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MUELLER INDUSTRIES, INC.

FORM 10-Q

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)

(In thousands, except per share data)	For the Quarter Ended		For the Six Months Ended	
	July 2, 2016	June 27, 2015	July 2, 2016	June 27, 2015
Net sales	\$544,071	\$555,593	\$1,076,880	\$1,092,835
Cost of goods sold	456,060	470,365	902,702	931,199
Depreciation and amortization	9,061	8,188	17,981	16,041
Selling, general, and administrative expense	34,514	33,420	70,294	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	(1,692)	(2,219)	(3,540)	(4,295)
Other income, net	515	265	760	370
Income before income taxes	43,259	53,600	83,123	87,353
Income tax expense	(14,005)	(19,738)	(28,126)	(31,151)
(Loss) income from unconsolidated affiliates, net of tax	(995)	—	1,927	—
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	56,511	56,247	56,489	56,220
Effect of dilutive stock-based awards	418	743	456	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	\$