2000

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

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

For the fiscal quarter ended June 24, 2000   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 / /

The number of shares of the Registrant's common stock outstanding as of July 19, 2000, was 34,468,146.

MUELLER INDUSTRIES, INC.

FORM 10-Q

For the Period Ended June 24, 2000

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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

<TABLE>

MUELLER INDUSTRIES, INC.
CONSOLIDATED STATEMENTS OF INCOME
(Unaudited)
(In thousands, except per share data)

<CAPTION>

	For the Quarter Ended	
	June 24, 2000	June 26, 1999
<S>	<C>	<C>
Net sales	$ 328,583	$ 293,342
Cost of goods sold	247,793	220,340
Gross profit	80,790	73,002
Depreciation and amortization	9,239	9,348
Selling, general, and administrative expense	24,820	25,888
Operating income	46,731	37,766
Interest expense	(2,296)	(3,147)
Other income, net	2,731	2,821
Income before income taxes	47,166	37,440
Current income tax expense	(16,145)	(9,562)
Deferred income tax expense	(1,259)	(2,433)
Total income tax expense	(17,404)	(11,995)
Net income	$ 29,762	$ 25,445
Weighted average shares for basic earnings per share	34,464	35,799
Effect of dilutive stock options	3,855	4,025
Adjusted weighted average shares for diluted earnings per share	38,319	39,824
Basic earnings per share	$ 0.86	$ 0.71
Diluted earnings per share	$ 0.78	$ 0.64

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

<TABLE>
MUELLER INDUSTRIES, INC.
CONSOLIDATED STATEMENTS OF INCOME
(Unaudited)
(In thousands, except per share data)
<CAPTION>

	For the Six Months Ended June 24, 2000	For the Six Months Ended June 26, 1999
Net sales	$ 630,933	$ 581,182
Cost of goods sold	474,307	442,080
Gross profit	156,626	139,102
Depreciation and amortization	18,281	18,338
Selling, general, and administrative expense	49,110	51,067
Operating income	89,235	69,697
Interest expense	(4,923)	(6,008)
Other income, net	4,955	4,950
Income before income taxes	89,267	68,639
Current income tax expense	(29,866)	(14,585)
Deferred income tax expense	(3,073)	(6,926)
Total income tax expense	(32,939)	(21,511)
Net income	$ 56,328	$ 47,128
Weighted average shares for basic earnings per share	34,654	35,816
Effect of dilutive stock options	3,882	3,903
Adjusted weighted average shares for diluted earnings per share	38,536	39,719
Basic earnings per share	$ 1.63	$ 1.32
Diluted earnings per share	$ 1.46	$ 1.19

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

<TABLE>
MUELLER INDUSTRIES, INC.
CONSOLIDATED BALANCE SHEETS
(Unaudited)
(In thousands)
<CAPTION>

	June 24, 2000	December 25, 1999
Assets		
Current assets:		
Cash and cash equivalents	$ 136,985	$ 149,454
Accounts receivable, less allowance for doubtful accounts of $5,021 in 2000 and $5,367 in 1999	198,375	167,858
Inventories:		

Raw material and supplies	30,213	28,337
Work-in-process	19,948	14,423
Finished goods	80,063	76,884
Total inventories	130,224	119,644
Current deferred income taxes	1,327	-
Other current assets	9,387	3,790
Total current assets	476,298	440,746
Property, plant, and equipment, net	350,435	347,846
Goodwill, net	99,925	94,530
Other assets	19,409	20,958
	$ 946,067	$ 904,080

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

<TABLE>
MUELLER INDUSTRIES, INC.
CONSOLIDATED BALANCE SHEETS
(Unaudited)
(In thousands, except share data)
<CAPTION>

<S>	June 24, 2000 <C>	December 25, 1999 <C>
Liabilities and Stockholders' Equity		
Current liabilities:		
Current portion of long-term debt	$ 25,302	$ 31,012
Accounts payable	49,343	49,958
Accrued wages and other employee costs	27,387	30,182
Other current liabilities	59,554	41,909
Total current liabilities	161,586	153,061
Long-term debt	112,220	118,858
Pension and postretirement liabilities	13,571	13,591
Environmental reserves	10,437	12,965
Deferred income taxes	29,356	24,275
Other noncurrent liabilities	15,046	11,546
Total liabilities	342,216	334,296
Minority interest in subsidiaries	297	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; outstanding 34,468,896 in 2000 and 34,918,646 in 1999	401	401
Additional paid-in capital, common	260,989	259,977
Retained earnings (Since January 1, 1991)	428,805	372,477
Cumulative translation adjustment	(11,732)	(8,112)
Treasury common stock, at cost	(74,909)	(55,313)

Total stockholders' equity	603,554	569,430
Commitments and contingencies (Note 2)	-	-
	$ 946,067	$ 904,080

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

<TABLE>
MUELLER INDUSTRIES, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)
(In thousands)
<CAPTION>

	For the Six Months Ended	
	June 24, 2000	June 26, 1999
<S>	<C>	<C>
Cash flows from operating activities		
Net income	$ 56,328	$ 47,128
Reconciliation of net income to net cash provided by operating activities:		
Depreciation and amortization	18,281	18,338
Minority interest in subsidiaries	(57)	-
Deferred income taxes	3,073	6,926
Gain on disposal of properties	(9)	(1,535)
Changes in assets and liabilities:		
Receivables	(30,382)	(19,688)
Inventories	(11,613)	16,374
Other assets	(3,049)	623
Current liabilities	13,021	13,321
Other liabilities	1,386	(1,895)
Other, net	(25)	179
Net cash provided by operating activities	46,954	79,771
Cash flows from investing activities		
Capital expenditures	(18,893)	(20,647)
Businesses acquired	(9,072)	-
Proceeds from sales of properties	208	3,934
Escrowed IRB proceeds	-	6,024
Net cash used in investing activities	(27,757)	(10,689)
Cash flows from financing activities		
Acquisition of treasury stock	(22,377)	(1,339)
Repayments of long-term debt	(12,348)	(11,618)
Proceeds from stock options exercised including related tax benefits	3,793	603
Proceeds from issuance of long-term debt	-	125,000
Repayments on line of credit, net	-	(130,975)
Net cash used in financing activities	(30,932)	(18,329)
Effect of exchange rate changes on cash	(734)	395
(Decrease) increase in cash and cash equivalents	(12,469)	51,148
Cash and cash equivalents at the beginning of the period	149,454	80,568
Cash and cash equivalents at the end of the period	$ 136,985	$ 131,716

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

MUELLER INDUSTRIES, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

General

Certain information and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted. Results of operations for the interim periods presented are not necessarily indicative of results which may be expected for any other interim period or for the year as a whole. This quarterly report on Form 10-Q should be read in conjunction with the Company's Annual Report on Form 10-K, including the annual financial statements incorporated therein by reference.

The accompanying unaudited interim financial statements include all adjustments which are, in the opinion of management, necessary to a fair statement of the results for the interim periods presented.

Note 1 - Earnings Per Common Share

Basic per share amounts have been computed based on the average number of common shares outstanding. Diluted per share amounts reflect the increase in average common shares outstanding that would result from the assumed exercise of outstanding stock options, computed using the treasury stock method.

Note 2 - Commitments and Contingencies

The Company is subject to normal environmental standards imposed by federal, state, local, and foreign environmental laws and regulations. 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.

In addition, the Company is involved in certain litigation as either plaintiff or defendant as a result of claims that arise in the ordinary course of business which management believes will not have a material effect on the Company's financial condition.

Note 3 - Comprehensive Income

Comprehensive income for the Company consists of net income and foreign currency translation adjustments. Total comprehensive income was $26,565,000 and $24,362,000 for the quarters ending June 24, 2000, and June 26, 1999, respectively and was $52,708,000 and $43,535,000 for the six-month periods ending June 24, 2000, and June 26, 1999, respectively.

Note 4 - Industry Segments

Summarized segment information is as follows:
(In thousands)
[CAPTION]

[S]	For the Quarter Ended June 24, 2000 [C]	June 26, 1999 [C]
Net sales:		
Standard Products Division	$ 241,737	$ 214,373
Industrial Products Division	81,168	74,921
Other Businesses	6,722	5,125
Elimination of intersegment sales	(1,044)	(1,077)
	$ 328,583	$ 293,342
Operating income:		
Standard Products Division	$ 39,499	$ 32,072
Industrial Products Division	9,768	6,659
Other Businesses	1,245	921
Unallocated expenses	(3,781)	(1,886)
	$ 46,731	$ 37,766

[CAPTION]

[S]	For the Six Months Ended June 24, 2000 [C]	June 26, 1999 [C]
Net sales:		
Standard Products Division	$ 461,471	$ 420,931
Industrial Products Division	156,537	150,788
Other Businesses	14,107	10,563

Elimination of intersegment sales	(1,182)	(1,100)
	$ 630,933	$ 581,182

Operating income:		
Standard Products Division	$ 75,562	$ 59,758
Industrial Products Division	18,089	15,895
Other Businesses	2,863	1,485
Unallocated expenses	(7,279)	(7,441)
	$ 89,235	$ 69,697

Note 5 - Acquisitions

During the quarter, Mueller acquired Micro Gauge, Inc. and a related business, Microgauge Machining Inc., for approximately $9.1 million. These acquisitions bring to our Industrial Products Division specialized machining capabilities, which were previously outsourced to Micro Gauge. Subsequent to the end of the fiscal quarter, the Company also acquired Propipe Technologies, Inc., a fabricator of gas train manifold systems, for approximately $6.0 million. These acquired businesses have annualized sales of approximately $30 million, a portion of which were to Mueller. The transactions will be accounted for as purchases.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

General Overview

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.

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

Net income was $29.8 million, or 78 cents per diluted share, for the second quarter of 2000, compared with net income of $25.4 million, or 64 cents per diluted share, for the same period of 1999. Year-to-date, net income was $56.3 million, or $1.46 per diluted share, compared with net income of $47.1 million, or $1.19 per diluted share, for 1999.

During the second quarter of 2000, the Company's net sales were $328.6 million, which compares with net sales of $293.3 million, or a 12 percent increase over the same period of 1999. Net sales were $630.9 million in the first half of 2000 compared with $581.2 million in 1999. The average price of copper was approximately 22 percent higher in the first half of 2000 compared with the same period of 1999, which contributed to the increase in net sales. During the second quarter of 2000, the Company's manufacturing businesses shipped 215.7 million pounds of product compared to 211.1 million pounds in the same quarter of 1999. The Company shipped 409.6 million pounds of product in the first half of 2000 compared with 419.0 million in the same period of 1999. This decline in volume was due primarily to production interruptions at the Company's copper tube and fittings operations during the first quarter of 2000. The Company is pursuing a business interruption insurance claim for this loss of earnings. At this time, the amount to be recovered from our insurer cannot be determined.

Second quarter and first half operating income increased primarily due to spread improvements in the Standard Products Division. Increased operating income was partially offset by losses at our European operations. Second quarter operations include a charge of $2.1 million for expected severance and termination costs associated with our European modernization program. Selling, general, and administrative expense for the second quarter and first half of 2000 decreased slightly primarily due to reduced expenses at businesses acquired in the second half of 1998. Depreciation and amortization in 2000 is level with 1999.

Interest expense for the second quarter of 2000 totaled $2.3 million compared to $3.1 million in the same quarter of 1999. For the first six months of 2000, interest expense was $4.9 million compared to $6.0 million for the same period of 1999. The Company capitalized $0.4 million of interest related to capital improvement programs in the first half of 2000 and 1999. Total interest in the first half of 2000 decreased due to scheduled repayments of long-term debt.

The Company's effective income tax rate for the first half of 2000 was 36.9 percent compared with 31.3 percent for the first half of last year. The tax rate increase was due to the Company having recognized the majority of historical tax benefits in prior years.

Liquidity and Capital Resources

Cash provided by operating activities during the first half of 2000 totaled $47.0 million which is primarily attributable to net income and depreciation and amortization, partially offset by components of working capital. During the first half of 2000, the Company used $27.8 million in investing activities, consisting primarily of $18.9 million in capital expenditures and $9.1 for business acquisitions. The Company also used $30.9 million for financing activities during the six-month period, consisting of $22.4 million for acquisition of treasury stock and $12.3 million for repayments of long-term debt, offset by $3.8 million of proceeds from the exercise of stock options including the related tax benefits. The tax benefit associated with the exercise of these options, which reduced taxes payable by $1.4 million, was credited directly as an addition to additional paid-in capital. Existing cash balances and cash from operations were used to fund the investing and financing activities.

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 are being 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 June 24, 2000, the Company has repurchased approximately 1,156,000 shares under this program.

The Company has a $100.0 million unsecured line-of-credit agreement (the Credit Facility) which expires in May 2001, but which 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 .50 percent, (ii) LIBOR plus .27 percent subject to adjustment, or (iii) Federal Funds Rate plus .65 percent. There are no outstanding borrowings under the Credit Facility. At June 24, 2000, funds available under the Credit Facility were reduced by $7.5 million for outstanding letters of credit. At June 24, 2000, the Company's total debt was $137.5 million or 18.6 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 debt covenants.

The Company's capital expenditures and/or commitments may total as much as $90 million in 2000 including the projects described below. During the year, we will complete the capital improvement project for approximately $24 million at our Wynne, Arkansas, copper tube mill, which will update the extrusion and drawing equipment employed at the mill. The project, when completed, will significantly improve the mill's conversion costs as well as yield. At our Port Huron, Michigan, brass rod mill, we began installation of a horizontal continuous caster. This investment, totaling approximately $10 million, is expected to be completed near the end of 2000, and will increase our casting capacity, improve yield, and reduce conversion costs.

Approximately $40 million has been authorized for the modernization of the Company's European factories. This investment will upgrade the casting, extrusion, drawing, and finishing processes at our facility in the United Kingdom. The project is expected to be completed near the end of 2001. During the first quarter, the Company received confirmation of Regional Selective Assistance financial support from the Department of Trade and Industry (United Kingdom) of approximately $3.6 million for this project. During the second quarter, the Company negotiated commitments and/or signed letters of intent with the primary vendors of equipment and services for the majority of the project.

Management believes that cash provided by operations and currently available cash of $137.0 million will be adequate to meet the Company's normal future capital expenditure and operational needs. The Company's current ratio remains strong at 2.9 to 1.

Part II. OTHER INFORMATION

Item 4. Submission of Matters to a Vote of Security Holders

On May 12, 2000, the Company held its Annual Meeting of Stockholders at which two proposals were voted upon: (i) election of directors; and (ii) the approval of the appointment of auditors. The following persons were duly elected to serve, subject to the Company's Bylaws, as Directors of the Company until the next Annual Meeting, or until election and qualification of their successors:

	Votes in Favor	Votes Withheld
Robert B. Hodes	30,032,257	550,248
Harvey L. Karp	30,116,576	465,929
G. E. Manolovici	30,175,583	406,922
William D. O'Hagan	30,176,933	405,572
Robert J. Pasquarelli	30,176,403	406,102

The proposal to approve the appointment of Ernst & Young LLP as the Company's auditors was ratified by 30,467,876 votes in favor, 57,527 votes against, and 59,432 votes abstaining.

There were no broker non-votes pertaining to these proposals.

Item 5. Other Information

On June 30, 2000, Robert J. Pasquarelli resigned as a Director of the Company. Mr. Pasquarelli's resignation coincided with his appointment as the Company's Vice President and General Manager-European Operations. He will be responsible for the implementation of the Company's capital improvement program in Europe as well as day-to-day operations.

Gary S. Gladstein was appointed to the Board of Directors to succeed Mr. Pasquarelli. Mr. Gladstein, age 55, previously served on the Company's Board from 1990 to 1994. He was Chief Operating Officer of Soros Fund Management (SFM) from 1985 until his retirement at the end of 1999 and is currently a Senior Consultant at SFM. Mr. Gladstein is a CPA and holds an MBA from Columbia University.

The following discussion updates the disclosure in Item 1, Business, in the Company's Annual Report on Form 10-K, for the year ended December 25, 1999.

Environmental Matters

2. U.S.S. Lead

In the process of remediating at its East Chicago, Indiana site, U.S.S. Lead Refinery, Inc. (Lead Refinery) identified suspected petroleum contamination on site. As a result, Lead Refinery installed a slurry wall around its Corrective Action Management Unit (CAMU) and initiated characterization of areas suspected to have petroleum contamination. Lead Refinery submitted plans to the EPA and the Indiana Department of Environmental Management to address this contamination and earlier this year received approval to begin addressing the contamination.

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits

10.1 Amendment to Amended and Restated Employment Agreement, effective May 12, 2000, by and between Mueller Industries, Inc. and William D. O'Hagan.

10.2 Employment and Non-Compete Agreement, dated May 17, 2000, between Mueller Industries, Inc. and William H. Hensley.

19.1 Mueller Industries, Inc.'s Quarterly Report to Stockholders for the quarter ended June 24, 2000. Such report is being furnished for the information of the Securities and Exchange Commission only and is not to be deemed filed as part of this Quarterly Report on Form 10-Q.

(b) During the quarter ended June 24, 2000, the Registrant filed no Current Reports on Form 8-K.

Items 1, 2, and 3 are not applicable and have been omitted.

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 July 24, 2000.

MUELLER INDUSTRIES, INC.

/s/ Kent A. McKee
Kent A. McKee
Vice President and Chief Financial Officer

/s/ Richard W. Corman
Richard W. Corman
Corporate Controller

EXHIBIT INDEX

AMENDMENT

AMENDMENT, effective May 12, 2000, to AMENDED AND RESTATED EMPLOYMENT AGREEMENT, by and between MUELLER INDUSTRIES, INC., a Delaware corporation having its principal place of business at 8285 Tournament Drive, Memphis, Tennessee 38125 (the "Employer"), and WILLIAM D. O'HAGAN, an individual residing at 3281 Remington Trace, Apt. 303, Memphis, TN 38125 (the "Executive").

WITNESSETH:

WHEREAS, the parties desire to amend the Amended and Restated Employment Agreement, dated as of September 17, 1997, between Employer and Executive ((the "Employment Agreement); the Employment Agreement, as amended effective May 12, 2000, being hereinafter called the "Agreement").

NOW, THEREFORE, the parties agree as follows:

1. Section 1 of the Agreement is amended in its entirety to read as follows: "The Employer agrees to employ the Executive, and the Executive hereby accepts such employment, as President and Chief Executive Officer of the Employer. This Agreement shall have a three-year rolling term, which shall commence as of the date first above written and automatically be extended so that the unexpired term on any date is always three years (the "Employment Period"), until such time as either party gives written notice to the other of its election not to extend such term. The Employment Period shall end three years from the date on which such notice is given unless it is terminated earlier as provided in Section 4 hereof."

2. Section 4 e of the Agreement shall be amended in its entirety to read as follows: "If the Executive's employment is terminated for Cause pursuant to Section 4(b), or if the Executive shall voluntarily resign for any reason other than Good Reason, the Executive's right to receive the Base Salary (except any accrued and unpaid salary), the Bonus, and any other compensation and benefits to which he would otherwise be entitled under this Agreement shall be forfeited as of the date of termination of employment."

3. Section 4 f of the Agreement shall be deleted in its entirety.

4. Section 5 of the Agreement shall be amended by changing the address of Willkie Farr & Gallagher to 787 Seventh Avenue, New York, New York 10019.

5. Section 7 of the Agreement shall be deleted in its entirety.

6. Except as expressly amended by this Agreement, the remaining terms and provisions of the Employment Agreement shall remain unchanged and continue in full force and effect.

7. This Amendment may be executed in counterparts, each of which shall be deemed an original but which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have executed or caused to be executed this Amendment as of the date first above written.

MUELLER INDUSTRIES, INC.

By: /S/HARVEY L. KARP	/S/WILLIAM D. O'HAGAN
Name: Harvey L. Karp	William D. O'Hagan
Title: Chairman	

EMPLOYMENT AND NON-COMPETE AGREEMENT

AGREEMENT, dated as of May 17, 2000, between Mueller Industries, Inc., a Delaware corporation ("Mueller"), and William H. Hensley ("Employee").

1. Effective beginning the date Employee's successor starts work through May 31, 2001 (the "Term"), Employee shall be paid a salary of $135,000 in equal bi-weekly installments.

2. During the Term, Employee agrees to provide, during mutually agreeable times as requested by Mueller's then General Counsel or Chief Financial Officer, up to sixty days full-time work (in one day increments and up to four day per week) on projects selected by said individuals. This would be at no additional charge, other than reasonable out-of-pocket expenses.

3. If, during the Term, Mueller requests additional work days from Employee (in one day increments up to four days per week), Employee shall be paid additional compensation of $1,400 per day, plus reasonable out-of-pocket expenses. From and after the earlier of (i) completion of ten days full-time work, or (ii) September 15, 2000, nothing in this Agreement shall prohibit Employee from accepting full or part-time employment from any non-competitor of Mueller, and any such additional work days shall be scheduled to accommodate any such alternative employment.

4. During the Term, Employee shall remain an employee and eligible for continuation of employee benefits, including but not limited to life insurance, health and disability coverage and continued participation in the deferred compensation plan. Employee shall, however, not be entitled to any additional vacation accrual or any bonus payments for compensation paid during the Term.

5. In the event of Employee's death during the Term, Employee shall cease to be an employee. In that event, Mueller agrees to make any remaining payments pursuant to items 1 and 6 to Employee's estate.

6. If, as and when bonuses pursuant to Mueller's 2000 fiscal year bonus plan are paid to employees generally, Employee shall be entitled to participate at a 75% bonus level (subject to upward or downward adjustments as provided in the plan based on Mueller's 2000 earnings) for base compensation earned in 2000 prior to the commencement of the Term.

7. Employee agrees not to assist any foreign or domestic manufacturer or distributor of copper tubing, copper or plastic fittings, IPD's Engineered Products, or brass rod, until March 31, 2005 (or, if less, the maximum time permissible under applicable law).

8. Each provision of this Agreement shall be independent of all other provisions, and if any provision of this Agreement is declared invalid by any court or other governmental agency of competent jurisdiction, each other provision of this Agreement shall remain in full force and effect and shall be construed to the extent possible as consistent with all other valid provisions in order to carry out the intent of the parties hereto.

9. This Agreement is governed by the laws of the State of Tennessee.

MUELLER INDUSTRIES, INC.

/S/WILLIAM D. O'HAGAN /s/WILLIAM H. HENSLEY
By: William D. O'Hagan William H. Hensley
President and CEO

To our Stockholders, Customers and Employees

Mueller's earnings continued to grow at a rapid pace in the second quarter of 2000. Net earnings rose 17.3 percent to $29.8 million, or 78 cents per diluted share, compared with $25.4 million or 64 cents per diluted share for the same quarter of 1999.

On a pretax basis, Mueller's earnings growth was even more impressive at 26.0 percent. The effective tax rate in the second quarter was 36.9 percent, contrasted with 32.0 percent for the same quarter last year.

Net sales for the second quarter totaled $328.6 million, an increase of 12.0 percent over sales of $293.3 million for the second quarter of 1999. We shipped 216 million pounds of product versus 211 million pounds in the same quarter last year.

We are pleased to note that the American Metals Market, a metals industry journal, in its annual review of the major companies in the industry, ranked Mueller as the top company in 1999 in terms of return on total assets. At 10.98 percent, Mueller's performance was more than double the average return of the 25 companies listed in the review.

During the quarter, Mueller acquired Micro Gauge, Inc. and a related business, Microgauge Machining Inc., for approximately $9.1 million. These acquisitions bring to our Industrial Products Division specialized machining capabilities, which were previously outsourced to Micro Gauge. Subsequent to the end of the fiscal quarter, the Company also acquired Propipe Technologies, Inc., a fabricator of gas train manifold systems, for approximately $6.0 million. These acquired businesses have annualized sales of approximately $30 million, a portion of which were to Mueller.

The outlook for the housing industry continues to appear promising with housing starts currently at a seasonally adjusted annual rate of 1.6 million units. Despite six interest rate increases imposed by the Federal Reserve over the past year, mortgage rates remain attractive. In fact, 30-year fixed-rate mortgages have dropped from a high for the year of 8.82 percent (on May 19) to a rate of 8.16 percent (on July 7). Also, approximately 30 percent of homebuyers are using adjustable rate mortgages to finance their purchases at rates often 100 basis points lower than fixed-rate mortgages.

On June 30, 2000, Robert J. Pasquarelli was appointed Mueller's Vice President and General Manager, European Operations. He will be responsible for implementation of the Company's capital improvement program in Europe, as well as day-to-day operations. Mr. Pasquarelli, coincident with his appointment, resigned as a director, and was succeeded by Gary S. Gladstein. Mr. Gladstein, age 55, is a CPA and holds an MBA degree. He formerly served as a Mueller director from 1990 to 1994.

We are also pleased to report that John P. Fonzo has been appointed Vice President, General Counsel and Secretary, succeeding William H. Hensley who will be returning to Kansas.

Our Annual Stockholders' Meeting was held at Mueller's corporate headquarters in Memphis on May 12, 2000. The Stockholders reelected Messrs. Hodes, Karp, Manolovici, O'Hagan, and Pasquarelli as directors and approved the appointment of Ernst & Young LLP as our independent auditors.

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

July 12, 2000

HISTORICAL ANALYSIS (1994-2000) OF QUARTERLY
EARNINGS BEFORE TAX AND EARNINGS PER SHARE

Mueller's earnings have grown substantially over the past six years. In the second quarter of 2000, our Company earned $47.2 million before tax, compared with $9.1 million for the same quarter of 1994, an increase of 419 percent. Diluted earnings per share have risen 457 percent, from 14 cents to 78 cents.

[GRAPH]

SECOND QUARTER DILUTED EARNINGS PER SHARE

1994	$0.14
1995	0.28
1996	0.36
1997	0.42
1998	0.50
1999	0.64
2000	0.78

<TABLE>
EARNINGS BEFORE TAX (millions)
<CAPTION>

	Quarter				Total
	1st	2nd	3rd	4th	Year
<S>	<C>	<C>	<C>	<C>	<C>
1994	$ 6.7	$ 9.1	$ 12.0	$ 13.0	$ 40.8
1995	14.7	15.6	17.0	17.2	64.5
1996	19.3	20.1	23.4	25.6	88.4
1997	23.1	23.6	25.8	28.3	100.8
1998	28.5	29.0	26.1	25.7	109.3
1999	31.2	37.4	38.2	38.9	145.7
2000	42.1	47.2			

</TABLE>

<TABLE>
Diluted Earnings Per Share
<CAPTION>

	Quarter				Total
	1st	2nd	3rd	4th	Year
<S>	<C>	<C>	<C>	<C>	<C>
1994	$ 0.10	$ 0.14	$ 0.22	$ 0.25	$ 0.71
1995	0.27	0.28	0.30	0.32	1.17
1996	0.34	0.36	0.41	0.46	1.57
1997	0.40	0.42	0.46	0.50	1.78
1998	0.49	0.50	0.47	0.45	1.90
1999	0.55	0.64	0.66	0.66	2.51
2000	0.69	0.78			

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MUELLER INDUSTRIES, INC.
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(Unaudited)
(In thousands, except per share data)
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	For the Quarter Ended	
	June 24,2000	June 26,1999
<S>	<C>	<C>
Net sales	$ 328,583	$ 293,342
Cost of goods sold	247,793	220,340
Depreciation and amortization	9,239	9,348
Selling, general, and administrative expense	24,820	25,888
Operating income	46,731	37,766
Interest expense	(2,296)	(3,147)
Other income, net	2,731	2,821
Income before income taxes	47,166	37,440
Income tax expense	(17,404)	(11,995)
Net income	$ 29,762	$ 25,445
Earnings per share:		
Basic:		
Weighted average shares outstanding	34,464	35,799
Basic earnings per share	$ 0.86	$ 0.71
Diluted:		
Weighted average shares outstanding plus assumed conversions	38,319	39,824
Diluted earnings per share	$ 0.78	$ 0.64

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MUELLER INDUSTRIES, INC.
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(Unaudited)
(In thousands, except per share data)
<CAPTION>

	For the Six Months Ended	
	June 24,2000	June 26,1999
<S>	<C>	<C>
Net sales	$ 630,933	$ 581,182
Cost of goods sold	474,307	442,080
Depreciation and amortization	18,281	18,338
Selling, general, and administrative expense	49,110	51,067
Operating income	89,235	69,697
Interest expense	(4,923)	(6,008)
Other income, net	4,955	4,950

Income before income taxes	89,267	68,639
Income tax expense	(32,939)	(21,511)
Net income	$ 56,328	$ 47,128
Earnings per share:		
Basic:		
Weighted average shares outstanding	34,654	35,816
Basic earnings per share	$ 1.63	$ 1.32
Diluted:		
Weighted average shares outstanding plus assumed conversions	38,536	39,719
Diluted earnings per share	$ 1.46	$ 1.19

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

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<S>	June 24,2000 <C>	December 25, 1999 <C>
ASSETS		
Cash and cash equivalents	$ 136,985	$ 149,454
Accounts receivable, net	198,375	167,858
Inventories	130,224	119,644
Other current assets	10,714	3,790
Total current assets	476,298	440,746
Property, plant and equipment, net	350,435	347,846
Other assets	119,334	115,488
	$ 946,067	$ 904,080
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current portion of long-term debt	$ 25,302	$ 31,012
Accounts payable	49,343	49,958
Other current liabilities	86,941	72,091
Total current liabilities	161,586	153,061
Long-term debt	112,220	118,858
Other noncurrent liabilities	68,410	62,377
Total liabilities	342,216	334,296
Minority interest in subsidiaries	297	354
Stockholders' equity	603,554	569,430
	$ 946,067	$ 904,080

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THE SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE COMPANY'S FORM 10-Q FOR THE FISCAL QUARTER ENDED JUNE 24, 2000 AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS
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