

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported):

February 3, 2015



MUELLER INDUSTRIES, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other
jurisdiction of
incorporation)

1-6770
(Commission File
Number)

25-0790410
(IRS Employer
Identification No.)

8285 Tournament Drive
Suite 150
Memphis, Tennessee
(Address of principal executive offices)

38125
(Zip Code)

Registrant's telephone number, including area code:

(901) 753-3200

Registrant's Former Name or Address, if changed since last report:

N/A

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.02. Results of Operations and Financial Condition.

On February 3, 2015 the Registrant issued a press release announcing earnings for the quarter and year ended December 27, 2014. A copy of the press release announcing the fourth quarter and fiscal 2014 earnings is attached as Exhibit 99.1.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

99.1 Press release, dated February 3, 2015 reporting fourth quarter and fiscal 2014 earnings.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this Report to be signed on its behalf by the undersigned hereunto duly authorized.

MUELLER INDUSTRIES, INC.

By: /s/ Jeffrey A. Martin
Name: Jeffrey A. Martin
Title: Chief Financial Officer and Treasurer

Date: February 3, 2015

Exhibit Index

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press release, dated February 3, 2015.

Mueller Industries, Inc. Reports Fourth Quarter and Fiscal 2014 Earnings

MEMPHIS, Tenn., February 3, 2015-- Mueller Industries, Inc. (NYSE: MLI) announced today that net income for the fourth quarter ending December 27, 2014 was \$18.0 million, or 32 cents per diluted share. This compares with net income of \$15.4 million, or 27 cents per diluted share in the fourth quarter of 2013.

During the fourth quarter of 2014, the Company recognized gains on the sale of its ABS plastic pipe equipment and the sale of its U.K. based import distribution business totaling \$4.8 million; offset by severance charges of \$4.2 million related to the ongoing reorganization of the Yorkshire Copper Tube business acquired in early 2014.

For the 2014 fiscal year, net income was \$101.6 million, or \$ 1.79 per diluted share, on net sales of \$2.4 billion. This compares with net income of \$172.6 million, or \$3.06 per diluted share, on net sales of \$2.2 billion for 2013. In both 2014 and 2013 net income includes several unusual items. Excluding these unusual items*, fiscal year 2014 net income was \$103.3 million, or \$1.82 per diluted share, compared to \$86.4 million, or \$1.53 per diluted share in 2013, a 19 percent increase.

Financial and Operating Highlights:

- Unit volume increases, offset by decreases in copper prices, drove the increase in net sales for both the fourth quarter and the full year.
 - o Volume increased 18.9 percent for the quarter and 14.9 percent for the year compared to the same periods in 2013. Our acquired businesses contributed 5.8 percent and 8.6 percent of the unit volume increases, respectively.
 - o The average price of copper for 2014 was \$3.12 or 22 cents per pound lower than 2013. For the fourth quarter the average price of copper was \$2.99 or 30 cents per pound lower than the same period the year prior.
- For the 2014 fiscal year, cash generated from operations was \$90.6 million. The Company ended the year with \$352.1 million of cash on hand or \$6.19 per share.
- Debt to total capitalization was 23 percent at year-end and the current ratio was 4.0 to 1.

Regarding the outlook, Greg Christopher, Mueller's CEO said, "We are pleased with the continued improvement in our business performance. Unit volumes improved in all four quarters in 2014 versus the prior year and continue to rise with the gradual improvement of the markets we serve. We are encouraged by the market trend and anticipate continued strengthening in 2015."

* See schedule of unusual items attached to this release.

Mueller Industries, Inc. is a leading manufacturer of copper tube and fittings; brass and copper alloy rod, bar and shapes; aluminum and brass forgings; aluminum and copper impact extrusions; plastic fittings and valves; refrigeration valves and fittings; and fabricated tubular products. Mueller's operations are located throughout the United States and in Canada, Mexico, Great Britain, and China. Mueller's business is importantly linked to: (1) the construction of new homes; (2) the improvement and reconditioning of existing homes and structures; and (3) the commercial construction market that includes office buildings, factories, hotels, hospitals, etc.

Statements in this release that are not strictly historical may be “forward-looking” statements, which involve risks and uncertainties. These include economic and currency conditions, continued availability of raw materials and energy, market demand, pricing, competitive and technological factors, and the availability of financing, among others, as set forth in the Company's SEC filings. The words “outlook,” “estimate,” “project,” “intend,” “expect,” “believe,” “target,” “encourage,” “anticipate,” and similar expressions are intended to identify forward-looking statements. The reader should not place undue reliance on forward-looking statements, which speak only as of the date of this report. The Company has no obligation to publicly update or revise any forward-looking statements to reflect events after the date of this report.

CONTACT

Jeffrey A. Martin

(901)753-3226

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

<i>(In thousands, except per share data)</i>	For the Quarter Ended		For the Year Ended	
	December 27, 2014	December 28, 2013	December 27, 2014	December 28, 2013
Net sales	\$ 537,342	\$ 487,715	\$ 2,364,227	\$ 2,158,541
Cost of goods sold	468,889	421,812	2,043,719	1,862,089
Depreciation and amortization	8,084	8,030	33,735	32,394
Selling, general, and administrative expense	31,228	35,836	131,740	134,914
Gain on sale of assets	(4,842)	—	(6,259)	(39,765)
Severance	4,224	—	7,296	—
Impairment charges	—	—	—	4,304
Insurance settlements	—	—	—	(106,332)
Operating income	29,759	22,037	153,996	270,937
Interest expense	(1,827)	(1,050)	(5,740)	(3,990)
Other (expense) income, net	(683)	127	(243)	4,451
Income before income taxes	27,249	21,114	148,013	271,398
Income tax expense	(9,200)	(6,094)	(45,479)	(98,109)
Consolidated net income	18,049	15,020	102,534	173,289
Net (income) loss attributable to noncontrolling interest	(62)	364	(974)	(689)
Net income attributable to Mueller Industries, Inc.	\$ 17,987	\$ 15,384	\$ 101,560	\$ 172,600
Weighted average shares for basic earnings per share	56,169	55,854	56,042	55,742
Effect of dilutive stock-based awards	668	760	726	742
Adjusted weighted average shares for diluted earnings per share	56,837	56,614	56,768	56,484
Basic earnings per share	\$ 0.32	\$ 0.28	\$ 1.81	\$ 3.10
Diluted earnings per share	\$ 0.32	\$ 0.27	\$ 1.79	\$ 3.06
Dividends per share	\$ 0.0750	\$ 0.0625	\$ 0.3000	\$ 0.2500
Summary Segment Data:				
Net sales:				
Plumbing & Refrigeration Segment	\$ 323,641	\$ 283,197	\$ 1,416,701	\$ 1,225,306
OEM Segment	216,592	206,557	959,914	947,784
Elimination of intersegment sales	(2,891)	(2,039)	(12,388)	(14,549)
Net sales	\$ 537,342	\$ 487,715	\$ 2,364,227	\$ 2,158,541
Operating income:				
Plumbing & Refrigeration Segment	\$ 16,859	\$ 12,438	\$ 93,230	\$ 219,146
OEM Segment	17,235	15,432	85,714	76,631
Unallocated expenses	(4,335)	(5,833)	(24,948)	(24,840)
Operating income	\$ 29,759	\$ 22,037	\$ 153,996	\$ 270,937

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

<i>(In thousands)</i>	December 27, 2014	December 28, 2013
ASSETS		
Cash and cash equivalents	\$ 352,134	\$ 311,800
Accounts receivable, net	275,065	271,847
Inventories	256,585	251,716
Other current assets	57,429	39,354
Total current assets	941,213	874,717
Property, plant, and equipment, net	245,910	244,457
Other assets	140,973	128,593
	\$ 1,328,096	\$ 1,247,767
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current portion of debt	\$ 36,194	\$ 29,083
Accounts payable	100,735	80,897
Other current liabilities	101,140	109,276
Total current liabilities	238,069	219,256
Long-term debt	205,250	206,250
Pension and postretirement liabilities	41,556	27,426
Environmental reserves	21,842	22,144
Deferred income taxes	24,556	35,975
Other noncurrent liabilities	1,389	849
Total liabilities	532,662	511,900
Total Mueller Industries, Inc. stockholders' equity	762,150	703,405
Noncontrolling interest	33,284	32,462
Total equity	795,434	735,867
	\$ 1,328,096	\$ 1,247,767

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

	For the Year Ended	
	December 27, 2014	December 28, 2013
<i>(In thousands)</i>		
Cash flows from operating activities		
Consolidated net income	\$ 102,534	\$ 173,289
Reconciliation of consolidated net income to net cash provided by operating activities:		
Depreciation and amortization	34,076	32,693
Stock-based compensation expense	6,265	5,704
Insurance settlements	—	(106,332)
Insurance proceeds – noncapital related	—	32,395
Gain on disposal of assets	(5,405)	(42,300)
Impairment charges	—	4,304
Deferred income taxes	(6,495)	19,213
Income tax benefit from exercise of stock options	(837)	(719)
Changes in assets and liabilities, net of business acquired:		
Receivables	(21,932)	19,110
Inventories	1,381	5,963
Other assets	(23,652)	562
Current liabilities	5,849	(14,139)
Other liabilities	(2,223)	(1,935)
Other, net	1,044	705
Net cash provided by operating activities	<u>90,605</u>	<u>128,513</u>
Cash flows from investing activities		
Capital expenditures	(39,173)	(41,349)
Acquisition of business, net of cash acquired	(30,137)	(55,276)
Proceeds from sale of assets, net of cash transferred	33,788	65,147
Insurance proceeds for property and equipment	—	29,910
Net deposits into restricted cash balances	(2,902)	(1,417)
Net cash used in investing activities	<u>(38,424)</u>	<u>(2,985)</u>
Cash flows from financing activities		
Dividends paid to stockholders of Mueller Industries, Inc.	(16,819)	(13,941)
Debt issuance cost	—	(50)
Issuance of debt by joint venture, net	7,258	857
Net cash used to settle stock-based awards	(719)	(228)
Repurchase of common stock	(58)	—
Repayments of long-term debt	(1,050)	(1,000)
Income tax benefit from exercise of stock options	837	719
Net cash used in financing activities	<u>(10,551)</u>	<u>(13,643)</u>
Effect of exchange rate changes on cash	<u>(1,296)</u>	<u>981</u>
Increase in cash and cash equivalents	40,334	112,866
Cash and cash equivalents at the beginning of the period	<u>311,800</u>	<u>198,934</u>
Cash and cash equivalents at the end of the period	<u>\$ 352,134</u>	<u>\$ 311,800</u>

MUELLER INDUSTRIES, INC.
Reconciliation of Net Income as Reported to Pro Forma Without Unusual Items
(Unaudited)

Earnings attributable to normal operations without the unusual items noted below is a measurement not derived in accordance with generally accepted accounting principles (GAAP). Excluding these items is useful, as it measures the operating results that are the outcome of daily operating decisions made in the normal course of business. Reconciliation of earnings attributable to normal operations without the unusual items to net income as reported is as follows:

<i>(In thousands, except per share data)</i>	For the Year Ended December 27, 2014			
	As Reported	Impact of		Pro forma
		Yorkshire Copper Tube Severance	Gain on Sale of Assets	
Operating income	\$ 153,996	\$ 7,296	\$ (6,259)	\$ 155,033
Interest expense	(5,740)	—	—	(5,740)
Other expense, net	(243)	—	—	(243)
Income before income taxes	148,013	7,296	(6,259)	149,050
Income tax expense	(45,479)	(1,563)	2,266	(44,776)
Consolidated net income	102,534	5,733	(3,993)	104,274
Net income attributable to non-controlling interest	(974)	—	—	(974)
Net income attributable to Mueller Industries, Inc.	<u>\$ 101,560</u>	<u>\$ 5,733</u>	<u>\$ (3,993)</u>	<u>\$ 103,300</u>
Diluted earnings per share	<u>\$ 1.79</u>	<u>\$ 0.10</u>	<u>\$ (0.07)</u>	<u>\$ 1.82</u>

<i>(In thousands, except per share data)</i>	For the Year Ended December 28, 2013					
	As Reported	Impact of			Pro forma	
		Insurance Settlement	Gain on Plastic Sale	Impairments		Other
Operating income	\$ 270,937	\$ (106,332)	\$ (39,765)	\$ 4,304	\$ 2,290	\$ 131,434
Interest expense	(3,990)	—	—	—	—	(3,990)
Other income, net	4,451	—	—	—	(3,000)	1,451
Income before income taxes	271,398	(106,332)	(39,765)	4,304	(710)	128,895
Income tax expense	(98,109)	40,723	16,845	(1,719)	481	(41,779)
Consolidated net income	173,289	(65,609)	(22,920)	2,585	(229)	87,116
Net income attributable to non-controlling interest	(689)	—	—	—	—	(689)
Net income attributable to Mueller Industries, Inc.	<u>\$ 172,600</u>	<u>\$ (65,609)</u>	<u>\$ (22,920)</u>	<u>\$ 2,585</u>	<u>\$ (229)</u>	<u>\$ 86,427</u>
Diluted earnings per share	<u>\$ 3.06</u>	<u>\$ (1.16)</u>	<u>\$ (0.41)</u>	<u>\$ 0.05</u>	<u>\$ (0.01)</u>	<u>\$ 1.53</u>

