

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):

July 21, 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))
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**Item 2.02. Results of Operations and Financial Condition.**

On July 21, 2015, the Registrant issued a press release announcing earnings for the quarter ended June 27, 2015. A copy of the press release announcing the second quarter 2015 earnings is attached as Exhibit 99.1.

**Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits

99.1 Press release, dated July 21, 2015 reporting second quarter 2015 earnings.

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, 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: July 21, 2015

**Exhibit Index**

| <u>Exhibit No.</u> | <u>Description</u>                  |
|--------------------|-------------------------------------|
| 99.1               | Press release, dated July 21, 2015. |

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## Mueller Industries, Inc. Reports Second Quarter 2015 Earnings

MEMPHIS, Tenn., July 21, 2015 -- Mueller Industries, Inc. (NYSE: MLI) announced today net income of \$33.7 million, or 59 cents per diluted share, for the second quarter of 2015. This compares to net income of \$35.0 million, or 62 cents per diluted share during the second quarter of 2014. Excluding unusual items, net income from normal operations for the second quarter of 2015 was \$26.9 million, or 47 cents per diluted share, compared with \$31.6 million, or 56 cents per diluted share for the second quarter of 2014.

Net sales for the second quarter of 2015 were \$555.6 million compared with \$649.7 million for the same quarter of the prior year. Approximately \$44.1 million of the decline was due to lower unit volumes, \$36.6 million was due to lower selling prices as a result of lower copper prices, and \$17.7 million of the decrease was due to divestitures of businesses during 2014.

The unit volume decline was largely impacted by an 8.5 percent reduction in shipments from our Copper Tube and Brass Rod businesses. U.S. Copper Tube was hindered by production shortfalls caused by challenges associated with the commissioning of the new mill equipment that is being installed and Brass Rod felt the impact of increased competition from imports helped by the weakened Euro.

Financial and Related Highlights for the second quarter:

- The average price of copper was \$2.77 per pound in the second quarter of 2015 compared with \$3.10 per pound in the second quarter of 2014.
- Results for the second quarter of 2015 include final severance charges of \$3.4 million related to the rationalization of the U.K. Copper Tube business acquired in the first quarter of 2014.
- Quarter end cash totaled \$299.1 million, or \$5.25 per share.
- Debt to total capitalization ratio was 20.9 percent and the current ratio was 4.4 to 1.

Regarding the outlook Greg Christopher, CEO, said, "We are pleased to see the steady improvement in market conditions continuing. Our major reinvestment projects have hit critical periods where operating our plants and simultaneously installing and commissioning the new processes pose some disruptive stresses but we continue to progress forward."

In addition he added, "During the second quarter of 2015, we made two acquisitions to support our long term growth strategy in the climate control sector. On March 30, 2015 we acquired Turbotec Products, Inc., a company that specializes in heat transfer technologies for \$14.2 million, and on June 18, 2015 we acquired Sherwood Valve, LLC, a manufacturer of valves for the refrigeration and compressed gas markets for approximately \$21.8 million."

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.

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

#### CONTACT

Jeffrey A. Martin

(901)753-3226

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

|   | For the Quarter Ended |                   | For the Six Months Ended |                     |
|---|-----------------------|-------------------|--------------------------|---------------------|
|   | June 27,<br>2015      | June 28,<br>2014  | June 27,<br>2015         | June 28,<br>2014    |
| <i>(In thousands, except per share data)</i>                    |                       |                   |                          |                     |
| Net sales   | \$ 555,593            | \$ 649,691        | \$ 1,092,835             | \$ 1,224,065        |
| Cost of goods sold  | 470,365               | 557,775           | 931,199                  | 1,053,552           |
| Depreciation and amortization                                   | 8,188                 | 8,592             | 16,041                   | 16,699              |
| Selling, general, and administrative expense                    | 33,420                | 33,367            | 66,251                   | 66,508              |
| Gain on sale of assets  | (15,376)              | —                 | (15,376)                 | (1,417)             |
| Severance   | 3,442                 | 1,753             | 3,442                    | 2,212               |
| Operating income  | 55,554                | 48,204            | 91,278                   | 86,511              |
| Interest expense  | (2,219)               | (1,457)           | (4,295)                  | (2,483)             |
| Other income, net   | 265                   | 127               | 370                      | 215                 |
| Income before income taxes                                      | 53,600                | 46,874            | 87,353                   | 84,243              |
| Income tax expense  | (19,738)              | (11,665)          | (31,151)                 | (24,080)            |
| Consolidated net income   | 33,862                | 35,209            | 56,202                   | 60,163              |
| Net income attributable to noncontrolling interest              | (211)                 | (164)             | (573)                    | (412)               |
| Net income attributable to Mueller Industries, Inc.             | <u>\$ 33,651</u>      | <u>\$ 35,045</u>  | <u>\$ 55,629</u>         | <u>\$ 59,751</u>    |
| Weighted average shares for basic earnings per share            | 56,247                | 55,973            | 56,220                   | 55,946              |
| Effect of dilutive stock-based awards                           | 743                   | 747               | 737                      | 800                 |
| Adjusted weighted average shares for diluted earnings per share | <u>56,990</u>         | <u>56,720</u>     | <u>56,957</u>            | <u>56,746</u>       |
| Basic earnings per share  | <u>\$ 0.60</u>        | <u>\$ 0.63</u>    | <u>\$ 0.99</u>           | <u>\$ 1.07</u>      |
| Diluted earnings per share                                      | <u>\$ 0.59</u>        | <u>\$ 0.62</u>    | <u>\$ 0.98</u>           | <u>\$ 1.05</u>      |
| Dividends per share   | <u>\$ 0.075</u>       | <u>\$ 0.075</u>   | <u>\$ 0.150</u>          | <u>\$ 0.150</u>     |
| Summary Segment Data:   |                       |                   |                          |                     |
| Net sales:  |                       |                   |                          |                     |
| Plumbing & Refrigeration Segment                                | \$ 327,336            | \$ 397,190        | \$ 632,353               | \$ 735,217          |
| OEM Segment   | 230,380               | 255,409           | 465,697                  | 495,439             |
| Elimination of intersegment sales                               | (2,123)               | (2,908)           | (5,215)                  | (6,591)             |
| Net sales   | <u>\$ 555,593</u>     | <u>\$ 649,691</u> | <u>\$ 1,092,835</u>      | <u>\$ 1,224,065</u> |
| Operating income:   |                       |                   |                          |                     |
| Plumbing & Refrigeration Segment                                | \$ 35,983             | \$ 32,330         | \$ 55,474                | \$ 56,215           |
| OEM Segment   | 26,801                | 23,216            | 49,349                   | 44,502              |
| Unallocated expenses  | (7,230)               | (7,342)           | (13,545)                 | (14,206)            |
| Operating income  | <u>\$ 55,554</u>      | <u>\$ 48,204</u>  | <u>\$ 91,278</u>         | <u>\$ 86,511</u>    |



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

| <i>(In thousands)</i>                               | June 27,<br>2015    | December 27,<br>2014 |
|---|---------------------|----------------------|
| <b>ASSETS</b>                                       |                     |                      |
| Cash and cash equivalents                           | \$ 299,147          | \$ 352,134           |
| Accounts receivable, net                            | 307,008             | 275,065              |
| Inventories   | 278,937             | 256,585              |
| Other current assets                                | 45,680              | 57,429               |
|   | <u>930,772</u>      | <u>941,213</u>       |
| Property, plant, and equipment, net                 | 261,149             | 245,910              |
| Other assets  | 153,037             | 140,973              |
|   | <u>\$ 1,344,958</u> | <u>\$ 1,328,096</u>  |
| <b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>         |                     |                      |
| Current portion of debt                             | \$ 18,014           | \$ 36,194            |
| Accounts payable                                    | 89,715              | 100,735              |
| Other current liabilities                           | 101,772             | 101,140              |
|   | <u>209,501</u>      | <u>238,069</u>       |
| Long-term debt                                      | 204,750             | 205,250              |
| Pension and postretirement liabilities              | 40,059              | 41,556               |
| Environmental reserves                              | 21,657              | 21,842               |
| Deferred income taxes                               | 21,542              | 24,556               |
| Other noncurrent liabilities                        | 2,790               | 1,389                |
|   | <u>500,299</u>      | <u>532,662</u>       |
| Total Mueller Industries, Inc. stockholders' equity | 811,200             | 762,150              |
| Noncontrolling interest                             | 33,459              | 33,284               |
|   | <u>844,659</u>      | <u>795,434</u>       |
|   | <u>\$ 1,344,958</u> | <u>\$ 1,328,096</u>  |

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

| <i>(In thousands)</i>   | For the Six Months Ended |                  |
|---|--------------------------|------------------|
|   | June 27,<br>2015         | June 28,<br>2014 |
| <b>Cash flows from operating activities</b>   |                          |                  |
| Consolidated net income   | \$ 56,202                | \$ 60,163        |
| Reconciliation of consolidated net income to net cash provided by (used in) operating activities: |                          |                  |
| Depreciation and amortization   | 16,293                   | 16,840           |
| Stock-based compensation expense  | 2,966                    | 3,526            |
| Gain on disposal of assets  | (15,392)                 | (1,225)          |
| Impairment charges  | 570                      | —                |
| Deferred income taxes   | (1,445)                  | (6,523)          |
| Income tax benefit from exercise of stock options   | (146)                    | (316)            |
| Changes in assets and liabilities, net of businesses acquired                                     |                          |                  |
| Receivables   | (24,304)                 | (100,413)        |
| Inventories   | (5,252)                  | (20,619)         |
| Other assets  | 6,963                    | (8,886)          |
| Current liabilities   | (19,629)                 | 7,373            |
| Other liabilities   | (415)                    | (893)            |
| Other, net  | 739                      | 92               |
| Net cash provided by (used in) operating activities   | 17,150                   | (50,881)         |
| <b>Cash flows from investing activities</b>   |                          |                  |
| Capital expenditures  | (15,969)                 | (18,833)         |
| Businesses acquired, net of cash acquired   | (35,978)                 | (30,137)         |
| Net withdrawals from restricted cash balances   | 3,486                    | 1,815            |
| Proceeds from the sale of assets  | 5,518                    | 4,874            |
| Net cash used in investing activities   | (42,943)                 | (42,281)         |
| <b>Cash flows from financing activities</b>   |                          |                  |
| Repayments of long-term debt  | (500)                    | (500)            |
| Dividends paid to stockholders of Mueller Industries, Inc.  | (8,435)                  | (8,394)          |
| Issuance of debt  | —                        | 22,635           |
| (Repayment) issuance of debt by joint venture, net  | (17,750)                 | 8,903            |
| Net cash received to settle stock-based awards  | 125                      | 296              |
| Repurchase of common stock  | —                        | (58)             |
| Income tax benefit from exercise of stock options   | 146                      | 316              |
| Net cash (used in) provided by financing activities   | (26,414)                 | 23,198           |
| Effect of exchange rate changes on cash   | (780)                    | 363              |
| Decrease in cash and cash equivalents   | (52,987)                 | (69,601)         |
| Cash and cash equivalents at the beginning of the period  | 352,134                  | 311,800          |
| Cash and cash equivalents at the end of the period  | \$ 299,147               | \$ 242,199       |

**MUELLER INDUSTRIES, INC.**  
**Reconciliation of Net Income as Reported to Pro forma without Unusual Items**  
**(Unaudited)**

Earnings attributable to normal operations without the gain on sale of assets, severance, and reduction of a valuation allowance 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 these items to net income as reported is as follows:

| <i>(In thousands, except per share data)</i>        | For the Quarter Ended June 27, 2015 |                                       |                           |                  |
|---|-------------------------------------|---------------------------------------|---------------------------|------------------|
|   | Impact of                           |                                       |                           | Pro forma        |
|   | As Reported                         | Yorkshire<br>Copper Tube<br>Severance | Gain on<br>Sale of Assets |                  |
| Operating income                                    | \$ 55,554                           | \$ 3,442                              | \$ (15,376)               | \$ 43,620        |
| Interest expense                                    | (2,219)                             | —                                     | —                         | (2,219)          |
| Other income, net                                   | 265                                 | —                                     | —                         | 265              |
| Income before income taxes                          | 53,600                              | 3,442                                 | (15,376)                  | 41,666           |
| Income tax expense                                  | (19,738)                            | (697)                                 | 5,905                     | (14,530)         |
| Consolidated net income                             | 33,862                              | 2,745                                 | (9,471)                   | 27,136           |
| Net income attributable to non-controlling interest | (211)                               | —                                     | —                         | (211)            |
| Net income attributable to Mueller Industries, Inc. | <u>\$ 33,651</u>                    | <u>\$ 2,745</u>                       | <u>\$ (9,471)</u>         | <u>\$ 26,925</u> |
| Diluted earnings per share                          | <u>\$ 0.59</u>                      | <u>\$ 0.05</u>                        | <u>\$ (0.17)</u>          | <u>\$ 0.47</u>   |

| <i>(In thousands, except per share data)</i>        | For the Quarter Ended June 28, 2014 |                                       |  |                  |
|---|-------------------------------------|---------------------------------------|--|------------------|
|   | Impact of                           |                                       |  | Pro forma        |
|   | As Reported                         | Yorkshire<br>Copper Tube<br>Severance | Reduction of<br>Valuation<br>Allowance |                  |
| Operating income                                    | \$ 48,204                           | \$ 1,753                              | \$ —                                   | \$ 49,957        |
| Interest expense                                    | (1,457)                             | —                                     | —                                      | (1,457)          |
| Other income, net                                   | 127                                 | —                                     | —                                      | 127              |
| Income before income taxes                          | 46,874                              | 1,753                                 | —                                      | 48,627           |
| Income tax expense                                  | (11,665)                            | (377)                                 | (4,822)                                | (16,864)         |
| Consolidated net income                             | 35,209                              | 1,376                                 | (4,822)                                | 31,763           |
| Net income attributable to non-controlling interest | (164)                               | —                                     | —                                      | (164)            |
| Net income attributable to Mueller Industries, Inc. | <u>\$ 35,045</u>                    | <u>\$ 1,376</u>                       | <u>\$ (4,822)</u>                      | <u>\$ 31,599</u> |
| Diluted earnings per share                          | <u>\$ 0.62</u>                      | <u>\$ 0.02</u>                        | <u>\$ (0.08)</u>                       | <u>\$ 0.56</u>   |

