass rod, nonferrous forgings, and impact extrusions that are sold primarily to OEMs in the plumbing, refrigeration, fluid power, and automotive industries, as well as to other manufacturers and distributors. The Port Huron, Michigan mill extrudes brass, bronze, and copper alloy rod in sizes ranging from 3/8 inches to 4 inches in diameter. These alloys are used in applications that require a high degree of machinability, wear and corrosion resistance, and electrical conductivity. IPD also manufactures brass and aluminum forgings which are used in a wide variety of end products, including automotive components, brass fittings, industrial machinery, valve bodies, gear blanks, and computer hardware. The Company also serves the automotive, military

ordnance, aerospace, and general manufacturing industries with cold-formed aluminum and copper impact extrusions. Typical applications for impacts are high strength ordnance, high-conductivity electrical components, builders' hardware, hydraulic systems, automotive parts, and other uses where toughness must be combined with varying complexities of design and finish. Other products include valves and custom OEM products for refrigeration and air-conditioning applications, and shaped and formed tube, produced to tight tolerances, for baseboard heating, appliances, medical instruments, etc. The total amount of order backlog for IPD as of December 25, 1999 was not significant.

In September 1998, the Company acquired Lincoln Brass Works, Inc. ("Lincoln"), which operates manufacturing facilities in Jacksboro, Tennessee and Waynesboro, Tennessee. Lincoln produces custom control valve assemblies, custom metal assemblies, gas delivery systems and tubular products primarily for the gas appliance market. Lincoln is a large consumer of the Company's brass rod and forgings.

IPD primarily sells direct to OEM customers. Competitors, primarily in the brass rod market, include Cerro Metal Products Company, Inc., Chase Industries, Inc., Extruded Metals Inc., and others both domestic and foreign. Outside of North America, IPD sells products through various channels.

Other Businesses

Mueller, through its subsidiary Arava Natural Resources Company, Inc. ("Arava"), is engaged in the operation of a short line railroad in Utah. It also owns interests in other natural resource properties.

Short Line Railroad

Utah Railway Company ("Utah Railway"), a wholly-owned subsidiary of Arava, operates on approximately 100 miles of railroad track in Utah. Utah Railway serves four major customers pursuant to long-term contracts which account for more than 75 percent of coal tonnage hauled. The Utah Railway transports coal to an interchange point at Provo, Utah. Although annual tonnage may vary significantly due to fluctuations in the production from the coal mines on the Utah Railway's lines and the demand for export coal, in recent years, annual tonnage ranged between four and six million tons. From Provo, Utah, the coal is transported by connecting railroads to various customers including electric utilities, cement plants, west coast export facilities and others at destinations throughout the West.

On September 30, 1999, Utah Railway purchased the stock of the Salt Lake City Southern Railroad Company, Inc. (SLCS). SLCS operates pursuant to an easement on approximately 25 miles of track, owned by the Utah Transit Authority, from downtown Salt Lake City to near Draper, Utah.

In addition to railway operations discussed above, Union Pacific Railroad granted limited rights to Utah Railway for operations over Union Pacific tracks to Grand Junction, Colorado and access to additional coal customers. Also, Utah Railway conducts switching operations primarily in the Salt Lake City, Ogden and Provo, Utah, metropolitan areas. Switching operations consist of accepting freight from other railroad carriers for delivery to customers and/or accepting loads of freight from such customers for delivery to long haul railroad carriers to be transported to final destinations.

In late 1998, there was a fire at one of the coal mines served by Utah Railway. The mine reopened in late 1999, and its shipments on Utah Railway have resumed.

Other Properties

In early 1998, Ruby Hill Mining Company ("Ruby Hill") received a final $1.0 million installment payment from Homestake Mining Company of California ("Homestake") for Ruby Hill's mining property near Eureka, Nevada. Prior to 1999, the Company received and recognized as gains $4.0 million from this transaction. If Homestake produces a total of 500,000 ounces of gold or "gold equivalents" of other metals from this property, Ruby Hill is thereafter entitled to a three percent net smelter return royalty, after deduction for certain taxes and transportation.

Labor Relations

At December 25, 1999, the Company employed approximately 4,400 employees of which approximately 2,200 were represented by various unions. The union contracts that cover production and maintenance employees at the Company's Port Huron facilities and the contract that covers employees at the Company's Wynne copper tube mill were renewed for five-year periods during 1999. Union contracts at the Company's European operations are renewed annually. Other contracts expire on various dates from April 2000 to August 2002.

Raw Material and Energy Availability

The major portion of Mueller's base metal requirements (primarily copper) is normally obtained through short-term supply contracts with competitive pricing provisions (for cathode) and the open market (for scrap). Other raw materials used in the production of brass, including brass scrap, zinc, tin, and lead, are obtained from zinc and lead producers, open-market dealers, and customers with brass process scrap. Raw materials used in the fabrication of aluminum and plastic products are purchased in the open market from major producers.

Adequate supplies of raw material are available to the Company. Sufficient energy in the form of natural gas, fuel oils, and electricity is available to operate the Company's production facilities. While temporary shortages of raw material and fuels may occur occasionally, they have not materially hampered the Company's operations.

Environmental Matters

Compliance with environmental laws and regulations is a matter of high priority. Mueller's provision for environmental compliance includes charges of $2.1 million in 1998 and $3.1 million in 1997. There was no provision for 1999. Except as discussed below, the Company does not anticipate that it will need to make material expenditures for such compliance activities during the remainder of the 2000 fiscal year, or for the next two fiscal years.

In 1998 and 1997, in connection with acquisitions, the Company established environmental reserves to fund the cost of remediation at sites currently or formerly owned by various acquired entities. The Company, through its acquired subsidiaries, is engaged in ongoing remediation and site characterization studies.

Mining Remedial Recovery Company ("MRRC"), a wholly-owned subsidiary of Arava, was formed for the purpose of managing the remediation of certain properties and the appropriate disposition thereof.

1. Mammoth Mine Site

MRRC owns title to certain inactive mines in Shasta County, California. MRRC has continued a program, begun in the late 1980s, of sealing mine portals with concrete plugs in mine adits which were discharging water. The sealing program has achieved a reduction in the metal load in discharges from these adits; however, additional reductions are being required. In response to a 1996 Order issued by the California Regional Water Quality Control Board ("QCB"), MRRC completed a feasibility study in 1997 describing measures designed to mitigate the effects of acid rock drainage. In December 1998, the QCB issued a new order extending MRRC's time to comply with water quality standards until December 1, 2003. MRRC agreed to continue remedial activities to reduce or prevent discharge of acid mine drainage and submit a use attainability analysis for review by July 1, 2000. MRRC estimates it will spend between $1.0 and $2.0 million on planned remedial activities and the use attainability analysis. Further remediation may be required depending on how effective MRRC's remedial options are in reducing acid rock drainage.

2. U.S.S. Lead

In 1991, U.S.S. Lead Refinery, Inc. ("Lead Refinery"), responded to an information request from EPA under Superfund for information on whether Lead Refinery arranged for the disposal of hazardous substances in the vicinity of the Grand Calumet River/Indiana Harbor Ship Canal. By letter dated February 4, 1997, the Indiana Department of Environmental Management ("IDEM") notified Lead Refinery that a preassessment screening of the Grand Calumet River and the Indiana Harbor Canal conducted pursuant to Superfund had identified releases of hazardous substances from Lead Refinery and other potentially responsible parties ("PRPs") that had adversely impacted natural resources. Based on the prescreening assessment, IDEM has requested that Lead Refinery agree to fund the preparation of an assessment plan which will, in part, quantify the loss of natural resources. By letter dated March 11, 1997, Lead Refinery responded to the February 4 letter and without waiving its affirmative defenses, stated its willingness to participate in

the preparation of an assessment plan. In 1991, Lead Refinery also responded to an information request under Superfund regarding the Lead Refinery site in East Chicago, Indiana. In 1992, EPA advised Lead Refinery of its intent to list the property as a Superfund site; however, as of March 17, 2000, EPA has deferred such listing.

In 1993, Lead Refinery entered into a Consent Order with the EPA pursuant to Section 3008(h) of the Resource Conservation and Recovery Act ("RCRA"). The Consent Order covers remediation activities at the East Chicago, Indiana site and provides for Lead Refinery to complete certain on-site interim remedial activities and studies that extend off-site. In

November 1996, the EPA approved, with modifications, the Interim Stabilization Measures Workplan and designated a Corrective Action Management Unit ("CAMU") at the Lead Refinery site. Site activities, based on the approval, began in December 1996. Costs for remaining cleanup efforts are estimated to be between $2.0 and $3.0 million. In the process of remediating the site, Lead Refinery subsequently identified suspected petroleum contamination on site. As a result, Lead Refinery installed a slurry wall around the CAMU and initiated characterization of areas suspected to have petroleum contamination. Lead Refinery has recently submitted plans to the EPA and IDEM to address this contamination and is currently awaiting approvals. Additionally, Lead Refinery has submitted several other plans for approval to investigate to determine if other contamination exists that is not addressed by the Consent Order. Lead Refinery, without additional assistance from MRRC, lacks the financial resources needed to complete the additional remediation and intends to seek financial assistance from other PRPs to permit Lead Refinery to conduct a private-party cleanup under RCRA.

Lead Refinery has been informed by the former owner and operator of a Superfund site located in Pedricktown, New Jersey that it intends to seek CERCLA response costs for alleged shipments of hazardous substances to the site. Lead Refinery has executed an agreement regarding that site, which indefinitely extends the statute of limitations. By letter dated January 26, 1996, Lead Refinery and other PRPs received from EPA a proposed Administrative Order on Consent to perform the remedial design for operable Unit 1 of the Pedricktown Superfund Site. Lead Refinery determined not to execute the Administrative Order on Consent. Several other PRPs, however, executed the agreement and are conducting the remedial design.

3. Mueller Copper Tube Products, Inc.

Mueller Copper Tube Products, Inc. (MCTP), (formerly known as Halstead) has commenced a cleanup and remediation of soil and groundwater at its Wynne, Arkansas plant. MCTP is currently removing trichloroethene (TCE), a cleaning solvent formerly used by MCTP, from the soil and groundwater. An Initial Interim Remediation Measures work plan and air discharge permit(s) addressing the treatment of soils and groundwater were submitted and approved by the Arkansas Department of Environmental Quality (ADEQ). MCTP has installed monitoring wells offsite to determine the extent of the TCE contamination and is collecting data to be reviewed by ADEQ. Following review of the information, ADEQ will decide whether to require additional investigation and/or remediation activities. The Company anticipates that MCTP will spend up to an estimated five million dollars over the next several years on these activities and established a reserve for this project in connection with the acquisition of MTCP.

Other Business Factors

The Registrant's business is not materially dependent on patents, trademarks, licenses, franchises, or concessions held. In addition, expenditures for company-sponsored research and development activities were not material during 1999, 1998, or 1997. No material portion of the Registrant's business involves governmental contracts.

ITEM 2. PROPERTIES

Information pertaining to the Registrant's major operating facilities is included below. Except as noted, the Registrant owns all of its principal properties. The Registrant's plants are in satisfactory condition and are suitable for the purpose for which they were designed and are now being used.

Location	Approximate Property Size	Description
Fulton, MS	418,000 sq. ft. 52.37 acres	Copper tube mill. Facility includes casting, extruding, and finishing equipment to produce copper tubing, including tube feed stock for the Company's copper fittings plants, Line sets plant, and Precision Tube factory.
Fulton, MS	103,000 sq. ft. 11.9 acres	Casting facility. Facility includes casting equipment to produce copper billets used in the adjoining copper tube mill.
Wynne, AR	682,000 sq. ft.(1) 39.2 acres	Copper tube mill. Facility includes extrusion and finishing equipment to produce copper tubing, including feed stock for the Clinton, TN line sets plant.

Clinton, TN	166,000 sq. ft.(2) 8.5 acres	Line sets plant. Produces copper tube line sets using tube feed stock from the Company's copper tube mills and other mills.
Fulton, MS	58,500 sq. ft. 15.53 acres	Packaging and bar coding facility for retail channel sales.
Fulton, MS	70,000 sq. ft.(3) 7.68 acres	Copper fittings plant. High-volume facility that produces copper fittings using tube feed stock from the Company's adjacent copper tube mill.
Covington, TN	159,500 sq. ft. 40.88 acres	Copper fittings plant. Facility produces copper fittings using tube feed stock from the Company's copper tube mills.

Port Huron, MI	40,000 sq. ft. 5.11 acres	Formed tube plant. Produces copper fittings using cold heading equipment.
Strathroy, Ontario Canada	54,000 sq. ft. 4.67 acres	Copper fittings plant. Facility produces copper fittings for export to European and other metric markets.
Kalamazoo, MI	205,000 sq. ft. 18 acres	Plastic fittings plant. Produces DWV fittings using injection molding equipment.
Cerritos, CA	115,000 sq. ft. 5.1 acres	Plastic fittings plant. Produces DWV fittings using injection molding equipment.
Upper Sandusky, OH	82,000 sq. ft. 7.52 acres	Plastic fittings plant. Produces DWV fittings using injection molding equipment.
Bilston, England United Kingdom	402,500 sq. ft. 14.95 acres	Copper tube mill. Facility includes casting, extruding, and finishing equipment to produce copper tubing.
Longueville, France	332,500 sq. ft. 16.3 acres	Copper tube mill. Facility includes extrusion and finishing equipment to produce copper tubing.
Port Huron, MI	322,500 sq. ft. 71.5 acres	Brass rod mill. Facility includes casting, extruding, and finishing equipment to produce brass rods and bars, in various shapes and sizes.
Port Huron, MI	127,500 sq. ft.	Forgings plant. Produces brass and aluminum forgings.
Marysville, MI	81,500 sq. ft. 6.72 acres	Aluminum and copper impacts plant. Produces made-to-order parts using cold impact processes.
Hartsville, TN	78,000 sq. ft. 4.51 acres	Refrigeration products plant. Produces products used in refrigeration applications such as ball valves, line valves, and compressor valves.
Jacksboro, TN	65,066 sq. ft. 11.78 acres	Bending and fabricating facility. Produces gas burners, supply tubes, and manifolds for the gas appliance industry.
Waynesboro, TN	57,000 sq. ft.(4) 5.0 acres	Gas valve plant. Facility produces brass valves and assemblies for the gas appliance industry.

North Wales, PA	174,000 sq. ft. 18.9 acres	Precision Tube factory. Facility fabricates copper tubing, copper alloy tubing, aluminum tubing, and fabricated tubular products.

Salisbury, MD	12,000 sq. ft.(5)	Coaxial cable plant. Facility manufactures semi-rigid coaxial cable and high-performance cable assemblies.

In addition, the Company owns and/or leases other properties used as distribution centers and corporate offices.

(1) Facility is located on land leased from a local municipality, with an option to purchase at nominal cost.
(2) Facility is leased under an operating lease, with an option to purchase.
(3) Facility is leased under a long-term lease agreement, with an option to purchase at nominal cost.
(4) Facility is leased from a local municipality for a nominal amount.
(5) Facility is leased under an operating lease.

ITEM 3. LEGAL PROCEEDINGS

Environmental Proceedings

Reference is made to "Environmental Matters" in Item 1 of this Report, which is incorporated herein by reference, for a description of environmental proceedings.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

None.

PART II

ITEM 5. MARKET FOR THE REGISTRANT'S COMMON STOCK AND RELATED STOCKHOLDER MATTERS

The information required by Item 5 of this Report is included under the caption "Capital Stock Information" in the Registrant's Annual Report to Stockholders for the year ended December 25, 1999, which information is incorporated herein by reference.

ITEM 6. SELECTED FINANCIAL DATA

Selected financial data are included under the caption "Selected Financial Data" in the Registrant's Annual Report to Stockholders for the year ended December 25, 1999, which selected financial data is incorporated herein by reference.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Management's discussion and analysis of financial condition and results of operations is contained under the caption "Financial Review" in the Registrant's Annual Report to Stockholders for the year ended December 25, 1999, and is incorporated herein by reference.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Quantitative and qualitative disclosures about market risk are contained in the caption "Financial Review" in the Registrant's Annual Report to Stockholders for the year ended December 25, 1999, and is incorporated herein by reference.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

See Index to Financial Statements and Financial Statement Schedules of this Annual Report on Form 10-K which is included on page 18.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

PART III

ITEM 10. DIRECTORS AND EXECUTIVE OFFICERS OF THE REGISTRANT

The information required by Item 10 is contained under the caption "Ownership of Common Stock by Directors and Executive Officers and Information about Director Nominees" in the Company's Proxy Statement for its 2000 Annual Meeting of Stockholders to be filed with the Securities and Exchange Commission on or about March 17, 2000 and is incorporated herein by reference.

ITEM 11. EXECUTIVE COMPENSATION

The information required by Item 11 is contained under the caption "Executive Compensation" in the Company's Proxy Statement for its 2000 Annual Meeting of Stockholders to be filed with the Securities and Exchange Commission on or about March 17, 2000 and is incorporated herein by reference.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The information required by Item 12 is contained under the captions "Principal Stockholders" and "Ownership of Common Stock by Directors and Executive Officers and Information about Director Nominees" in the Company's Proxy Statement for its 2000 Annual Meeting of Stockholders to be filed with the Securities and Exchange Commission on or about March 17, 2000 and is incorporated herein by reference.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

The information required by Item 13 is contained under the caption "Certain Relationships and Transactions with Management" in the Company's Proxy Statement for its 2000 Annual Meeting of Stockholders to be filed with the Securities and Exchange Commission on or about March 17, 2000 and is incorporated herein by reference.

PART IV

ITEM 14. EXHIBITS, FINANCIAL STATEMENT SCHEDULES AND REPORTS ON FORM 8-K

(a) The following documents are filed as part of this report:

1. Financial Statements: the financial statements, notes, and report of independent auditors described in Item 8 of this report, which are incorporated by reference.

2. Financial Statement Schedule: the financial statement schedule described in Item 8 of this report which is indexed on page 18.

3. Exhibits:

2.1 Amended and Restated Agreement and Plan of Merger among Mueller Industries, Inc., Mueller Acquisition Corp. and Halstead Industries, Inc., dated as of October 30, 1998 (Incorporated herein by reference to Exhibit 2.1 of the Registrant's Report on Form 10-Q, dated November 6, 1998 for the quarter ended September 26, 1998).

2.2 Form of Stock Purchase Agreement with William B. Halstead (Incorporated herein by reference to Exhibit 2.2 of the Registrant's Report on Form 10-Q, dated November 6, 1998 for the quarter ended September 26, 1998).

2.3 Form of Stock Purchase Agreement with remaining Halstead stockholders (Incorporated herein by reference to Exhibit 2.3 of the Registrant's Report on Form 10-Q, dated November 6, 1998 for the quarter ended September 26, 1998).

3.1 Certificate of Incorporation of Mueller Industries, Inc. and all amendments thereto (Incorporated herein by reference to Exhibit 3.1 of the Registrant's Report on Form 10-K, dated March 23, 1999, for the fiscal year ended December 26, 1998).

3.2 By-laws of Mueller Industries, Inc., as amended and restated, effective November 10, 1994 (Incorporated herein by reference to Exhibit 3 (ii) of the Registrant's Current Report on Form 8-K, dated November 14, 1994).

4.1 Common Stock Specimen (Incorporated herein by reference to Exhibit 4.1 of the Registrant's Current Report on Form 8-K dated December 28, 1990).

4.2 Rights Agreement, dated as of November 10, 1994, between the Registrant and Continental Stock Transfer and Trust Company, as Rights Agent, which includes the Form of Certificate of Designation, Preferences and Rights of Series A Junior Participating Preferred Stock of the Registrant, as Exhibit A, the Form of Rights Certificate, as Exhibit B, and the Summary of Rights to Purchase Preferred Stock, as Exhibit C (Incorporated by reference to Exhibit 99.1 of the Registrant's Current Report on Form 8-K, dated November 14, 1994).

10.1 Credit Agreement among Mueller Industries, Inc. (as Borrower) and Michigan National Bank and other banking institutions and Michigan National Bank (as Agent) dated as of June 1, 1994 (Incorporated herein by reference to Exhibit 4.3 of the Registrant's Report on Form 10-K, dated March 20, 1997, for the fiscal year ended December 28, 1996).

10.2 First Amendment to Credit Agreement among Mueller Industries, Inc. (as Borrower) and Michigan National Bank and other banking institutions and Michigan National Bank (as Agent) dated as of December 14, 1994 (Incorporated herein by reference to Exhibit 4.4 of the Registrant's Report on Form 10-K, dated March 20, 1997, for the fiscal year ended December 28, 1996).

10.3 Second Amendment to Credit Agreement among Mueller Industries, Inc. (as Borrower) and Michigan National Bank and other banking institutions and Michigan National Bank (as Agent) dated as of June 1, 1995 (Incorporated herein by reference to Exhibit 4.5 of the Registrant's Report on Form 10-K, dated March 20, 1997, for the fiscal year ended December 28, 1996).

10.4 Third Amendment to Credit Agreement among Mueller Industries, Inc. (as Borrower) and Michigan National Bank and other banking institutions and Michigan National Bank (as Agent) dated as of December 18, 1996 (Incorporated herein by reference to Exhibit 4.6 of the Registrant's Report on Form 10-K, dated March 20, 1997, for the fiscal year ended December 28, 1996).

10.5 Fourth Amendment to Credit Agreement among Mueller Industries, Inc. (as Borrower) and Michigan National Bank and other banking institutions and Michigan National Bank (as Agent) dated December 31, 1997 (Incorporated herein by reference to Exhibit 4.7 of the Registrant's Report on Form 10-K, dated March 19, 1998, for the fiscal year ended December 27, 1997).

10.6 Fifth Amendment to Credit Agreement among Mueller Industries, Inc. (as Borrower) and Michigan National Bank and other banking institutions and Michigan National Bank (as Agent) dated November 20, 1998 (Incorporated herein by reference to Exhibit 10.6 of the Registrant's Report on Form 10-K, dated March 23, 1999, for the fiscal year ended December 26, 1998).

10.7 Amended and Restated Credit Agreement among Mueller Industries, Inc. (as Borrower) and Michigan National Bank and other banking institutions and Michigan National Bank (as Agent) dated December 30, 1998 (Incorporated herein by reference to Exhibit 10.7 of the Registrant's Report on Form 10-K, dated March 23, 1999, for the fiscal year ended December 26, 1998).

10.8 Certain instruments with respect to long-term debt of the Company have not been filed as Exhibits to the Report since the total amount of securities authorized under any such instrument does not exceed 10 percent of the total assets of the Company and its subsidiaries on a consolidated basis. The Company agrees to furnish a copy of each such instrument upon request of the Securities and Exchange Commission.

10.9 Employment Agreement, effective October 1, 1991 by and between Mueller Industries, Inc. and Harvey L. Karp (Incorporated herein by reference to Exhibit 10.3 of the Registrant's Current Report on Form 8-K dated November 22, 1991).

10.10 Stock Option Agreement, dated December 4, 1991 by and between Mueller Industries, Inc. and Harvey L. Karp (Incorporated herein by reference to Exhibit 10.4 of the Registrant's Current Report on Form 8-K dated November 22, 1991).

10.11 Stock Option Agreement, dated March 3, 1992 by and between Mueller Industries, Inc. and Harvey L. Karp (Incorporated herein by reference to Exhibit 2 of the Registrant's Current Report on Form 8-K dated March 11, 1992).

10.12 Mueller Industries, Inc. 1991 Incentive Stock Option Plan (Incorporated herein by reference to Exhibit 4(a) of the Registrant's Registration Statement on Form S-8 dated April 17, 1992).

10.13 Summary description of the Registrant's 2000 bonus plan for certain key employees.

10.14 Amended and Restated Employment Agreement, effective as of September 17, 1997, by and between Mueller Industries, Inc. and Harvey L. Karp (Incorporated herein by reference to Exhibit 10.1 of the Registrant's Report on Form 10-Q, dated October 21, 1997, for the quarter ended September 27, 1997).

10.15 Amended and Restated Employment Agreement, effective as of September 17, 1997, by and between Mueller Industries, Inc. and William D. O'Hagan (Incorporated herein by reference to Exhibit 10.2 of the Registrant's Report on Form 10-Q, dated October 21, 1997, for the quarter ended September 27, 1997).

10.16 Mueller Industries, Inc. 1994 Stock Option Plan (Incorporated herein by reference to Exhibit 10.13 of the Registrant's Report on Form 10-K, dated March 17, 1995, for the fiscal year ended December 31, 1994).

10.17 Mueller Industries, Inc. 1994 Non-Employee Director Stock Option Plan (Incorporated herein by reference to Exhibit 10.14 of the Registrant's Report on Form 10-K, dated March 17, 1995, for the fiscal year ended December 31, 1994).

10.18 Mueller Industries, Inc. Deferred Compensation Plan, effective January 1, 1997 (Incorporated herein by reference to Exhibit 10.12 of the Registrant's Report on Form 10-K, dated March 20, 1997, for the fiscal year ended December 28, 1996).

10.19 Amendment No. 1 to Mueller Industries, Inc. Deferred Compensation Plan as amended and restated January 1, 1997.

10.20 Mueller Industries, Inc. 1998 Stock Option Plan (Incorporated herein by reference to Exhibit A of the Registrant's Definitive Proxy Statement, dated March 18, 1998).

10.21 Stock Option Agreement, dated May 7, 1997 by and between Mueller Industries, Inc. and William D. O'Hagan (Incorporated herein by reference to Exhibit 10.19 of the Registrant's Report on Form 10-K, dated March 23, 1999, for the fiscal year ended December 26, 1998).

10.22 Stock Option Agreement, dated October 9, 1998 by and between Mueller Industries, Inc. and William D. O'Hagan (Incorporated herein by reference to Exhibit 10.20 of the Registrant's Report on Form 10-K, dated March 23, 1999, for the fiscal year ended December 26, 1998).

13.0 Mueller Industries, Inc.'s Annual Report to Stockholders for the year ended December 25, 1999. Such report, except to the extent incorporated herein by reference, is being furnished for the information of the Securities and Exchange Commission only and is not to be deemed filed as a part of this Annual Report on Form 10-K.

21.0 Subsidiaries of the Registrant.

23.0 Consent of Independent Auditor (Includes report on Financial Statement Schedule).

(b) During the three months ended December 25, 1999, no Current Reports on Form 8-K were filed.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized, on March 23, 2000.

MUELLER INDUSTRIES, INC.

/S/ HARVEY L. KARP
Harvey L. Karp, Chairman of the Board

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the date indicated.

Signature	Title	Date
/S/ HARVEY L. KARP Harvey L. Karp	Chairman of the Board, and Director	March 23, 2000
/S/ ROBERT B. HODES Robert B. Hodes	Director	March 23, 2000
/S/ G.E. MANOLOVICI G.E. Manolovici	Director	March 23, 2000
/S/ WILLIAM D. O'HAGAN William D. O'Hagan	President, Chief Executive Officer, Director	March 23, 2000
/S/ ROBERT J. PASQUARELLI Robert J. Pasquarelli	Director	March 23, 2000

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following person on behalf of the Registrant and in the capacities and on the date indicated.

Signature and Title	Date
/S/ KENT A. MCKEE Kent A. McKee Vice President and Chief Financial Officer (Principal Accounting Officer)	March 23, 2000
/S/ RICHARD W. CORMAN Richard W. Corman Corporate Controller	March 23, 2000

INDEX TO FINANCIAL STATEMENTS

The consolidated financial statements, together with the report thereon of Ernst & Young LLP dated February 4, 2000, appearing on page 24 through and including 54, of the Company's 1999 Annual Report to Stockholders are incorporated by reference in this Annual Report on Form 10-K. With the exception of the aforementioned information, no other information appearing in the 1999 Annual Report to Stockholders is deemed to be filed as part of this Annual Report on Form 10-K under Item 8. The following Consolidated Financial Statement Schedule should be read in conjunction with the consolidated financial statements in such 1999 Annual Report to Stockholders. Consolidated Financial Statement Schedules not included with this Annual Report on Form 10-K have been omitted because they are not applicable or the required information is shown in the consolidated financial statements or notes thereto.

FINANCIAL STATEMENT SCHEDULE

MUELLER INDUSTRIES, INC.
SCHEDULE II - VALUATION AND QUALIFYING ACCOUNTS
Years Ended December 25, 1999, December 26, 1998, and December 27, 1997
(In thousands)
<TABLE>
<CAPTION>

	Balance at beginning of year	Additions: Charged to costs and expenses	Additions: Other additions	Deductions	Balance at end of year
<S>	<C>	<C>	<C>	<C>	<C>
1999					
Allowance for doubtful accounts	$ 4,929	$ 1,503	$ -	$ 1,065	$ 5,637
Environmental reserves	$ 16,321	$ -	$ -	$ 3,356	$ 12,965
Severance and related	$ 9,266	$ -	$ -	$ 7,708	$ 1,558
Other reserves (3)	$ 15,748	$ -	$ -	$ 5,714	$ 10,034
Valuation allowance for deferred tax assets	$ 46,592	$ -	$ 10,280 (1)	$ 8,220	$ 48,652
1998					
Allowance for doubtful accounts	$ 3,680	$ 556	$ 1,197 (2)	$ 504	$ 4,929
Environmental reserves	$ 10,368	$ 2,133	$ 7,472 (2)	$ 3,652	

					$ 16,321
Severance and related	$ -	$ -	$ 9,464 (2)	$ 198	$ 9,266
Other reserves (3)	$ 10,448	$ 200	$ 6,838 (2)	$ 1,738	$ 15,748
Valuation allowance for deferred tax assets	$ 52,073	$ -	$ -	$ 5,481	$ 46,592
1997					
Allowance for doubtful accounts	$ 3,188	$ 107	$ 677 (2)	$ 292	$ 3,680
Environmental reserves	$ 9,105	$ 3,100	$ 3,949 (2)	$ 5,786	$ 10,368
Other reserves (3)	$ 10,368	$ 250	$ 2,089 (2)	$ 2,259	$ 10,448
Valuation allowance for deferred tax assets	$ 56,299	$ -	$ -	$ 4,226	$ 52,073

<FN>

(1) Other additions to the valuation allowance for deferred tax assets relate to foreign net operating loss carryforwards.

(2) Resulted from acquisitions during 1998 and 1997.

(3) Other reserves are included in the balance sheet captions "Other current liabilities" and "Other noncurrent liabilities".
</TABLE>

EXHIBIT INDEX

Exhibits	Description	Page
10.13	Summary description of the Registrant's 2000 bonus plan for certain key employees.	
10.20	Amendment No. 1 to Mueller Industries, Inc. Deferred Compensation Plan as amended and restated January 1, 1997.	
13.0	Mueller Industries, Inc.'s Annual Report to Stockholders for the year ended December 25, 1999. Such report, except to the extent incorporated herein by reference, is being furnished for the information of the Securities and Exchange Commission only and is not to be deemed filed as a part of this Annual Report on Form 10-K.	
21.0	Subsidiaries of the Registrant.	
23.0	Consent of Independent Auditor (Includes report on Financial Statement Schedule).	
27.0	Financial Data Schedule (EDGAR filing only)	

2000 BONUS PLAN FOR CERTAIN KEY EMPLOYEES

The Company has a discretionary bonus program under which exempt salaried employees (other than the CEO and Chairman) may be paid bonuses based on a percentage of base annual salary. The CEO and Chairman participate in this plan, however their bonuses are specifically determined by the board of directors. The bonus percent is based on a variety of guidelines including the performance levels of the respective business units measured by earnings before tax.

AMENDMENT NO. 1
TO
MUELLER INDUSTRIES, INC.
DEFERRED COMPENSATION PLAN
As Amended and Restated January 1, 1997

Mueller Industries, Inc., a Delaware corporation (the "Company"), pursuant to the power granted to it by Section 11.2 of the Mueller Industries, Inc., Deferred Compensation Plan (the "Plan"), hereby amends the Plan, as follows, effective as of January 1, 1997:

1. Section 1.27 is amended in its entirety to read as follows:

"1.27: "Preferred Rate" for a Plan Year shall be 120% of the Crediting Rate for such year if the Crediting Rate elected by the Participant is a rate equal to the "Moody's Corporate Bond Rate" as described in Section 1.14 (a). However, if the Crediting rate elected by the Participant is a benchmark fund as described in Section 1.14 (b), then no preferred rate enhancement shall be applied."

2. Section 3.6 is amended in its entirety to read as follows:

"3.6: Prior to any distributions of benefits under Articles 4, 5, 6 or 7, earnings shall be credited and compounded monthly to a Participant's Account Balance, as such balance is determined each month in accordance with Section 3.4 above. The rate for crediting shall be the Preferred Rate, except as otherwise expressly provided herein. If the Crediting or Preferred Rate is based on Section 1.14 (a) hereof, such rate shall be determined each month by dividing the applicable Preferred Rate (or, if expressly provide otherwise, the Crediting Rate) by 12. If the Crediting or Preferred Rate is based on Section 1.14 (b) hereof, such rate will be determined each month based on the actual performance of the applicable benchmark fund. The performance of each elected benchmark fund (either positive or negative) will be determined by the Committee, in its sole discretion, based on the performance of the benchmark funds themselves. A Participant's Account Balance shall be credited or debited on a daily basis based on the performance of each benchmark fund selected by the Participant, as determined by the Committee in its sole discretion, as though (i) a Participant's Account Balance were invested in the benchmark fund(s) selected by the Participant, in the percentages applicable to such calendar quarter, as of the close of business on the first business day of such calendar quarter, at the closing price on such date; (ii) the portion of the Annual Deferral Amount that was actually deferred during any calendar quarter were invested in the benchmark fund(s) selected by the Participant, in the percentages applicable to such calendar quarter, no later than the close of business on the first business day of the month in which such amounts are actually deferred from the Participant's Base Annual Salary through reductions in his or her payroll as per Section 3.4, at the closing price on such date; and

(iii) any distribution made to a Participant that decreases such Participant's Account Balance ceased being invested in the benchmark fund(s), in the percentages applicable to such calendar quarter, no earlier than three business days prior to the distribution, at the closing price on such date."

The Company has caused this Amendment to be signed by its duly authorized officer as of the date written below.

MUELLER INDUSTRIES, INC.

By:/S/William H. Hensley

Its: Vice President, General Counsel and Secretary

Date: January 1, 1997

MUELLER INDUSTRIES, INC.
ANNUAL REPORT 1999

Focused on Growth

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 plants are located throughout the United States and in Canada, France, and Great Britain. The Company also owns a short line railroad in Utah and various natural resource properties.

MUELLER INDUSTRIES, INC.
Financial Highlights
(Dollars in thousands, except per share data)
<TABLE>
<CAPTION>

<S>	1999 <C>	1998 <C>	1997 <C>	1996 <C>	1995 <C>
Summary of Operations					
Net sales	$ 1,168,744	$ 929,391	$ 888,997	$ 718,312	$ 678,838
Product shipments (in millions of pounds)	815.2	644.6	545.3	447.0	388.3
Net income	$ 99,279	$ 75,445	$ 69,770	$ 61,173	$ 44,823
Diluted earnings per share	$ 2.51	$ 1.90	$ 1.78	$ 1.57	$ 1.17
Significant Year-End Data					
Cash and cash equivalents	$ 149,454	$ 80,568	$ 69,978	$ 96,956	$ 48,357
Ratio of current assets to current liabilities	2.9 to 1	2.7 to 1	3.1 to 1	3.5 to 1	3.1 to 1
Long-term debt (including current portion)	$ 149,870	$ 194,549	$ 72,093	$ 59,650	$ 75,902
Debt as a percent of total capitalization	20.8%	27.9%	14.7%	14.6%	21.0%

Stockholders' equity	$ 569,430	$ 502,122	$ 418,040	$ 348,082	$ 285,875
Book value per share	$ 16.31	$ 14.02	$ 11.94	$ 9.98	$ 8.24
Capital expenditures	$ 40,115	$ 55,440	$ 36,865	$ 18,868	$ 40,980

</TABLE>

To Our Shareholders, Customers, and Employees

Nineteen ninety-nine was an outstanding year for Mueller. We set records in every category - sales, operating income, net income, earnings per share, pounds of product manufactured, and pounds of product sold. We achieved our eighth straight year of dynamic earnings growth. Every quarter of 1999 was the best such quarter in the history of the company. Using 1992 as a base year, Mueller has had an average annual compounded earnings growth rate of over 30 percent. Specifically, net income increased to $99.3 million in 1999, compared to $75.4 million in 1998, a gain of 32 percent. Earnings were $2.51 per diluted share, up 32 percent from $1.90 in the prior year. Net sales totaled $1.2 billion in 1999, up from $929 million in 1998. And Mueller shipped 815.2 million pounds of product in 1999, 26 percent more than in 1998.

Premier Year for Copper Tube.

In November 1998, Mueller acquired Halstead Industries, whose copper tube mill in Arkansas complemented Mueller's plant in Mississippi. We believed that the acquisition presented three opportunities to increase earnings from the tube business. The first was the elimination of redundant corporate overhead, sales, distribution, and marketing expenses. The second was the consolidation of manufacturing in order to rationalize production runs and thereby reduce conversion costs. We are pleased to report that in 1999, much of the gains we envisioned in these areas have been realized. The third opportunity stemming from the Halstead acquisition involved a major investment in capital equipment. Over the next six months, we plan to complete the $24 million modernization of the Arkansas tube mill, with the objective of further reducing conversion costs to a world-class level. This program is well under way, with most of the needed equipment already on order. We expect to commence reaping benefits from this investment in the year 2000, with many more benefits coming on stream in year 2001.

Fittings Business had an Excellent Year.

Our copper and plastic fittings business had an excellent year in 1999, even though margins were variable. For the first half of the year, prices drifted downward despite the fact that volume was good. However, as business continued to show vigor, prices advanced over the last six months of the year. The year ended strongly, and we entered the year 2000 with the fittings business in a solid position. During the year, our high-volume copper fittings facility in Fulton, Mississippi performed very well. The investments made over the past several years in Fulton proved their worth. This was also true of the investments made in our Covington, Tennessee copper fittings plant, where efficiency and productivity continued to improve. Our plastic fittings business also benefited from the sizable investments in capital equipment and tooling. We are confident that all three of our plastic fittings manufacturing plants are today world-class in terms of cost structure, manufacturing flexibility, and quality of products produced.

Major Investment in Europe.

As 1999 commenced, copper tube prices in Europe declined precipitously and continued at a subpar level for most of the year. Recently, tube prices have trended upward while business volume remains good. Subject to confirmation of Regional Selective Assistance financial support from the Department of Trade and Industry (United Kingdom), Mueller will launch a $40 million capital program in Great Britain dedicated to dramatically reducing costs. This program will produce some benefits in late 2001 but many more in the years beyond. In the meantime, we will take actions to improve operations and confirm our commitments to our European customers. Further, as the European economies improve as expected, we should benefit from increased demand.

Industrial Products had a Superior Year.

Industrial Products achieved record earnings in 1999. Each product line performed well, despite volatility in the price of metals. Our Industrial Products manufacturing base is highly competitive; however, we are committed to relentless improvement. We are currently investing $10 million to install a continuous caster in our brass rod mill. The new caster will improve product quality while lowering production costs.

Progress at Other Businesses.

The integration of B&K (acquired August 1998) into our Standard Products Division is largely completed. B&K, an importer and distributor of residential and commercial plumbing products, grew by more than 50 percent during 1999, and reached its profit objectives.

Utah Railway Company's earnings declined during 1999 principally due to a fire that closed a large customer's coal mine. The mine recently reopened and normal shipments have resumed.

Acquisition Strategy.

Our company has made 10 acquisitions over the past six years, and these have strengthened our core businesses. By focusing on our industry, we have been able to leverage existing manufacturing, sales, and distribution capabilities. And of even more importance, we have become an increasingly valuable resource to our customers. We expect to continue to grow through strategic acquisitions. We clearly have the balance sheet, cash flow, and borrowing capacity to acquire one or more businesses of significant size.

Mueller's Financial Condition is Excellent.

We ended 1999 with nearly $150 million in cash and a modest 20.8 percent debt-to-total capitalization ratio. Cash flow continues to be strong, and we anticipate funding our capital improvement programs and our share buy-back program from internal sources.

On October 18, 1999, our Board of Directors authorized the repurchase of up to four million of our common shares on the open market. Through December 1999, we have repurchased 444,200 shares at an average cost of $30.96 per share. We have not aggressively pressed the buy-back program, preferring instead to repurchase shares opportunistically. Mueller has substantial borrowing capacity based upon its premier balance sheet and cash flow. We have the financial means to take advantage of opportunities to continue to improve and grow our company.

Mueller's Business Outlook for 2000.

Current economic conditions are providing a very positive environment for our business. Inflation last year was a modest 2.7 percent. Consumer confidence is near an all-time high, and unemployment hovers at its lowest level in 30 years. Interest rates have risen over the past 15 months, but thus far have had little effect on housing starts. Housing starts registered a strong 1.66 million units in 1999, and as of this writing, continue to be robust. We believe that in the year 2000, purchasing new homes and upgrading existing homes will continue to be a high priority for the American consumer.

A Word of Thanks.

The key to any company's success is the dedication, enthusiasm, and initiative of its employees. Mueller has been able to attract and retain many, many talented people who have these qualities. Our success has been due to their efforts. They have worked long hours and made many sacrifices to make Mueller the company it is today. We want everyone to know how very much we appreciate and value our management team and all our employees. We are also grateful to our Board of Directors who have been unfailingly responsive to the needs of our company. We have frequently called upon their wisdom and experience to make Mueller a better company.

Sincerely,

/S/HARVEY L. KARP
Harvey L. Karp
Chairman of the Board

/S/WILLIAM D. O'HAGAN
William D. O'Hagan
President and Chief Executive Officer

March 17, 2000

[PHOTO]
Harvey L. Karp, Chairman of the Board, and William D. O'Hagan,
President and Chief Executive Officer

[GRAPH]
<TABLE>
Net Income

($ millions)

<S>	1995 <C>	1996 <C>	1997 <C>	1998 <C>	1999 <C>
Net income	$44.8	$61.2	$69.8	$75.4	$99.3

</TABLE>

[GRAPH]
Net Sales
<TABLE>
($ millions)
<CAPTION>

<S>	1995 <C>	1996 <C>	1997 <C>	1998 <C>	1999 <C>
Net Sales	$679	$718	$889	$929	$1,169

</TABLE>

[GRAPH]
Pounds of Product Sold
<TABLE>
(millions)
<CAPTION>

<S>	1995 <C>	1996 <C>	1997 <C>	1998 <C>	1999 <C>
Pounds of Product Sold	388.3	447.0	545.3	644.6	815.2

</TABLE>

[GRAPH]
Diluted Earnings Per Share
<TABLE>
($)
<CAPTION>

<S>	1995 <C>	1996 <C>	1997 <C>	1998 <C>	1999 <C>
Diluted Earnings Per Share	$1.17	$1.57	$1.78	$1.90	$2.51

</TABLE>

[GRAPH]
Debt-to-Total Capitalization

	1995	1996	1997	1998	1999
Debt ($ millions)	$ 75.9	$ 59.6	$ 72.1	$194.5	$149.9
Equity ($ millions)	$285.9	$348.1	$418.0	$502.1	$569.4
Ratio (percent)	21.0%	14.6%	14.7%	27.9%	20.8%

[GRAPH]

Stockholders' Equity

($ millions)

	1995	1996	1997	1998	1999
Stockholders' Equity	$285.9	$348.1	$418.0	$502.1	$569.4

[GRAPH]

Cash Flow

($ millions)

	1995	1996	1997	1998	1999
Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA)	$ 81.9	$108.9	$123.2	$135.0	$187.8

The New Dynamics of the Housing Industry

The housing industry over the past 15 years has largely paralleled the performance of the economy as a whole. The chart below shows that since 1985 the housing industry has performed very well except for the brief recession of 1991. We believe there are three dynamic factors at work:

1 Innovations in Mortgage Finance.

Since the early 1980s, when Adjustable Rate Mortgages (ARMs) became widely available, ARMs have grown in popularity as an alternative to traditional 30-year fixed-rate mortgages. Prior to that time, as long-term mortgage rates increased, many potential homebuyers were priced out of the market. Further, lower down payment requirements and loan origination costs have reduced the cash burden of purchasing a home. Today, homebuyers have alternatives not available prior to the early 1980s: they can opt for shorter-term, flexible lower-rate and refinanceable ARMs. For example, in 1994 and again in 1999 as mortgage rates advanced, homebuyers turned to ARMs, and the housing market continued to prosper.

2 Demographic Trends.

Since 1985, single-family housing starts averaged 1.1 million units per year. We believe this is less than the number required to maintain our nation's housing stock and provide for our growing population. The shortfall has resulted in a pent-up demand for housing. Household formations should continue to grow at approximately 1.1 to 1.2 million annually over the next decade. The balance of demand for new construction relates to net removals and changes in vacancies as the population continues to migrate to the South and West.

3 Economic Stability.

Low unemployment and inflation have combined with steady growth of GDP to create high levels of consumer confidence. Specifically, the housing affordability index in 1985 was 94.8. It has remained over 100 since then, and is currently at 134.4. This means that America's entire middle class currently qualifies to buy a home. These factors imply that the housing market is fundamentally sound and in a more stable, less cyclical environment than prior to 1985.

[GRAPH]

Single-Family Housing Starts

(millions, SAAR)
<CAPTION>

<S>	Single-Family Housing Starts <C>
1985	1.072
1986	1.179
1987	1.146
1988	1.081
1989	1.003
1990	0.894
1991	0.840
1992	1.029
1993	1.125
1994	1.198
1995	1.076
1996	1.160
1997	1.133
1998	1.271
1999	1.331

</TABLE>

Company Overview

Standard Products Division

[GRAPH]
Net Sales
<TABLE>
($ millions)
<CAPTION>

<S>	1995 <C>	1996 <C>	1997 <C>	1998 <C>	1999 <C>
Net Sales	$397	$442	$561	$624	$859

</TABLE>

[GRAPH]
Operating Income
<TABLE>
($ millions)
<CAPTION>

<S>	1995 <C>	1996 <C>	1997 <C>	1998 <C>	1999 <C>
Operating Income	$ 41	$ 75	$ 72	$ 83	$129

</TABLE>

U.S. Copper Tube
PLANTS:
Fulton, Mississippi
Wynne, Arkansas
Clinton, Tennessee
PRODUCTS AND APPLICATIONS
Water tube, in straight lengths and coils for plumbing and construction
Dehydrated coils and nitrogen-charged straight lengths for refrigeration and air-conditioning
Industrial tube, in straight lengths and level-wound coils, for fittings, redraw, etc.
Line sets for controlling the flow of refrigerant gases
CUSTOMERS
Plumbing wholesalers, home centers, and hardware wholesalers

and co-ops
Air-conditioning and refrigeration wholesalers and OEMs
Mueller's copper fitting plants and OEMs
Wholesalers and OEMs

1999 HIGHLIGHTS

Successfully started copper casting facility * Completed ACR tube production system expansion * Fully rationalized production between Fulton and Wynne mills * Integrated B&K acquisition

Fully consolidated two line set production facilities

2000 OBJECTIVES

Complete Wynne mill modernization * Install new annealing furnace * Upgrade, improve Wynne casting operation * Complete equipment reliability initiative * Complete implementation of integrated ERP software

Expand foam rubber production capacity and offering

Copper Fittings

PLANTS

Fulton, Mississippi
Covington, Tennessee
Port Huron, Michigan
Strathroy, Ontario, Canada

PRODUCTS AND APPLICATIONS

Over 1,500 wrot copper elbows, tees and adapters, and assorted cast copper fittings for plumbing, heating, air-conditioning, and refrigeration

CUSTOMERS

Plumbing and air-conditioning wholesalers, home centers, hardware wholesalers and co-ops, and OEMs

1999 HIGHLIGHTS

Completed installation of warehouse and distribution management technologies * Completed retail packaging facility * Integrated B&K acquisition

2000 OBJECTIVES

Upgrade distribution * Rebuild coldheader equipment and integrate material supply * Modernize tee press processes * Complete implementation of integrated ERP software

Plastic Fittings

PLANTS

Kalamazoo, Michigan
Cerritos, California
Upper Sandusky, Ohio

PRODUCTS AND APPLICATIONS

A broad line of over 1,000 PVC and ABS plastic fittings and valves for drainage, waste and ventilation, in housing and commercial construction, recreational vehicles, and manufactured housing

CUSTOMERS

Plumbing wholesalers, home centers, hardware wholesalers and co-ops, and distributors to the manufactured housing and recreational vehicle industry

1999 HIGHLIGHTS

Installed new presses and tooling * Successful prototype of new extrusion process * Integrated B&K acquisition

2000 OBJECTIVES

Automate valve assembly * Continue new process R&D * Additional retail packaging automation * Upgrade Kalamazoo distribution * Complete implementation of integrated ERP software

European Copper Tube

PLANTS

Bilston, Great Britain
Longueville, France

PRODUCTS AND APPLICATIONS

Copper tube in various lengths, diameters and hardnesses for plumbing, refrigeration, and heating

Industrial tube for redraw, copper fittings, etc.

CUSTOMERS

Builders' merchants, plumbing, refrigeration, and heating wholesalers
OEMs

1999 HIGHLIGHTS

All new information systems upgrade * New bundling equipment * Completed full transition to two manufacturing facilities

2000 OBJECTIVES

Initiate two-year European modernization program, including new extrusion press and drawing equipment * Replace billet furnace in

Longueville * Increase casting capability * Complete implementation of integrated ERP software

Industrial Products Division

[GRAPH]
Net Sales
<TABLE>
($ millions)
<CAPTION>

<S>	1995 <C>	1996 <C>	1997 <C>	1998 <C>	1999 <C>
Net Sales	$251	$256	$293	$275	$290

</TABLE>

[GRAPH]
Operating Income
<TABLE>
($ millions)
<CAPTION>

<S>	1995 <C>	1996 <C>	1997 <C>	1998 <C>	1999 <C>
Operating Income	$ 20	$ 27	$ 30	$ 28	$ 30

</TABLE>

Brass Rod

PLANTS

Port Huron, Michigan

PRODUCTS AND APPLICATIONS

A broad range of rounds, squares, hexagons, and special shapes in free machining, thread rolling, and forging alloys for numerous end products, including plumbing brass, valves and fittings, and industrial machinery and equipment

CUSTOMERS

OEMs, contract machining companies and distributors

1999 HIGHLIGHTS

Initiated casting capacity upgrade * Installed new annealing furnace * Installed new two-roll and 24-roll straighteners for rounds and hexagon bars * Upgraded computerized maintenance control system * Upgraded tool room capability with EDM and die hone * Installed stomper/deslagger with closed-hood system on melter

2000 OBJECTIVES

Install horizontal continuous caster * Enhance/add modernized drawing equipment * Improve scrap/chip handling processes

Engineered Products

PLANTS

Port Huron, Michigan
Marysville, Michigan
Hartsville, Tennessee
Jacksboro, Tennessee
Waynesboro, Tennessee
North Wales, Pennsylvania
Salisbury, Maryland

PRODUCTS AND APPLICATIONS

Brass and aluminum hot metal forgings in assorted alloys for plumbing brass, valves and fittings, and industrial machinery and equipment

Cold-formed aluminum and copper products for automotive, industrial, and recreational components

Valves and custom OEM products for refrigeration and air-conditioning applications

Custom valve and other metal assemblies for the gas appliance and barbecue grill markets

Shaped and formed tube, produced to tight tolerances, for baseboard heating, appliances, medical instruments, etc.;
coaxial cables

CUSTOMERS

OEMs

1999 HIGHLIGHTS

Installed new and rebuilt forging trim presses and slug heating furnaces * Consolidated sales organization * Increased ball valve capacity * Upgraded machining capability * Enhanced information systems and processes * Added part cleaning process with environmentally friendly process in lieu of outsourcing

2000 OBJECTIVES

Complete new automated lube system in Marysville * Rebuild/automate forming presses (Forgings and Impacts) * Automatic range valve assembly machine at Lincoln Brass * Expand and upgrade machining capabilities * Rationalize valve and manifold business

Other Businesses: Utah Railway Company, established in 1912, hauls coal to connections with national carriers, power plants and to other destinations. Utah Railway Company also provides train switching services in Utah's central corridor. Mueller also owns other natural resource properties.
Highlights for 1999 include: built railroad yard; sold Alaska Gold; acquired Salt Lake City Southern Railroad Company.
Objectives for 2000 include: replace locomotive fleet with more efficient units.

Capital investments drive down costs.

Capital investments translate into higher productivity, greater efficiency, and improved product quality. Our investments include information systems, automated distribution facilities, as well as tooling, machinery and equipment. Our mission is to be at the cutting edge of the best worldwide technology and practices.

Mueller's businesses are highly competitive. To prosper, we must utilize the best available technologies and systems. Our goal is to relentlessly reduce the costs of manufacturing, selling, and distributing our products. We are confident that Mueller is currently a world-class company, but we strive to become even better. In 1999, we invested $40 million in capital improvements including the commencement of the modernization program at the Wynne, Arkansas tube mill, completion of the Fulton, Mississippi copper billet casting facility, and the expansion of ACR tube capacity, among many others. During 2000, the pace of our capital investments will accelerate. We expect to invest or commit approximately $90 million; our most ambitious year ever. The 2000 year projects will include: the first stage of our European modernization program; horizontal continuous casting for our brass rod mill; the installation of an upcaster for use in making copper fittings; an automated Bonderlube and cleaning line at our impacts plant; the replacement of 14 locomotives for the Utah Railway; and many more. These investments are driven by our commitment to be a low-cost producer of every product we manufacture. We believe that the best defense, as well as the best offense, is to keep driving down our costs.

Capital investments are key to our success. Over the past five years, Mueller has invested nearly $200 million to drive down costs. The return on this investment is reflected in our increased profitability.

[GRAPH]
Capital Expenditures

($ millions)

	1995	1996	1997	1998	1999
Capital Expenditures	$41.0	$18.9	$36.9	$55.4	$40.1

Acquisitions accelerate our growth.

Mueller's acquisition program has accelerated our growth. Approximately 45 percent of our 1999 sales originated from companies acquired over the past five years. All of our acquisitions have focused on our industry, and in every case have strengthened our core businesses. We believe that an acquisition should leverage our existing manufacturing, sales, and distribution capabilities. We seek companies that are well managed, and are able to utilize Mueller's financial resources to grow at a faster pace. We do not require that an acquisition candidate be immediately accretive to earnings. Rather, our emphasis is on building value by unleashing the potential of acquired businesses through capital improvements and integration with our core businesses. Mueller has made 10 acquisitions in recent years at an aggregate cost of over $200 million. Our financial capabilities permit us to make additional acquisitions of substantial size. At 1999 year-end, Mueller had approximately $150 million in cash, strong earnings, a formidable cash flow, and an under-leveraged balance sheet. We have the resources to balance our organic growth with growth through acquisitions.

Approximately 45 percent of Mueller's 1999 sales originated from acquisitions made over the past five years. Before we make an acquisition, we must have in place a plan to enhance its operations and profitability.

[GRAPH]
<TABLE>
<CAPTION>

<S>	Percent <C>
Sales from ongoing operations	55%
Sales from acquisitions	45%

</TABLE>

Mueller is focused on growth. We are committed to building a world-class manufacturing company with the objective of increasing shareholder value. Our growth has been well balances, coming from organic sources and acquisitions.

Mueller's Management Philosophy

We believe that we must strive to be the best at everything we do. We are determined to be world-class in manufacturing, selling, and distributing our products. Being world-class means utilizing the best available technology, systems, tooling, and equipment. We employ talented, dedicated, and enthusiastic people and provide them with an environment in which they can excel. We organize our efforts with the prime objective of providing our customers with superior services, which add value to their businesses. We seek to be a resource to our customers, as well as a source of supply. Several years ago, Mueller began using a strategic management system known as the Balanced Scorecard (BSC). The BSC focuses on basic corporate functions such as customer service, internal process improvement, and employee development. The functions are critical to Mueller's continued long-term growth. The BSC has helped our management team to be more effective in directing our rapidly growing enterprise. We view our shareholders as partners. They are deserving of our best efforts and fidelity. Increasing shareholder value is the measure of our success.

Financial Review

Overview

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 plants are located throughout the United States and in Canada, France, and Great Britain. The Company also owns a short line railroad in Utah and natural resource properties in the Western U.S.

The Company's businesses are managed and organized into three segments: (i) Standard Products Division (SPD); (ii) Industrial Products Division (IPD); and (iii) Other Businesses. SPD manufactures and sells copper tube, and copper and plastic fittings and valves. Outside of the United States, SPD manufactures copper tube in Europe and copper fittings in Canada. SPD sells these products to wholesalers in the HVAC (heating, ventilation, and air-conditioning), plumbing, and refrigeration markets, and to distributors to the manufactured housing and recreational vehicle industries. IPD manufactures and sells brass and copper alloy rod, bar, and shapes; aluminum and brass forgings; aluminum and copper impact extrusions; refrigeration valves and fittings; fabricated tubular products; and gas valves and assemblies. IPD sells its products primarily to original equipment manufacturers (OEMs), many of which are in the HVAC, plumbing, and refrigeration markets. Other Businesses include Utah Railway Company and other natural resource properties and interests. SPD and IPD account for more than 98 percent of consolidated net sales and more than 81 percent of consolidated total assets.

During 1998, the Company completed three acquisitions: (i) Halstead Industries, Inc. (Halstead), which operates a copper tube mill in Wynne, Arkansas and a line sets factory in Clinton, Tennessee; (ii) B&K Industries, Inc. (B&K), based in Elk Grove Village, Illinois, a significant importer and distributor of residential and commercial plumbing products in the United States that sells through all major distribution channels including hardware co-ops, home centers, plumbing wholesalers, hardware wholesalers, OEMs, and manufactured housing wholesalers; and (iii) Lincoln Brass Works, Inc. (Lincoln), which produces custom valve assemblies, custom metal assemblies, gas delivery systems, and tubular products, primarily for the gas appliance market, at two manufacturing facilities in Tennessee.

New housing starts and commercial construction are important determinants of the Company's sales to the HVAC, refrigeration, and plumbing markets because the principal end use of a significant portion of the Company's products is in the construction of single and multi-family housing and commercial buildings.

Profitability of certain of the Company's product lines depends upon the "spreads" between the cost of raw material and the selling prices of its completed products. The open market prices for copper cathode and scrap, for example, influence the selling price of copper tubing, a principal product manufactured by the Company. The Company attempts to minimize the effects of fluctuations in material costs by passing through these costs to its customers. Spreads fluctuate based upon competitive market conditions.

Results of Operations

1999 PERFORMANCE COMPARED TO 1998

Consolidated net sales in 1999 were $1,168.7 million or 25.7 percent higher than $929.4 million in 1998. Pounds of product sold totaled 815.2 million in 1999 or 26.5 percent more than the 644.6 million pounds sold in 1998. These increases were due primarily to acquisitions which occurred during 1998. Net selling prices generally fluctuate with changes in raw material prices; therefore, pounds sold is an additional measurement of the Company's growth. The COMEX average copper price in 1999 was approximately 4 percent lower than the 1998 average. This change impacts the Company's net sales and cost of goods sold.

Businesses acquired in 1998 accounted for approximately $341.8 million of the Company's 1999 net sales and those acquired in 1997 added approximately $148.8 million. The Halstead acquisition was completed in the fourth quarter of 1998 and the other two acquisitions were completed in the third quarter of 1998. Core product lines that existed prior to the 1998 and 1997 acquisitions accounted for the balance of the Company's 1999 growth.

Cost of goods sold increased $166.2 million, to $886.5 million in 1999. This increase is primarily attributable to acquisitions and higher sales of core products. Gross profit was 24.1 percent of net sales in 1999 compared to 22.5 percent in 1998 and cost of sales improved accordingly. This improvement resulted from lower manufacturing costs, continued higher yields from production, reduced metal costs, and improved spreads in certain products, particularly copper tube.

Depreciation and amortization increased to $37.0 million in 1999 compared to $24.9 million in 1998. This increase was due to 1998 acquisitions and capital expenditures in recent years, which totaled $40.1 million in 1999 and $55.4 million in 1998.

Selling, general, and administrative expense increased to $97.3 million in 1999. When measured on a basis of cost per pound of product sold, these expenses averaged 11.9 cents a pound in 1999 and 11.7 cents a pound in 1998. Approximately 66 percent of the $21.9 million increase was attributable to businesses acquired in 1998.

Interest expense increased to $11.7 million in 1999 from $5.8 million in 1998. The 1999 increase resulted primarily from funds borrowed in the fourth quarter of 1998 to purchase Halstead and from certain debt assumed by the Company in the acquisition of B&K. The Company capitalized interest of $.4 million for major capital improvement projects in 1999 compared to $.8 million in 1998.

The provision for environmental reserves totaled $2.1 million in 1998 whereas none was required in 1999.

Other income increased to $9.5 million in 1999 from $8.5 million in

1998. Within this classification, interest income increased $1.5 million to $6.6 million in 1999 while gains from disposal of non-manufacturing properties decreased $.3 million to $1.8 million in 1999. Rent and royalty income decreased $.4 million from $1.4 million in 1998.

The Company provided $46.4 million for income taxes in 1999, of which $31.3 million was deferred. Current income tax expense of $15.1 million decreased from 1998 primarily due to realization of an ordinary loss of approximately $70 million as a consequence of the sale of Alaska Gold Company, offset by increased taxable income. The 31.9 percent effective tax rate for 1999, which is comparable to the 1998 rate of 31.0 percent, reflects the recognition of certain tax attributes discussed in Note 7 and certain favorable state tax credits, including IRB financings.

The Company's employment was 4,356 at the end of 1999. This compares to 4,788 at the 1998 year-end.

Standard Products Division

Net sales by SPD were $858.5 million in 1999 compared to $624.4 million in 1998 for a 37 percent increase. Operating income was $129.1 million in 1999 compared to $83.0 million in 1998. The profit improvement resulted from increased volume, lower manufacturing costs, and improved spreads in certain products, particularly copper tube.

Industrial Products Division

IPD's net sales were $290.3 million in 1999 compared to $274.6 million in 1998. Due to the lower cost of raw materials, the average selling price for finished product was approximately 7 percent lower in 1999 compared to 1998 levels. Operating income was $29.9 million in 1999 compared to $28.3 million in 1998. Increased volume and lower manufacturing costs accounted for the profit improvement.

Other Businesses

Utah Railway Company hauled 5.3 million tons of coal in 1999, slightly less than in 1998. Revenue totaled $22.1 million in 1999 compared to $23.5 million in 1998. This decrease is due to production interruptions caused by a fire at one of the coal mines served by Utah Railway Company. The mine re-opened in late 1999. Alaska Gold Company's net sales were $.2 million in 1999 compared to $8.2 million in 1998. On April 26, 1999, the Company sold 100 percent of its interest in Alaska Gold Company.

1998 PERFORMANCE COMPARED TO 1997

Consolidated net sales in 1998 were $929.4 million or 4.5 percent higher than $889.0 million in 1997. Pounds of product sold totaled 644.6 million in 1998 or 18.2 percent more than the 545.3 million pounds sold in 1997. The COMEX average copper price in 1998 was approximately 27 percent lower than the 1997 average, which impacts the Company's net sales and cost of goods sold.

Acquisitions contributed to growth in 1998. Businesses acquired in 1997 added approximately $168.6 million to the Company's 1998 net sales and those acquired in 1998 added approximately $59.7 million. Growth from core product lines that existed prior to the 1997 and 1998 acquisitions added 6.1 percent to the Company's 1998 growth measured in pounds of product shipped.

Cost of goods sold increased $15.5 million, or 2.2 percent, to $720.3 million in 1998. This increase is primarily attributable to acquisitions and higher sales of core products. Gross profit was 22.5 percent of net sales in 1998 compared to 20.7 percent in 1997 and cost of sales improved accordingly. This 1.8 percent rate improvement resulted from lower manufacturing costs, continued higher yields from production, reduced metal costs, and improved spreads in certain products, particularly copper tube.

Depreciation and amortization increased $3.9 million, or 18.6 percent, to $24.9 million in 1998 compared to $21.0 million in 1997. This increase was due to capital expenditures in recent years, which totaled $55.4 million in 1998 and $36.9 million in 1997, and to the 1998 and 1997 acquisitions.

Selling, general, and administrative expense increased $11.9 million, or 18.7 percent, to $75.4 million in 1998. When measured on a basis of cost per pound of product sold, these expenses averaged 11.7 cents a pound in 1998 and 11.6 cents a pound in 1997. Approximately 90 percent of the $11.9 million increase was attributable to businesses acquired in 1997 and 1998.

Interest expense increased 17.5 percent in 1998 to $5.8 million. The 1998 increase resulted primarily from funds borrowed against the Company's line-of-credit in the fourth quarter of 1998 to purchase Halstead and from certain debt assumed by the Company in the acquisition of B&K. The Company capitalized interest of $.8 million for major capital improvement projects in 1998 compared to $.1 million in 1997.

The provision for environmental reserves totaled $2.1 million in 1998 compared to $3.1 million in 1997. This provision is based on updated information and on results of ongoing environmental remediation and monitoring programs at previously identified sites.

Other income decreased to $8.5 million in 1998 from $9.2 million in 1997. Within this classification, interest income increased $1.5 million to $5.1 million in 1998 while gains from disposal of non-manufacturing properties decreased $1.5 million to $2.2 million in 1998. Rent and royalty income decreased $.8 million from $2.2 million in 1997.

The Company provided $33.9 million for income taxes in 1998, of which $4.9 million was deferred. Current income tax expense of $29.0 million increased approximately $.8 million over 1997 primarily because of increased taxable income.

The Company's employment increased from 3,378 positions at the end of 1997 to 4,788 at the 1998 year-end. Of this increase, 1,335 positions were related to businesses acquired during 1998.

Standard Products Division

Net sales by SPD were $624.4 million in 1998 compared to $560.8 million in 1997 for an 11.3 percent increase. Operating income was $83.0 million in 1998 compared to $71.7 million in 1997. The profit improvement resulted from increased volume, lower manufacturing costs, and improved spreads in certain products, particularly copper tube.

Industrial Products Division

IPD's net sales were $274.6 million in 1998 compared to $292.9 million in 1997. Due to the lower cost of raw materials, the average selling price for finished product was approximately 20 percent lower in 1998 compared to 1997 levels. Operating income was $28.3 million in 1998 compared to $29.8 million in 1997.

Other Businesses

Utah Railway Company hauled 5.5 million tons of coal in 1998 or 11.6 percent more than in 1997. Revenue totaled $23.5 million in 1998 compared to $19.7 million in 1997. Alaska Gold Company's net sales were $8.2 million in 1998 compared to $15.5 million in 1997. Alaska Gold sold its 1998 gold production in 1998, whereas in 1997 it sold two years of gold production.

Liquidity and Capital Resources

The Company's cash and cash equivalents balance increased to $149.5 million at year-end. Major components of the 1999 change include $164.8 million of cash provided by operating activities, $23.1 million of cash used in investing activities, and $73.2 million of cash used in financing activities.

Net income of $99.3 million in 1999 was the primary component of cash provided by operating activities. Depreciation and amortization of $37.0 million and deferred income taxes of $31.3 million were the primary non-cash adjustments. Major changes in working capital included a $15.3 million increase in receivables, a $13.0 million decrease in inventories, a $15.0 million decrease in other assets, and a $14.0 million decrease in current and other liabilities.

The major component of net cash used in investing activities during 1999 included $40.1 million for capital expenditures. Other components included cash provided by proceeds from sales of properties and escrowed IRB funds. Capital expenditures were primarily related to improvements in manufacturing processes.

Net cash used in financing activities totaled $73.2 million. During 1999, the Company paid $169.7 million for debt repayments offset by $125.0 million of proceeds from the issuance of long-term debt. The Company also repurchased 560 thousand shares of its stock in private transactions, plus 444 thousand shares under a stock buy-back plan totaling $29.7 million.

The Company has a $100 million unsecured line of credit (Credit Facility) which expires in May 2001. The Credit Facility may be extended for successive one-year periods by agreement of the parties. There are no outstanding borrowings against the Credit Facility. The Company did, however, have approximately $5.0 million in letters of credit backed by this Credit Facility at the end of 1999. At December 25, 1999, the Company's total debt was $149.9 million or 20.8 percent of its total capitalization.

The Company's financing obligations contain various covenants, which require, among other things, the maintenance of minimum levels of working capital, tangible net worth, and debt service coverage ratios. The Company is in compliance with all of its debt covenants.

The Company is investing approximately $24 million for capital improvements at its Wynne copper tube mill. The project will update the extrusion and drawing equipment employed at the mill. The project, when completed mid-year 2000, will significantly improve the mill's conversion costs as well as yield.

The Company is also planning a new $10 million investment at our Port Huron, Michigan brass rod mill. This investment, which is expected to be completed near the end of 2000, will increase our casting capacity, improve yield, and reduce conversion costs.

Subject to confirmation of Regional Selective Assistance financial support from the Department of Trade and Industry (United Kingdom), the Company has also authorized approximately $40 million for the modernization of its European factories. This investment will upgrade the casting, extrusion, drawing, and finishing processes at these operations. The project is expected to be completed near the end of 2001.

Management believes that cash provided by operations and currently available cash of $149.5 million will be adequate to meet the Company's normal future capital expenditure and operational needs. The Company's current ratio was 2.9 to 1 at December 25, 1999.

On October 18, 1999, the Company's Board of Directors authorized the repurchase of up to four million shares of the Company's common stock from time-to-time over the next year through open market transactions or through privately negotiated transactions. The Company will have no obligation to purchase any shares and may cancel, suspend, or extend the time period for the purchase of shares at any time. The purchases will be funded primarily through existing cash and cash from operations. The Company may hold such shares in treasury or use a portion of the repurchased shares for employee benefit plans, as well as for other corporate purposes. Through December 25, 1999, the Company has repurchased approximately 444 thousand shares under this program.

Environmental Matters

The Company ended 1999 with total environmental reserves of approximately $13.0 million. This balance includes $6.4 million for businesses acquired in 1998. Based upon information currently available, management believes that the outcome of pending environmental matters will not materially affect the overall financial position and results of operations of the Company.

Market Risk

The Company is exposed to market risk from changes in foreign exchange, interest rates, and raw material costs. To reduce such risks, the Company may periodically use financial instruments. All hedging transactions are authorized and executed pursuant to policies and procedures. Further, the Company does not buy or sell financial instruments for trading purposes. A discussion of the Company's accounting policies for management of market risk is included in the Summary of Significant Accounting Policies in the Notes to the Consolidated Financial Statements.

Interest Rates

At December 25, 1999 and December 26, 1998, the fair value of the Company's debt is estimated at $150.3 million and $195.2 million, respectively, using yields obtained for similar types of borrowing arrangements and taking into consideration the underlying terms of the debt. Such fair value exceeds the carrying value of debt at December 25, 1999 by $.4 million and at December 26, 1998 by $.7 million. Market risk is estimated as the potential change in fair value resulting from a hypothetical 10 percent decrease in interest rates and amounts to $.4 million at December 25, 1999 and $.6 million at December 26, 1998.

The Company had $119.0 million of variable-rate debt outstanding at December 25, 1999 and $142.2 million at December 26, 1998. At these borrowing levels, a hypothetical 10 percent increase in interest rates would have had an unfavorable impact on the Company's pretax earnings and cash flows of $.8 million in 1999 and 1998. The primary interest rate exposure on floating-rate debt is based on LIBOR.

Foreign Currency Exchange Rates

Foreign currency exposures arising from transactions include firm commitments and anticipated transactions denominated in a currency other than an entity's functional currency. The Company and its subsidiaries generally enter into transactions denominated in their respective functional currencies. Foreign currency exposures arising from transactions denominated in currencies other than the functional currency are not material; however, the Company may utilize certain forward fixed-rate contracts to hedge such transactional exposures.

The Company's primary foreign currency exposure arises from foreign-denominated revenues and profits and their translation into U.S. dollars. The primary currencies to which the Company is exposed include the Canadian dollar, the British pound sterling, and the French franc. The Company generally views as long-term its investments in foreign subsidiaries with a functional currency other than the U.S. dollar. As a result, the Company generally does not hedge these net investments. The net investment in foreign subsidiaries translated into U.S. dollars using the year-end exchange rates is $16.5 million at December 25, 1999 and $27.3 million at December 26, 1998. The potential loss in value of the Company's net investment in foreign subsidiaries resulting from a hypothetical 10 percent adverse change in quoted foreign currency exchange rates at December 25, 1999 and December 26, 1998 amounts to $3.5 million and $2.7 million, respectively. This change would be reflected in the equity section of the Company's Consolidated Balance Sheet.

Cost of Raw Materials

Copper and brass represent the largest component of the Company's variable costs of production. The cost of these materials is subject to global market fluctuations caused by factors beyond the Company's control. Significant increases in the cost of metal, to the extent not reflected in prices for the Company's finished products, could materially and adversely affect the Company's business, results of operations and financial condition.

The Company occasionally enters into forward fixed-price arrangements with certain customers. The Company may utilize futures or option contracts to hedge risks associated with forward fixed-price arrangements. The Company may also utilize futures or option contracts to manage price risk associated with inventory. The total amount of such contracts was approximately 1.0 million pounds at December 25, 1999 and includes varying maturity dates in 2000. At December 26, 1998, the amount of such contracts was approximately 5.3 million pounds. Gains or losses with respect to these positions are reflected in earnings upon the sale of inventory. Periodic value fluctuations of the contracts generally offset the value fluctuations of the underlying fixed-price transactions or inventory.

Year 2000 Program

The Company is not aware of any Year 2000 issues that have affected its operations. In preparation for the Year 2000, the Company established a Year 2000 program to evaluate, confirm compliance, and identify any necessary changes to its information technology and operating systems. The Company retained a consulting firm specializing in this area to assist in the program. The Company expensed approximately $850 thousand related to this outside consultant. In addition, the Company replaced certain hardware and modified its developed software code at a cost, that was immaterial. During 1999, the Company upgraded the business systems of our European businesses with Year 2000 compliant systems.

Since January 1, 2000, the Company has not experienced any disruption to our business as the result of any year 2000 date functions. Management believes that the risk that the Company would be unable to maintain customer services due to future Year 2000 system failures is remote.

Recently Issued Accounting Standards

During 1998, the Financial Accounting Standards Board (FASB) issued Statement No. 133, "Accounting for Derivative Instruments and Hedging Activities" (SFAS No. 133). This statement requires companies to record derivative instruments on the balance sheet as assets or liabilities, measured at fair value. Gains or losses resulting from changes in the values of a derivative would be accounted for depending on the use of a derivative and whether it qualifies for hedge accounting. In June 1999, the FASB issued Statement No. 137, which delayed the effective date of SFAS No. 133 to the Company's fiscal year 2001. Because of the Company's minimal historical use of derivatives, management anticipates that the adoption of SFAS No. 133 will not have a significant effect on earnings or on the financial position of the Company.

Cautionary Statement Regarding Forward-Looking Information

This Annual Report contains various forward-looking statements and includes assumptions concerning the Company's operations, future results, and prospects. These forward-looking statements are based on current expectations and are subject to risk and uncertainties. In connection with the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995, Mueller provides the following cautionary statement identifying important economic, political, and technological factors, among others, the absence of which could cause actual results or events to differ materially from those set forth in or implied by the forward-looking statements and related assumptions.

Such factors include: (i) continuation of the current and projected future business environment, including interest rates and capital and consumer spending; (ii) continuation of the strong domestic housing industry environment; (iii) fluctuations in commodity prices (including prices of copper and other raw materials); (iv) competitive factors and competitor responses to Mueller initiatives; (v) successful implementation and completion of major capital projects; (vi) stability of government laws and regulations, including taxes; and (vii) continuation of the environment to make acquisitions, domestic and foreign, including regulatory requirements and market values of candidates.

Mueller Industries, Inc.
Consolidated Statements of Income
Years Ended December 25, 1999, December 26, 1998, and December 27, 1997
<TABLE>

(In thousands, except per share data)
<CAPTION>

<S>	1999 <C>	1998 <C>	1997 <C>
Net sales	$ 1,168,744	$ 929,391	$ 888,997
Cost of goods sold	886,531	720,293	704,801
Gross profit	282,213	209,098	184,196
Depreciation and amortization	36,986	24,899	20,998
Selling, general, and administrative expense	97,301	75,390	63,489
Operating income	147,926	108,809	99,709
Interest expense	(11,681)	(5,839)	(4,968)
Environmental reserves	-	(2,133)	(3,100)
Other income, net	9,464	8,503	9,180
Income before income taxes	145,709	109,340	100,821
Income tax expense	(46,430)	(33,895)	(31,051)
Net income	$ 99,279	$ 75,445	$ 69,770
Weighted average shares for basic earnings per share	35,594	35,452	34,997
Effect of dilutive stock options	4,011	4,192	4,253
Adjusted weighted average shares for diluted earnings per share	39,605	39,644	39,250
Basic earnings per share	$ 2.79	$ 2.13	$ 1.99
Diluted earnings per share	$ 2.51	$ 1.90	$ 1.78

See accompanying notes to consolidated financial statements.
</TABLE>

Mueller Industries, Inc.
Consolidated Balance Sheets
As of December 25, 1999 and December 26, 1998
<TABLE>
(In thousands)
<CAPTION>

<S>	1999 <C>	1998 <C>
Assets		
Current assets		
Cash and cash equivalents	$ 149,454	$ 80,568
Accounts receivable, less allowance for doubtful accounts of $5,367 in 1999 and $4,929 in 1998	167,858	155,601
Inventories	119,644	134,732
Current deferred income taxes	-	5,140
Other current assets	3,790	6,283
Total current assets	440,746	382,324
Property, plant, and equipment, net	347,846	379,082
Goodwill, net	94,530	75,988
Other assets	20,958	37,300
Total Assets	$ 904,080	$ 874,694

======== ========

See accompanying notes to consolidated financial statements.
</TABLE>

Mueller Industries, Inc.
Consolidated Balance Sheets (continued)
As of December 25, 1999 and December 26, 1998
<TABLE>
(In thousands, except share data)
<CAPTION>

	1999	1998
<S>	<C>	<C>
Liabilities and Stockholders' Equity		
Current liabilities		
Current portion of long-term debt	$ 31,012	$ 19,980
Accounts payable	49,958	46,641
Accrued wages and other employee costs	30,182	26,636
Other current liabilities	41,909	49,317
	--------	--------
Total current liabilities	153,061	142,574
Long-term debt, less current portion	118,858	174,569
Pension liabilities	6,624	5,924
Postretirement benefits other than pensions	6,967	6,660
Environmental reserves	12,965	16,321
Deferred income taxes	24,275	10,490
Other noncurrent liabilities	11,546	15,680
	--------	--------
Total liabilities	334,296	372,218
	--------	--------
Minority interest in subsidiaries	354	354
Stockholders' equity		
Preferred stock - shares authorized 4,985,000; none outstanding	-	-
Series A junior participating preferred stock - $1.00 par value; shares authorized 15,000; none outstanding	-	-
Common stock - $.01 par value; shares authorized 100,000,000; issued 40,091,502 in 1999 and 1998; outstanding 34,918,646 in 1999 and 35,807,596 in 1998	401	401
Additional paid-in capital, common	259,977	258,171
Retained earnings since January 1, 1991	372,477	273,198
Cumulative translation adjustments	(8,112)	(3,317)
Treasury common stock, at cost	(55,313)	(26,331)
	--------	--------
Total stockholders' equity	569,430	502,122
	--------	--------
Commitments and contingencies	-	-
	--------	--------
Total Liabilities and Stockholders' Equity	$ 904,080	$ 874,694
	========	========

See accompanying notes to consolidated financial statements.

</TABLE>

Mueller Industries, Inc.
Consolidated Statements of Cash Flows
Years Ended December 25, 1999, December 26, 1998, and December 27, 1997
<TABLE>
(In thousands)
<CAPTION>

<S>	1999 <C>	1998 <C>	1997 <C>
Operating activities:			
Net income	$ 99,279	$ 75,445	$ 69,770
Reconciliation of net income to net cash provided by operating activities:			
Depreciation	31,130	24,076	20,012
Amortization	5,856	823	986
Provision for doubtful accounts receivable	1,503	556	107
Minority interest in subsidiaries, net of dividend paid	-	(337)	294
Deferred income taxes	31,257	4,870	2,830
Gain on disposal of properties	(1,847)	(2,156)	(3,702)
Changes in assets and liabilities, net of businesses acquired:			
Receivables	(15,339)	12,973	(24,422)
Inventories	12,992	(4,875)	1,329
Other assets	14,973	(3,219)	(5,451)
Current liabilities	622	(6,016)	(3,543)
Other liabilities	(14,657)	(3,165)	(5,416)
Other, net	(1,014)	(65)	136
Net cash provided by operating activities	164,755	98,910	52,930
Investing activities:			
Acquisition of businesses	(675)	(158,514)	(37,874)
Capital expenditures	(40,115)	(55,440)	(36,865)
Proceeds from sales of properties	7,137	2,559	5,826
Escrowed IRB proceeds	6,022	14,739	(21,146)
Note receivable	4,484	(4,484)	-
Net cash used in investing activities	(23,147)	(201,140)	(90,059)
Financing activities:			
Proceeds from issuance of long-term debt	125,000	-	27,500
Repayments of long-term debt	(29,819)	(19,396)	(18,133)
Proceeds from the sale of treasury stock	1,093	7,284	615
Acquisition of treasury stock	(29,669)	-	-
Net (repayments) borrowings on lines of credit	(139,840)	125,451	-
Net cash (used in) provided by financing activities	(73,235)	113,339	9,982

See accompanying notes to consolidated financial statements.

</TABLE>

Mueller Industries, Inc.
Consolidated Statements of Cash Flows (continued)
Years Ended December 25, 1999, December 26, 1998, and December 27, 1997
<TABLE>
(In thousands)
<CAPTION>

<S>	1999 <C>	1998 <C>	1997 <C>
Effect of exchange rate changes on cash	513	(519)	169
Increase (decrease) in cash and cash equivalents	68,886	10,590	(26,978)
Cash and cash equivalents at the beginning of the year	80,568	69,978	96,956
Cash and cash equivalents at the end of the year	$ 149,454	$ 80,568	$ 69,978

For supplemental disclosures of cash flow information, see
Notes 1, 5, 7, and 12.
See accompanying notes to consolidated financial statements.

</TABLE>

Mueller Industries, Inc.
Consolidated Statements of Stockholders' Equity
Years Ended December 25 1999, December 26, 1998, and December 27, 1997
(In thousands)

<TABLE>
<CAPTION>

	Common Stock Number of Shares	Common Stock Amount	Additional Paid-In Capital	Retained Earnings	Cumulative Translation Adjustments	Treasury Stock Number of Shares	Treasury Stock Cost	Total
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Balance, December 28, 1996	40,000	$ 200	$ 254,214	$ 127,983	$ (2,805)	5,130	$(31,510)	$ 348,082
Comprehensive income:								
Net income	-	-	-	69,770	-	-	-	69,770
Other comprehensive income:								
Foreign currency translation	-	-	-	-	(427)	-	-	(427)

Comprehensive income								69,343
Issuance of shares under incentive stock option plan	-	-	(286)	-	-	(148)	901	615
	-------	---	-------	-------	-----	------	-------	---------
Balance, December 27, 1997	40,000	200	253,928	197,753	(3,232)	4,982	(30,609)	418,040
Comprehensive income:								
Net income	-	-	-	75,445	-	-	-	75,445
Other comprehensive income:								
Foreign currency translation	-	-	-	-	(85)	-	-	(85)

Comprehensive income								75,360
Issuance of shares under incentive stock option plan	-	-	(765)	-	-	(698)	4,278	3,513
Par value of shares issued in connection with a two-for-one stock split	-	200	(200)	-	-	-	-	-

Issuance of shares for business acquisition	92	1	2,837	-	-	-	-	2,838
Note receivable from officer	-	-	(1,400)	-	-	-	-	(1,400)
Tax benefit related to employee stock options	-	-	3,771	-	-	-	-	3,771
	-------	---	-------	-------	-----	------	------	--------
Balance, December 26, 1998	40,092	401	258,171	273,198	(3,317)	4,284	(26,331)	502,122
Comprehensive income:								
Net income	-	-	-	99,279	-	-	-	99,279
Other comprehensive income:								
Foreign currency translation	-	-	-	-	(4,795)	-	-	(4,795)

Comprehensive income								94,484
Issuance of shares under incentive stock option plan	-	-	406	-	-	(115)	687	1,093
Repurchase of common stock	-	-	-	-	-	1,004	(29,669)	(29,669)
Proceeds from payment on note receivable from officer	-	-	1,400	-	-	-	-	1,400
	-------	---	-------	-------	-----	------	------	--------
Balance, December 25, 1999	40,092	$ 401	$ 259,977	$ 372,477	$ (8,112)	5,173	$(55,313)	$ 569,430
	=======	===	=======	=======	=====	======	=======	========

<FN>
See accompanying notes to consolidated financial statements.
</TABLE>

Notes to Consolidated Financial Statements

Note 1 - Summary of Significant Accounting Policies

NATURE OF OPERATIONS

The principal business of Mueller Industries, Inc. is the manufacture and sale 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; fabricated tubular products; and gas valves and assemblies. The Company markets its products to the HVAC, plumbing, refrigeration, hardware, and other industries. During 1999, the Company operated 20 factories in eight states, Canada, Great Britain, and France and had distribution facilities nationwide and sales representation worldwide. The Company also operates a short line railroad through its subsidiary, Utah Railway Company. In addition, the Company owns interests in or leases other natural resource properties.

PRINCIPLES OF CONSOLIDATION

The consolidated financial statements include the accounts of Mueller Industries, Inc. and its subsidiaries. All significant intercompany accounts and transactions have been eliminated in consolidation. The minority interest represents separate private ownership of 25 percent of Ruby Hill Mining Company and 19 percent of Richmond-Eureka Mining Company.

INVENTORIES

The Company's inventories are valued at the lower of cost or market. The material component of its U.S. copper tube and copper fittings inventories is valued on a last-in, first-out (LIFO) basis. Other inventories, including the non-material components of U.S. copper tube and copper fittings, are valued on a first-in, first-out (FIFO) basis. Inventory costs include material, labor costs, and manufacturing overhead.

DEPRECIATION

Depreciation of buildings, machinery, and equipment is provided on the straight-line method over the estimated useful lives ranging from 20 to 40 years for buildings and five to 20 years for machinery and equipment.

INTANGIBLE ASSETS

The excess of the cost over the fair value of net assets of businesses acquired is recorded as goodwill and is amortized on a straight-line basis over 25 years. The cost of other acquired intangibles is amortized on a straight-line basis over their estimated useful lives. The Company continually evaluates the carrying value of goodwill and other intangible assets. Any impairments would be recognized when the expected future undiscounted operating cash flows derived from such intangible assets is less than their carrying value.

REVENUE RECOGNITION

Revenue is recognized when products are shipped or services are performed.

STOCK-BASED COMPENSATION

The Company accounts for employee stock-based compensation using the intrinsic value method prescribed in Accounting Principles Board Opinion No. 25, "Accounting for Stock Issued to Employees" (APB No. 25) and related Interpretations as permitted by Statement of Financial Accounting Standards No. 123, "Accounting for Stock-Based Compensation" (SFAS No. 123).

EARNINGS PER SHARE

Basic earnings per share has been computed based on the average number of common shares outstanding. Diluted earnings per share reflects the increase in average common shares outstanding that would result from the assumed exercise of outstanding stock options calculated using the treasury stock method.

INCOME TAXES

The Company accounts for income taxes using the liability method required by Statement of Financial Accounting Standards No. 109, "Accounting for Income Taxes".

CASH EQUIVALENTS

Temporary investments with maturities of three months or less are considered to be cash equivalents. These investments are stated at cost. At December 25, 1999 and December 26, 1998, temporary investments consisted of certificates of deposit, commercial paper, bank repurchase agreements, and U.S. and foreign government securities totaling $157.0 million and $81.4 million, respectively. These carrying amounts approximate fair value.

CONCENTRATIONS OF CREDIT AND MARKET RISK

Concentrations of credit risk with respect to accounts receivable are limited due to the large number of customers comprising the Company's customer base, and their dispersion across different industries, including HVAC, plumbing, refrigeration, hardware, automotive, OEMs, and others.

The Company minimizes its exposure to base metal price fluctuations through various strategies. Generally, it prices an equivalent amount of copper raw material, under flexible pricing arrangements it maintains with its suppliers, at the time it determines the selling price of finished products to its customers.

The Company enters into forward fixed-price arrangements with certain customers. The Company may utilize futures or option contracts to hedge risks associated with forward fixed-price arrangements. The Company may also utilize futures or option contracts to manage price risk associated with inventory. Gains or losses with respect to these positions are reflected in earnings upon the sale of inventory. Periodic value fluctuations of the contracts generally offset the value fluctuations of the underlying fixed-price transactions or inventory. At year-end, the Company held open hedge forward contracts to deliver approximately $.9 million of copper.

The Company's sales are principally denominated and collected in the U.S. dollar. Certain sales are collected in other currencies. The market risk regarding currency exchange rate fluctuations may be hedged using forward contracts. At year-end, the Company held open forward contracts to deliver the equivalent of approximately $1.1 million in other currencies.

FOREIGN CURRENCY TRANSLATION

For foreign subsidiaries, the functional currency is the local currency. Balance sheet accounts are translated at exchange rates in effect at the end of the year and income statement accounts are translated at average exchange rates for the year. Translation gains and losses are included as a separate component of stockholders' equity. Transaction gains and losses included in the Consolidated Statements of Income were not significant.

USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

RECENTLY ISSUED ACCOUNTING STANDARDS

During 1998, the Financial Accounting Standards Board (FASB) issued Statement No. 133, "Accounting for Derivative Instruments and Hedging Activities" (SFAS No. 133). This statement requires companies to record derivative instruments on the balance sheet as assets or liabilities, measured at fair value. Gains or losses resulting from changes in the values of a derivative would be accounted for depending on the use of the derivative and whether it qualifies for hedge accounting. In June 1999, the FASB issued Statement No. 137, which delayed the effective date of SFAS No. 133 to the Company's fiscal year 2001. Because of the Company's minimal historical use of derivatives, management anticipates that the adoption of SFAS No. 133 will not have a significant effect on earnings or on the financial position of the Company.

RECLASSIFICATIONS

Certain amounts in the 1998 and 1997 consolidated financial statements have been reclassified to conform to the 1999 presentation.

Note 2 - Inventories

Inventories consist of the following:

<TABLE>
(In thousands)
<CAPTION>

	1999	1998
<S>	<C>	<C>
Raw material and supplies	$ 28,337	$ 26,544
Work-in-process	14,423	18,196
Finished goods	76,884	89,672
Gold	-	320
	--------	--------
Inventories	$ 119,644	$ 134,732
	========	========

</TABLE>

Inventories valued using the LIFO method totaled $29.0 million at December 25, 1999 and $28.9 million at December 26, 1998. The approximate FIFO cost of such inventories was $29.9 million at December 25, 1999 and $26.9 million at December 26, 1998.

Note 3 - Properties

Properties stated at fair value as of December 28, 1990, with subsequent additions recorded at cost, are as follows:

<TABLE>
(In thousands)
<CAPTION>

	1999	1998
<S>	<C>	<C>
Land and land improvements	$ 7,994	$ 12,537

Buildings	68,436	67,879
Machinery and equipment	376,764	370,080
Construction in progress	25,466	41,686
	478,660	492,182
Less accumulated depreciation	(130,814)	(113,100)
Property, plant, and equipment, net	$ 347,846	$ 379,082

</TABLE>

Note 4 - Other Current Liabilities

Other current liabilities consist of the following:

<TABLE>
(In thousands)
<CAPTION>

<S>	1999 <C>	1998 <C>
Accrued discounts and allowances	$ 14,850	$ 15,022
Accrued severance and related costs for acquired businesses	1,558	9,266
Freight settlements due to other railroads	3,191	2,866
Income taxes payable	2,884	1,393
Deferred income taxes	681	-
Other	18,745	20,770
Other current liabilities	$ 41,909	$ 49,317

</TABLE>

Note 5 - Long-Term Debt

Long-term debt consists of the following:

<TABLE>
(In thousands)
<CAPTION>

<S>	1999 <C>	1998 <C>
Floating rate unsecured notes, due through 2003	$ 118,421	$ -
Line-of-credit at floating rate	-	120,000
Line-of-credit at floating rate	-	19,840
8.38% Unsecured note payable, due through September 30, 2000	3,571	7,142
7.54% Unsecured note payable, due through December 31, 1999	1,000	5,000
1993 Series IRBs with interest at 6.95%, due through December 15, 2000	2,857	5,714
1994 Series IRBs with interest at 8.825%, due through 2001	3,857	6,429
1997 Series IRBs with interest at 7.39%, due through 2014	17,125	20,625
1997 Series IRBs with interest at 7.31%, due through 2009	1,465	1,925
Other, including capitalized lease obligations	1,574	7,874
	149,870	194,549
Less current portion of long-term debt	(31,012)	(19,980)
Long-term debt	$ 118,858	$ 174,569

</TABLE>

During fiscal 1999, the Company executed an Amended and Restated Credit Agreement (the Agreement) with its syndicate of eight banks. The Agreement established an unsecured, $125 million term note, the proceeds of which paid down the $120 million balance under a line-of-credit. The Agreement requires quarterly principal payments on the term note of approximately $3.3 million plus interest through 2003, with a balloon payment of $65.8 million due December 31, 2003. Interest is based on the 90-day LIBOR interest rate plus a premium of 110 to 130 basis points as determined by certain financial ratios.

The Company has an unsecured $100 million line-of-credit (the Credit Facility) which expires in May 2001, but may be extended for successive one year periods by agreement of the parties. Borrowings under the Credit Facility bear interest, at the Company's option, at (i) prime rate less .5 percent, (ii) LIBOR plus .27 percent (subject to adjustment), or (iii) Federal Funds rate plus .65 percent. A commitment fee of 17.5 basis points per year on the unused portion of the Credit Facility is payable quarterly. Availability of funds under the Credit Facility is reduced by the amount of certain outstanding letters of credit, which totaled approximately $5.0 million at December 25, 1999. This Credit Facility was temporarily increased to $125 million in November 1998, at which time the Company borrowed $120 million to fund the acquisition of Halstead Industries, Inc. (Halstead) including payment of Halstead's existing debt. The Agreement returned the ceiling under this Credit Facility to its original level of $100 million. During 1998, the Company assumed an additional $22 million line-of-credit under similar terms in connection with the acquisition of B&K Industries, Inc. (B&K). This line-of-credit is secured by certain assets of B&K and matures March 31, 2000; there was no balance outstanding at year-end. The Company expects to terminate this agreement during the first quarter of 2000.

Borrowings under the above agreements require the Company, among other things, to maintain certain minimum levels of net worth and meet certain minimum financial ratios. The Company is in compliance with all debt covenants.

Aggregate annual maturities of the Company's debt are $31.0 million, $15.7 million, $17.0 million, $16.7 million, and $68.4 million for the years 2000 through 2004 respectively, and $1.1 million thereafter. Interest paid in 1999, 1998, and 1997 was $12.4 million, $6.3 million, and $4.8 million, respectively. During 1999, 1998, and 1997, the Company capitalized interest of $.4 million, $.8 million, and $.1 million, respectively, related to its major capital improvement programs. Using a discounted cash flow analysis, the fair value of the Company's debt approximates book value at the end of 1999 and 1998, based on the estimated current incremental borrowing rates for similar types of borrowing arrangements.

Note 6 - Stockholders' Equity

In 1998, the Company declared a two-for-one stock split effected in the form of a 100 percent stock dividend. All presentations of share data herein, including earnings per share, have been restated to reflect the split for all periods presented.

On November 10, 1994, the Company declared a dividend distribution of one Right for each outstanding share of the Company's common stock. Each Right entitles the holder to purchase one unit consisting of one-thousandth of a share of Series A Junior Participating Preferred Stock at a purchase price of $160 per unit, subject to adjustment. The Rights will not be exercisable, or transferable apart from the Company's common stock, until 10 days following an announcement that a person or affiliated group has acquired, or obtained the right to acquire, beneficial ownership of 15 percent or more of its common stock other than pursuant to certain offers for all shares of the Company's common stock that have been determined to be fair to, and in the best interest of, the Company's stockholders. The Rights, which do not have voting rights, will be exercisable by all holders (except for a holder or affiliated group beneficially owning 15 percent or more of the Company's common stock, whose Rights will be void) so that each holder of a Right shall have the right to receive, upon the exercise thereof, at the then current exercise price, the number of shares of the Company's common stock having a market value of two times the exercise price of the Rights. All Rights expire on November 10, 2004, and may be redeemed by the Company at a price of $.01 at any time prior to either their expiration or such time that the Rights become exercisable.

In the event that the Company is acquired in a merger or other business combination, or certain other events occur, provision shall be made so that each holder of a Right (except Rights previously voided) shall have the right to receive, upon exercise thereof at the then current exercise price, the number of shares of common stock of the surviving company which at the time of such transaction would have a market value of two times the exercise price of the Right.

On October 18, 1999, the Company's Board of Directors authorized the repurchase of up to four million shares of the Company's common stock from time-to-time over the next year through open market transactions or through privately negotiated transactions. The Company will have no obligation to purchase any shares and may cancel, suspend, or extend the time period for the purchase of shares at any time. The purchases will be funded primarily through existing cash and cash from operations. The Company may hold such shares in treasury or use a portion of the repurchased shares for employee benefit plans, as well as for other corporate purposes. Through December 25, 1999, the Company has repurchased approximately 444 thousand shares under this program.

Note 7 - Income Taxes

The components of income before income taxes were taxed under the following jurisdictions:

<TABLE>
(In thousands)
<CAPTION>

<S>	1999 <C>	1998 <C>	1997 <C>
Domestic	$ 154,765	$ 108,135	$ 101,577
Foreign	(9,056)	1,205	(756)
Income before income taxes	$ 145,709	$ 109,340	$ 100,821

</TABLE>

Income tax expense consists of the following:

<TABLE>
(In thousands)
<CAPTION>

<S>	1999 <C>	1998 <C>	1997 <C>
Current tax expense:			
Federal	$ 12,052	$ 24,882	$ 23,855
Foreign	1,692	2,400	2,666
State and local	1,429	1,743	1,700
Current tax expense	15,173	29,025	28,221
Deferred tax expense (benefit):			
Federal	30,570	4,226	3,872
Foreign	-	595	(1,263)
State and local	687	49	221
Deferred tax expense	31,257	4,870	2,830
Income tax expense	$ 46,430	$ 33,895	$ 31,051

</TABLE>

U.S. income and foreign withholding taxes are provided on the earnings of foreign subsidiaries that are expected to be remitted to the extent that taxes on the distribution of such earnings would not be offset by foreign tax credits.

The difference between the reported income tax expense and a tax determined by applying the applicable U.S. federal statutory income tax rate to income before income taxes, is reconciled as follows:

(In thousands)

	1999	1998	1997
Expected income tax expense	$ 50,998	$ 38,269	$ 35,287
State and local income tax, net of federal benefit	929	1,133	1,254
Foreign income taxes	4,371	2,119	(398)
Valuation allowance	(8,220)	(5,481)	(4,226)
Other, net	(1,648)	(2,145)	(866)
Income tax expense	$ 46,430	$ 33,895	$ 31,051

The tax effects of temporary differences that give rise to significant portions of the deferred tax assets and deferred tax liabilities are presented below:

(In thousands)

	1999	1998
Deferred tax assets:		
Accounts receivable	$ 1,229	$ 988
Inventories	1,326	1,762
Pension, OPEB, and accrued items	9,011	7,335
Other reserves	9,679	11,668
Deferred loss	-	26,562
Net operating loss carryforwards	34,137	29,612
Capital loss carryforwards	16,181	16,887
Foreign tax credits	1,109	1,711
Alternative minimum tax credit carryforwards	4,026	4,026
Total deferred tax assets	76,698	100,551
Less valuation allowance	(48,652)	(46,592)
Deferred tax assets, net of valuation allowance	28,046	53,959
Deferred tax liabilities:		
Property, plant, and equipment	51,373	59,005
Other	1,629	304
Total deferred tax liabilities	53,002	59,309
Net deferred tax liability	$ (24,956)	$ (5,350)

As of December 25, 1999, the Company had net operating loss carryforwards (NOLs) available to offset future federal taxable income of $68.1 million, of which $57.3 million have been recognized. These NOLs expire as follows: $.7 million in 2002, $59.8 million in 2005, $6.8 million in 2006, and $.8 million in 2012. Annual limitations on these NOLs are approximately $18.1 million in 2000, $17.3 million in 2001, and approximately $14.4 million thereafter. During 1999, 1998, and 1997, the Company recognized $2.3 million, $4.1 million, and $3.8 million, respectively, of NOL tax attributes, reducing the deferred income tax provision in each year. As additional NOLs are utilized, the Company expects to recognize additional tax attributes in the future by reducing the valuation allowance. The tax effect of future recognition of any of the remaining NOLs of approximately $10.8 million will reduce the deferred income tax provisions in the periods recognized. In addition, the Company has alternative minimum tax credit carryforwards of approximately $4.0 million which are available to reduce future federal regular income taxes, if any, over an indefinite period.

As of December 25, 1999, the Company had foreign net operating loss carryforwards (foreign NOLs) available to offset $30.2 million of foreign subsidiary income. These foreign NOLs have not been recognized and expire as follows: $.2 million in 2000, $.9 million in 2001, $2.4 million in 2002, $1.0 million in 2003, and $4.8 million in 2004. The remaining $20.9 million of foreign NOLs are available to offset foreign subsidiary income over an indefinite period.

The sale of Alaska Gold Company during April 1999, resulted in the realization of an ordinary federal tax loss of approximately $70 million of which $45 million has been recognized. The Internal Revenue Service agreed to allow this loss as part of the comprehensive closing agreement (the Closing Agreement), which concluded the audit of the years 1993 through 1995. For financial reporting purposes, additional recognition may occur in future periods.

The Closing Agreement also allows a capital loss carryforward of which $42.6 million remains available to offset capital gains of the Company through December 30, 2000. The tax benefits relating to this unrecognized capital loss, if any, will be recognized primarily as additions to paid-in capital.

Income taxes paid were approximately $13.5 million in 1999, $26.8 million in 1998, and $29.9 million in 1997.

Note 8 - Employee Benefits

The Company sponsors several qualified and nonqualified pension plans and other postretirement benefit plans for certain of its employees. The following tables provide a reconciliation of the changes in the plans' benefit obligations and the fair value of the plans' assets over the two-year period ending December 25, 1999, and a statement of the plans' funded status as of December 25, 1999 and December 26, 1998:

<TABLE>
(In thousands)
<CAPTION>

	Pension Benefits 1999	Pension Benefits 1998	Other Benefits 1999	Other Benefits 1998
<S>	<C>	<C>	<C>	<C>
Change in benefit obligation:				
Obligation at beginning of year	$ 80,227	$ 47,394	$ 8,041	$ 8,118
Service cost	3,180	2,384	19	14
Interest cost	6,834	5,305	647	633
Participant contributions	443	177	-	-
Plan amendments	3,656	-	(120)	-
Actuarial loss (gain)	4,012	3,343	803	(111)
Business acquisitions	12,496	25,209	-	-
Benefit payments	(5,371)	(3,812)	(1,167)	(613)
Settlement	(101)	-	-	-
Foreign currency translation adjustment	(700)	227	-	-
Obligation at end of year	$ 104,676	$ 80,227	$ 8,223	$ 8,041
Change in fair value of plan assets:				
Fair value of plan assets at beginning of year	$ 92,011	$ 59,567	$ -	$ -
Actual return on plan assets	21,915	7,693	-	-
Employer contributions	2,087	3,087	1,167	613
Participant contributions	443	177	-	-
Business acquisitions	13,663	25,072	-	-

Benefit payments	(5,371)	(3,812)	(1,167)	(613)
Settlement	(101)	-	-	-
Foreign currency translation adjustment	(668)	227	-	-
Fair value of plan assets at end of year	$ 123,979	$ 92,011	$ -	$ -

</TABLE>

<TABLE>
(In thousands)
<CAPTION>

	Pension Benefits 1999	Pension Benefits 1998	Other Benefits 1999	Other Benefits 1998
<S>	<C>	<C>	<C>	<C>
Funded status:				
Funded (underfunded) status at end of year	$ 19,303	$ 11,784	$ (8,223)	$ (8,041)
Unrecognized prior service cost	5,176	2,389	(112)	-
Unrecognized gain	(26,348)	(17,481)	(370)	(1,197)
Net amount recognized	$ (1,869)	$ (3,308)	$ (8,705)	$ (9,238)

</TABLE>

Effective April 1, 1999, pursuant to collective bargaining agreements, two of the Company's single employer plans were amended increasing the plans' benefit obligation. Changes in pension benefits for 1999 include the plans assumed with the acquisitions of Halstead and Lincoln Brass Works, Inc. (Lincoln), and for 1998 included the Wednesbury Tube Company plan.

The following table provides the amounts recognized in the Consolidated Balance Sheets as of December 25, 1999 and December 26, 1998:

<TABLE>
(In thousands)
<CAPTION>

	Pension Benefits 1999	Pension Benefits 1998	Other Benefits 1999	Other Benefits 1998
<S>	<C>	<C>	<C>	<C>
Prepaid benefit cost	$ 3,697	$ 1,806	$ -	$ -
Accrued benefit liability	(5,566)	(5,114)	(8,705)	(9,238)
Net amount recognized	$ (1,869)	$ (3,308)	$ (8,705)	$ (9,238)

</TABLE>

The components of net periodic benefit costs are as follows:

<TABLE>
(In thousands)
<CAPTION>

	1999	1998	1997
<S>	<C>	<C>	<C>
Pension Benefits:			
Service cost	$ 3,180	$ 2,384	$ 525
Interest cost	6,834	5,305	3,476
Expected return on plan assets	(8,146)	(6,838)	(3,956)
Amortization of prior service cost	869	568	560

Amortization of net gain	(933)	(1,462)	(738)
Net periodic benefit cost (income)	$ 1,804	$ (43)	$ (133)
Other Benefits:			
Service cost	$ 19	$ 14	$ 24
Interest cost	647	633	636
Amortization of prior service cost	(8)	-	-
Amortization of net gain	(23)	(34)	(26)
Net periodic benefit cost	$ 635	$ 613	$ 634

</TABLE>

The prior service costs are amortized on a straight-line basis over the average remaining service period of active participants. Gains and losses in excess of 10 percent of the greater of the benefit obligation and the market-related value of assets are amortized over the average remaining service period of active participants.

The assumptions used in the measurement of the Company's benefit obligation are as follows:

<TABLE>
<CAPTION>

	Pension Benefits		Other Benefits	
	1999	1998	1999	1998
<S>	<C>	<C>	<C>	<C>
Weighted-average assumptions:				
Discount rate	7.0%-7.75%	7.0%-7.75%	7.5%-8.5%	7.5%-8.5%
Expected return on plan assets	7.25%-8.5%	7.5%-8.5%	N/A	N/A
Rate of compensation increases	3.50%	3.25%	N/A	N/A

</TABLE>

Only one pension plan uses the rate of compensation increase in its benefit formula. All other pension plans are based on length of service.

The annual assumed rate of increase in the per capita cost of covered benefits (i.e., health care cost trend rate) is assumed to range from 8.2 to 8.9 percent for 2000, gradually decrease to 6.25 percent for 2004, and remain at that level thereafter. The health care cost trend rate assumption has a significant effect on the amounts reported. For example, increasing the assumed health care cost trend rates by one percentage point would increase the accumulated postretirement benefit obligation by $545 thousand and the service and interest cost components of net periodic postretirement benefit costs by $46 thousand for 1999. Decreasing the assumed health care cost trend rates by one percentage point would decrease the accumulated postretirement benefit obligation and the service and interest cost components of net periodic postretirement benefit costs for 1999 by $522 thousand and $44 thousand, respectively.

The Company sponsors voluntary employee savings plans that qualify under Section 401(k). Compensation expense for the Company's matching contribution to the 401(k) plans was $1.5 million in 1999, $1.2 million in 1998, and $.8 million in 1997.

In October 1992, the Coal Industry Retiree Health Benefit Act of 1992 (the Act) was enacted. The Act mandates a method of providing for postretirement benefits to UMWA current and retired employees, including some retirees who were never employed by the Company. In October 1993, beneficiaries were assigned to the Company and the Company began its mandated contributions to the UMWA Combined Benefit Fund, a multiemployer trust. Beginning in 1994, the Company was required to make contributions for assigned beneficiaries under an additional multiemployer trust created by the Act, the UMWA 1992 Benefit Plan. The ultimate amount of the Company's liability under the Act will vary due to factors which include, among other things, the validity, interpretation, and regulation of the Act, its joint and several obligation, the number of valid beneficiaries assigned, and the extent to which funding for this obligation will be satisfied by transfers of excess assets from the 1950 UMWA pension plan and transfers from the Abandoned Mine Reclamation Fund. Nonetheless, the Company believes it has an adequate reserve for this liability, which is classified as other noncurrent liabilities.

The Company maintains a nonqualified, deferred compensation plan, which permits certain management employees to annually elect to defer, on a pre-tax basis, a portion of their compensation. The deferred benefit to be provided is based on the amount of compensation deferred, Company match, and earnings on the deferrals. The expense associated with the deferred compensation plan was $.5 million, $.5 million, and $.3 million in 1999, 1998, and 1997, respectively. The Company has invested in corporate-owned life insurance policies to assist in funding this plan. The cash surrender value of these policies, included in other assets, was $3.8 million and $2.9 million at December 25, 1999 and December 26, 1998, respectively.

The Company makes contributions to certain multiemployer defined benefit pension plan trusts that cover union employees based on collective bargaining agreements. Contributions by employees are not required nor are they permitted. Pension expense under the multiemployer defined benefit pension plans was $.3 million for 1999, 1998, and 1997.

Note 9 - Commitments and Contingencies

The Company is subject to environmental standards imposed by federal, state, local, and foreign environmental laws and regulations. It has provided and charged to income $2.1 million in 1998 and $3.1 million in 1997, for pending environmental matters. The basis for the provision is updated information and results of ongoing remediation and monitoring programs. Management believes that the outcome of pending environmental matters will not materially affect the financial condition or results of operations of the Company.

The Company is involved in certain litigation as a result of claims that arise in the ordinary course of business, which management believes will not have a material adverse effect on the Company's financial condition or results of operations.

The Company leases certain facilities and equipment under operating leases expiring on various dates through 2008. The lease payments under these agreements aggregate to approximately $5.2 million in 2000, $3.5 million in 2001, $2.8 million in 2002, $2.6 million in 2003, $2.6 million in 2004, and $5.5 million thereafter. Total lease expense amounted to $11.3 million in 1999, $8.8 million in 1998, and $7.7 million in 1997.

Note 10 - Other Income

Other income, net included in the Consolidated Statements of Income consists of the following:

<TABLE>
(In thousands)
<CAPTION>

<S>	1999 <C>	1998 <C>	1997 <C>
Rent and royalties	$ 1,026	$ 1,420	$ 2,188
Interest income	6,591	5,127	3,584
Gain on disposal of properties, net	1,847	2,156	3,702
Minority interest in income of subsidiaries	-	(200)	(294)
Other income, net	$ 9,464	$ 8,503	$ 9,180

</TABLE>

Note 11 - Stock Options

The Company follows APB No. 25 in accounting for its employee stock options. Under APB No. 25, no compensation expense is recognized because the exercise price of the Company's incentive employee stock options equals the market price of the underlying stock on the date of grant.

Under existing plans, the Company may grant options to purchase shares of common stock at prices not less than the fair market value of the stock on the date of the grant. Generally, the options vest annually in 20 percent increments over a five-year period beginning one year from the date of the grant. Any unexercised options expire after not more than ten years. No options may be granted after ten years from the date of plan adoption.

Additionally, the Company has granted stock options to key executives as retention incentives and inducements to enter into employment agreements with the Company. Generally, these special grants have terms and conditions similar to those granted under the Company's other stock option plans.

On June 15, 1998, the Company loaned $4.5 million, on a full recourse basis, to an officer. The officer used $1.4 million of the proceeds to exercise options to purchase Company stock. That portion of the loan was classified as a reduction of additional paid-in capital, while the remaining balance of the loan was included in other assets in the Company's 1998 consolidated financial statements. The loan was paid in full during 1999. The loan was secured by common stock of the Company. The income tax benefit associated with the exercise of these options reduced income taxes payable, classified as other current liabilities, by $3.8 million. Such benefits are reflected as additions directly to additional paid-in capital.

A summary of the Company's stock option activity and related information follows:

(Shares in thousands)

	Options	Weighted Average Exercise Price
Outstanding at December 28, 1996	5,348	$ 4.11
Granted	321	21.33
Exercised	(148)	4.20
Outstanding at December 27, 1997	5,521	5.11
Granted	403	20.62
Exercised	(698)	5.05
Expired, cancelled, or surrendered	(54)	15.20
Outstanding at December 26, 1998	5,172	6.22
Granted	158	34.25
Exercised	(121)	10.60
Expired, cancelled, or surrendered	(10)	19.65
Outstanding at December 25, 1999	5,199	$ 6.94

(Shares in thousands)

	Options	Weighted Average Exercise Price
Options exercisable at:		
December 27, 1997	4,601	$ 3.07
December 26, 1998	4,194	3.46
December 25, 1999	4,410	4.17

Exercise prices for stock options outstanding at December 25, 1999, ranged from $2.06 to $37.04. Of the 5.2 million stock options that are outstanding at year-end, 3.6 million are owned by Mr. Harvey L. Karp and expire one year after Mr. Karp's separation from employment with the Company. Mr. Karp's options have an exercise price of $2.06 per share. The weighted average remaining life of the remaining 1.6 million shares is 6.5 years, and the weighted average exercise price of these shares is $17.93. The weighted average fair value per option granted was $17.71 in 1999, $8.69 in 1998, and $9.31 in 1997.

As of December 25, 1999, the Company had reserved 4.2 million shares of its common stock for issuance pursuant to certain stock option plans. Additionally, the Company had reserved 15 thousand shares of preferred stock for issuance pursuant to the shareholder rights plan.

Pro forma information regarding net income and earnings per share is required by SFAS No. 123, and has been determined as if the Company had accounted for its employee stock options under the fair value method. The fair value for these options at the date of grant was estimated using the following weighted average assumptions for the years 1999, 1998, and 1997: weighted average expected life of the options of six years; and no dividend payments. The weighted average risk free interest rate used in the model was 6.84 percent for 1999, 4.85 percent for 1998, and 5.55 percent for 1997. The volatility factor of the expected market value of the Company's common stock was 0.433 in 1999, 0.344 in 1998, and 0.344 in 1997.

The pro forma information is determined using the Black-Scholes option valuation model. Option valuation models require highly subjective assumptions including the expected stock price volatility. Because the Company's employee stock options have characteristics significantly different from those of traded options, and because changes in the subjective assumptions can materially affect the fair value estimate, in management's opinion, the existing models do not necessarily provide a reliable single measure of the fair value of its employee stock options.

For purposes of pro forma disclosures, the estimated fair value of the options is amortized to expense over the options' vesting periods. The Company's pro forma information follows:

<TABLE>
(In thousands, except per share data)
<CAPTION>

<S>	1999 <C>	1998 <C>	1997 <C>
Net income	$ 99,279	$ 75,445	$ 69,770
SFAS No. 123 compensation expense	(1,879)	(1,316)	(960)
SFAS No. 123 pro forma net income	$ 97,400	$ 74,129	$ 68,810
Pro forma earnings per share:			
Basic	$ 2.74	$ 2.09	$ 1.97
Diluted	$ 2.47	$ 1.88	$ 1.76

</TABLE>

Because SFAS No. 123 applies only to stock-based compensation awards for 1995 and later years, the pro forma disclosures under SFAS No. 123 are not likely to be indicative of future disclosures until the disclosures reflect all outstanding, nonvested awards.

Note 12 - Acquisitions

On September 30, 1999, the Company's subsidiary, Utah Railway Company, purchased the stock of the Salt Lake City Southern Railroad Company, Inc. (SLCS) for $675 thousand. SLCS operates pursuant to an easement on approximately 25 miles of track, owned by the Utah Transit Authority, from downtown Salt Lake City to near Draper, Utah.

On October 30, 1998, the Company acquired approximately 58 percent of Halstead's outstanding shares. The remaining shares were acquired on November 20, 1998, for a total purchase price of approximately $95 million cash. The Company also paid off existing bank debt of Halstead for approximately $24.8 million. Halstead operates a copper tube mill in Wynne, Arkansas, and a line sets facility in Clinton, Tennessee.

On September 15, 1998, the Company acquired Lincoln, which operates manufacturing facilities in Jacksboro, Tennessee and Waynesboro, Tennessee. Lincoln produces custom control valve assemblies, as well as custom metal assemblies, gas delivery systems, and tubular products primarily for the gas appliance market. For a nominal consideration, the Company acquired 100 percent of the outstanding common shares of Lincoln. Lincoln's existing bank debt of approximately $7.5 million was paid off by the Company at closing.

On August 10, 1998, the Company completed the acquisition of B&K, an importer and distributor of residential and commercial plumbing products in the United States. B&K sells to all major distribution channels including hardware co-ops, home centers, plumbing wholesalers, hardware wholesalers, OEMs, and manufactured housing wholesalers. The purchase price was $33.5 million, of which approximately 90 percent was paid in cash and the remainder paid in shares of Mueller common stock.

During the first half of 1997, the Company acquired the assets and certain liabilities of Precision Tube Company, Inc., the assets of Wednesbury Tube Company and Desnoyers S.A.

Each of the acquisitions was accounted for using the purchase method of accounting. Therefore, the results of operations of the acquired businesses were included in the consolidated financial statements of the Company from their respective acquisition dates. The purchase price for these acquisitions, which was financed by available cash balances and credit facilities, has been allocated to the assets of the acquired businesses based on their respective fair market values.

The final assessment of fair values of the assets and reserves associated with the Halstead and Lincoln acquisitions was completed during 1999. The determination of final fair values resulted in adjustments consisting of changes from initially recorded values. These adjustments increased working capital by $.9 million and goodwill and other assets by $16.4 million, and decreased property, plant, and equipment by $30.4 million and other liabilities by $13.0 million. The total fair value of assets acquired in 1998 and 1997 was $240.1 million and $69.8 million, respectively. Liabilities assumed in these acquisitions were $78.7 million in 1998 and $31.9 million in 1997. The excess of the purchase price over the net assets acquired in 1998 was $99.3 million, which is being amortized over 25 years.

The final assessment of fair values of the assets and reserves associated with the Desnoyers S.A. acquisition was completed during 1998. The determination of final fair values resulted in adjustments consisting of changes from initially recorded values. These adjustments increased property, plant, and equipment and other current liabilities by approximately $12.4 million and $8.6 million, respectively, and decreased other assets by approximately $3.8 million.

The following condensed pro forma consolidated results of operations are presented as if the 1998 and 1997 acquisitions had occurred at the beginning of 1997. This information combines the historical results of operations of the Company and the acquired businesses after the effects of estimated purchase accounting adjustments. The pro forma information does not purport to be indicative of the results that would have been obtained if the operations had actually been combined during the periods presented and is not necessarily indicative of operating results to be expected in future periods.

<TABLE>
(In thousands, except per share data)
<CAPTION>

<S>	1998 <C>	1997 <C>
Net sales	$1,168,103	$1,283,175
Net income	71,369	54,644
Pro forma earnings per share:		
Basic	$ 2.01	$ 1.56
Diluted	$ 1.80	$ 1.39
	=========	=========

</TABLE>

Note 13 - Industry Segments

The Company's three reportable segments include its Standard Products Division (SPD), its Industrial Products Division (IPD), and Other Businesses. These segments are classified primarily by the markets for their products. Performance of segments is generally evaluated by their operating income.

SPD manufactures copper tube and fittings, plastic fittings, and line sets. These products are manufactured in the U.S., Canada, and Europe and are sold primarily to wholesalers.

IPD manufactures brass rod, impact extrusions, and forgings as well as a variety of end-products including plumbing brass; automotive components; valves and fittings; and specialty copper, copper-alloy, and aluminum tubing. These products are sold primarily to OEM customers.

The Other Businesses segment comprises primarily a short line railroad.

Summarized segment and geographic information is shown in the following tables. Geographic sales data indicates the location from which products are shipped. Unallocated expenses include general corporate expenses, plus certain charges or credits not included in segment activity.

Segment Information:

<TABLE>
(In thousands)
<CAPTION>

<S>	1999 <C>	1998 <C>	1997 <C>
Net sales:			
Standard Products Division	$ 858,525	$ 624,437	$ 560,787
Industrial Products Division	290,270	274,597	292,869
Other Businesses	22,263	31,637	35,688
Elimination of intersegment sales	(2,314)	(1,280)	(347)
	$ 1,168,744	$ 929,391	$ 888,997
Depreciation and amortization:			
Standard Products Division	$ 26,495	$ 15,713	$ 12,410
Industrial Products Division	7,936	5,948	5,057
Other Businesses	787	1,699	1,479
General corporate	1,768	1,539	2,052
	$ 36,986	$ 24,899	$ 20,998
Operating income:			
Standard Products Division	$ 129,141	$ 83,010	$ 71,659
Industrial Products Division	29,935	28,325	29,764
Other Businesses	3,297	5,661	3,458
Unallocated expenses	(14,447)	(8,187)	(5,172)
	$ 147,926	$ 108,809	$ 99,709

</TABLE>

<TABLE>
(In thousands)
<CAPTION>

<S>	1999 <C>	1998 <C>	1997 <C>
Expenditures for long-lived assets:			
Standard Products Division	$ 31,089	$ 198,135	$ 49,880
Industrial Products Division	5,063	16,735	8,273
Other Businesses	960	4,782	2,727
	$ 37,112	$ 219,652	$ 60,880
Segment assets:			
Standard Products Division	$ 599,596	$ 610,914	$ 357,646
Industrial Products Division	136,586	144,004	127,609
Other Businesses	40,088	50,446	51,378
General corporate	127,810	69,330	74,143
	$ 904,080	$ 874,694	$ 610,776

</TABLE>

Geographic Information:

<TABLE>
(In thousands)
<CAPTION>

<S>	1999 <C>	1998 <C>	1997 <C>
Net sales:			
United States	$ 1,015,968	$ 754,024	$ 753,771
Foreign	152,776	175,367	135,226
	$ 1,168,744	$ 929,391	$ 888,997
Long-lived assets:			
United States	$ 425,214	$ 448,852	$ 264,747
Foreign	38,120	43,518	29,141
	$ 463,334	$ 492,370	$ 293,888

</TABLE>

Note 14 - Quarterly Financial Information (Unaudited)

<TABLE>
(In thousands, except per share data)
<CAPTION>

<S>	First Quarter <C>	Second Quarter <C>	Third Quarter <C>	Fourth Quarter <C>
1999				
Net sales	$ 287,840	$ 293,342	$ 287,880	$ 299,682
Gross profit (1)	66,100	73,002	71,539	71,572
Net income	21,683	25,445	26,340	25,811
Diluted earnings per share	0.55	0.64	0.66	0.66
1998				
Net sales	$ 226,652	$ 225,867	$ 212,746	$ 264,126
Gross profit (1)	51,195	52,349	48,794	56,760
Net income	19,265	19,710	18,765	17,705
Diluted earnings per share	0.49	0.50	0.47	0.45

<FN>
(1) Gross profit is net sales less cost of goods sold, which excludes depreciation and amortization.
</TABLE>

Report of Independent Auditors

The Stockholders of Mueller Industries, Inc.

We have audited the accompanying consolidated balance sheets of Mueller Industries, Inc. as of December 25, 1999 and December 26, 1998, and the related consolidated statements of income, stockholders' equity and cash flows for each of the three years in the period ended December 25, 1999. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Mueller Industries, Inc. at December 25, 1999 and December 26, 1998, and the consolidated results of its operations and its cash flows for each of the three years in the period ended December 25, 1999, in conformity with accounting principles generally accepted in the United States.

/S/ERNST & YOUNG LLP

Memphis, Tennessee
February 4, 2000

CAPITAL STOCK INFORMATION

The high, low, and closing prices of Mueller's common stock on the New York Stock Exchange for each fiscal quarter of 1999 and 1998 were as follows:

<TABLE>
<CAPTION>

<S>	High <C>	Low <C>	Close <C>
1999			
Fourth quarter	$ 36 15/16	$ 28 5/16	$ 32 7/8
Third quarter	35 5/8	28	28 3/8
Second quarter	33 7/8	21 1/8	32 1/2
First quarter	27	19 3/8	22 5/8
1998			
Fourth quarter	$ 27	$ 14 7/8	$ 20 1/16
Third quarter	40	23 13/16	26 1/2
Second quarter	38 1/16	29 11/16	37
First quarter	32 1/2	25 1/32	31 31/32

As of February 28, 2000, the number of holders of record of Mueller's common stock was approximately 3,000. On February 28, 2000, the closing price for Mueller's common stock on the New York Stock Exchange was $27 15/16.

The Company has paid no cash dividends on its common stock and presently does not anticipate paying cash dividends in the near future.

</TABLE>

Selected Financial Data

(In thousands, except per share data)

	1999	1998 (1)	1997 (1)	1996	1995
For the fiscal year:					
Net sales	$ 1,168,744	$ 929,391	$ 888,997	$ 718,312	$ 678,838
Operating income	147,926	108,809	99,709	90,462	64,011
Net income	99,279	75,445	69,770	61,173	44,823
Diluted earnings per share (2)	2.51	1.90	1.78	1.57	1.17
At year-end:					
Total assets	904,080	874,694	610,776	509,357	450,835
Long-term debt	118,858	174,569	53,113	44,806	59,653

(1) Includes the effects of acquisitions described in Note 12 to the consolidated financial statements.

(2) In 1998 and 1995, the Company declared two-for-one stock splits effected in the form of 100 percent stock dividends. Diluted earnings per share has been restated to reflect the splits for all periods presented.

Directors, Corporate Officers, and Divisional Management

Board of Directors

Harvey L. Karp	Chairman of the Board, Mueller Industries, Inc.
Robert B. Hodes(1,3)	Counsel, Willkie Farr & Gallagher
G.E. Manolovici(1,2)	Private Investor

William D. O'Hagan	President and Chief Executive Officer, Mueller Industries, Inc.
Robert J. Pasquarelli(1,2,3)	General Manager, Mansfield, AK Steel Corporation

(1) Member of the Audit Committee
(2) Member of the Compensation Committee
(3) Member of the Nominating Committee

Executive Officers

Harvey L. Karp	Chairman of the Board
William D. O'Hagan	President and Chief Executive Officer
Lee R. Nyman	Senior Vice President Manufacturing/Engineering
William H. Hensley	Vice President, General Counsel and Secretary
Kent A. McKee	Vice President and Chief Financial Officer

Other Officers and Management

John B. Hansen	Vice President, Strategic Initiatives
Tommy L. Jamison	Vice President, Strategic Engineering Services
Michael E. Stoll	Vice President, Purchasing
Richard W. Corman	Corporate Controller
James E. Browne	Assistant Secretary

Standard Products Division

Roy C. Harris	Vice President and General Manager
Larry D. Birch	Vice President, Sales and Marketing

Gregory L. Christopher	Vice President, Supply Chain Management
Bruce R. Clements	Vice President, Manufacturing, Copper Tube
Daniel R. Corbin	Vice President, Fittings Manufacturing
Robert A. Haskins	Vice President, Domestic Wholesale
Louis F. Pereira	General Manager, Canadian Operations
Michael L. Beasley	Director, Information Systems
Andrew A. Sippel	Controller

B&K Industries

Peter D. Berkman	President

European Operations

Robert L. Fleeman	Vice President and General Manager
Robert Y. Boutonnet	Director, French Operations
Peter J. S. Brookes	Finance Director
Peter J. Marsh	Sales Director, U.K.
Brian Parsons	Manufacturing Director, U.K.

Industrial Products Division

James H. Rourke	Group Vice President
Gerald J. Leary	Vice President and General Manager,

	Engineered Products
William F. Navarre	Vice President, Manufacturing
David G. Rice	Controller

Other Businesses

Gary L. Barker	President, Utah Railway Company
Michael W. Baum	President, Mining Remedial Recovery Company
Scott Miller	Vice President, Arava Natural Resources Company
John E. West III	Executive Vice President, Utah Railway Company

Shareholder Information

Annual Meeting
The Annual Meeting of Stockholders will be held at the Company's Headquarters at 8285 Tournament Drive, Suite 150,
Memphis, TN 38125,
10:00 a.m. local time,
May 12, 2000.

Common Stock
Mueller common stock is traded on the NYSE, Symbol MLI.

Form 10-K
Copies of the Company's Annual Report on Form 10-K are available upon written request:
Mueller Industries, Inc.
8285 Tournament Drive, Suite 150 Memphis, TN 38125
Attention: Investor Relations

Independent Auditors
Ernst & Young LLP
Memphis, Tennessee

Transfer Agent and Registrar
Continental Stock Transfer & Trust Co.
2 Broadway
New York, NY 10004

Stockholder Inquiries
To notify the Company of address changes or lost certificates, stockholders can call
Continental Stock Transfer &
Trust Co. at (212) 509-4000.

MUELLER INDUSTRIES, INC.
List of Subsidiaries

Subsidiary*	State or Country of Incorporation
Mueller Brass Co. (Assumed name: Mueller Brass Products)	Michigan
Mueller Industrial Realty Co.	Michigan
Itawamba Industrial Gas Company, Inc.	Mississippi
Streamline Copper & Brass Ltd.	Canada
Mueller Plastics Holding Company, Inc.	Ohio
Mueller Plastics Corporation, Inc.	Delaware
MPC Foundry, Inc.	Delaware
MPC Machine Shop, Inc.	Delaware
Mueller Brass Forging Company, Inc.	Delaware
Mueller Copper Fittings Company, Inc.	Delaware
Mueller Fittings Company, Inc.	Michigan
Mueller Copper Tube Company, Inc.	Delaware
Mueller East, Inc.	Delaware
Mueller Formed Tube Company, Inc.	Delaware
Mueller Impacts Company, Inc.	Delaware
Mueller Line Set Inc.	Delaware
Mueller Refrigeration Products Company, Inc.	Delaware
Mueller Refrigeration Company, Inc.	Michigan
Mueller LBHC, Inc. (3)	Delaware
Lincoln Brass Works, Inc.	
Mueller Refrigeration Holding Co., Inc.	Delaware
Mueller Streamline Co.	Delaware
Precision Tube Company, Inc.	Pennsylvania
Mueller Tool and Machine, Inc.	Delaware
Mueller Casting Company, Inc.	Delaware
WTC Holding Company, Inc.	Michigan
Mueller Europe, Ltd.	United Kingdom
DENO Investment Company, Inc.	Michigan
Mueller de Mexico (1)	Mexico
DENO Holding Company, Inc.	Michigan
DENO Acquisition	France
Mueller Europe, S.A. (2)	France
B & K Industries, Inc.	Illinois
Mueller Copper Tube Products, Inc.	Delaware
Mueller Streamline FSC Ltd.	Virgin Islands
Arava Natural Resources Company, Inc.	Delaware
United States Fuel Company	Nevada
King Coal Company	Utah

List of Subsidiaries (continued)

Subsidiary*	State or Country of Incorporation
Utah Railway Company	Utah
Salt Lake City Southern Railroad Company, Inc.	Delaware
Canco Oil & Gas Ltd.	Alberta, Canada
Aegis Oil & Gas Leasing Ltd.	Alberta, Canada
Bayard Mining Corporation	Delaware
Washington Mining Company	Maine
Amwest Exploration Company	Delaware
USSRAM Exploration Company	Maine
Richmond-Eureka Mining Company (81%)	Maine
Ruby Hill Mining Company (75%)	Maine
White Knob Mining Company	Idaho
Arava Exploration Company	Colorado
Summit Systems, Inc.	Delaware
Kennet Company Limited	Bermuda
Mining Remedial Recovery Company	Delaware
Carpentertown Coal & Coke Company	Pennsylvania
USS Lead Refinery, Inc.	Maine
Leon Water Enterprises, Inc. (50%)	Texas
Macomber Construction Company	Ohio
Macomber Incorporated	Ohio
Macomber Building and Land Corporation	Delaware
MLI Financial Corporation	Delaware

* All subsidiaries are 100% owned, except as shown.

(1) Owned by DENO Investment Company (99.8%) and Mueller Streamline Co. (.2%).

(2) Less than 1% of the outstanding common stock of Mueller Europe, S.A. is owned by third parties.

Consent of Independent Auditors

We consent to the incorporation by reference in this Annual Report (Form 10-K) of Mueller Industries, Inc. of our report dated February 4, 2000, included in the 1999 Annual Report to Stockholders of Mueller Industries, Inc.

Our audits also included the consolidated financial statement schedule of Mueller Industries, Inc. listed in Item 14(a). This schedule is the responsibility of the Company's management. Our responsibility is to express an opinion based on our audits. In our opinion, the financial statement schedule referred to above, when considered in relation to the basic financial statements taken as a whole, presents fairly in all material respects the information set forth therein.

We also consent to the incorporation by reference in the Registration Statements (Forms S-8 No. 333-52325, No. 33-54705, No. 33-41478 and No. 33-47307) pertaining to the 1998 Stock Option Plan, 1994 Stock Option Plan and 1994 Non-Employee Director Stock Option Plan, 1991 Employee Stock Purchase Plan and the 1991 Incentive Stock Option Plan of Mueller Industries, Inc., respectively, of our report dated February 4, 2000, with respect to the consolidated financial statements of Mueller Industries, Inc. incorporated by reference in its Annual Report (Form 10-K) for the year ended December 25, 1999, and the related financial statement schedule included therein filed with the Securities and Exchange Commission.

ERNST & YOUNG LLP

Memphis, Tennessee
March 20, 2000

<TABLE> <S> <C>

<ARTICLE> 5
<LEGEND>
THE SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE COMPANY'S FORM 10-K FOR THE FISCAL YEAR ENDED DECEMBER 25, 1999 AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS
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<MULTIPLIER> 1,000

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