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MUELLER INDUSTRIES INC

Form 10-Q July 28, 2016

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

FORM 10-Q

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

For the quarterly period ended July 2, 2016 Commission file number 1-6770

MUELLER INDUSTRIES, INC.

(Exact name of registrant as specified in its charter)

<u>Delaware</u> <u>25-0790410</u> (State or other jurisdiction (I.R.S. Employer of incorporation or organization) Identification No.)

8285 Tournament Drive, Suite 150

Memphis, Tennessee 38125 (Address of principal executive offices) (Zip Code)

(901) 753-3200

(Registrant's telephone number, including area code)

Indicate by 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 whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes x No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer", "accelerated filer", and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer

Non-accelerated filer Smaller reporting company

Indicate by check mark whether the Registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes

No

The number of shares of the Registrant's common stock outstanding as of July 25, 2016, was 57,172,780.

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For the Quarterly Period Ended July 2, 2016

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. FINANCIAL INFORMATION

Item 1. Financial Statements

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

	For the Qu Ended	ıarter	For the Six I Ended	Months
	July 2,	June 27,	July 2,	June 27,
(In thousands, except per share data)	2016	2015	2016	2015
Net sales	\$544,071	\$555,593	\$1,076,880	\$1,092,835
Cost of goods sold Depreciation and amortization Selling, general, and administrative expense	456,060 9,061 34,514	470,365 8,188 33,420	902,702 17,981 70,294	931,199 16,041 66,251
Gain on sale of assets		(15,376)	_	(15,376)
Severance		3,442		3,442
Operating income	44,436	55,554	85,903	91,278
Interest expense Other income, net	(1,692) 515	(2,219) 265	(3,540) 760	(4,295) 370
other meone, net	313	203	700	370
Income before income taxes	43,259	53,600	83,123	87,353
Income tax expense (Loss) income from unconsolidated affiliates, net of tax	(14,005) (995)		(28,126) 1,927	(31,151)
Consolidated net income	28,259	33,862	56,924	56,202
Net income attributable to noncontrolling interests	(462)	(211)	(497)	(573)
Net income attributable to Mueller Industries, Inc.	\$27,797	\$33,651	\$56,427	\$55,629
Weighted average shares for basic earnings per share Effect of dilutive stock-based awards	56,511 418	56,247 743	56,489 456	56,220 737
Adjusted weighted average shares for diluted earnings per share	56,929	56,990	56,945	56,957
Basic earnings per share	\$0.49	\$0.60	\$1.00	\$0.99
Diluted earnings per share	\$0.49	\$0.59	\$0.99	\$