Mueller Industries, Inc. (MLI)

Updated May 11th, 2026, by Kody Kester

Key Metrics

Current Price:	$141	**5 Year Annual Expected Total Return:**	6.0%	**Market Cap:**	$15.6B
Fair Value Price:	$122	**5 Year Growth Estimate:**	8.0%	**Ex-Dividend Date:**	06/05/26
% Fair Value:	116%	**5-Year Valuation Multiple Estimate:**	-2.9%	**Dividend Payment Date:**	06/19/26
Dividend Yield:	1.0%	**5-Year Price Target**	$179	**Years Of Dividend Growth:**	6
Dividend Risk Score:	B	**Sector:**	Industrials	**Rating:**	Hold

Overview & Current Events

Mueller Industries, Inc. (MLI) manufactures and sells metal and plastic products worldwide through its three segments: Piping Systems, Industrial Metals, and Climate. The Piping Systems segment offers copper tubes and plumbing-related fittings, and it also resells steel pipes, brass, and other metal products to wholesalers in various industries. The Industrial Metals segment manufactures brass, bronze, and copper alloy rods and other metal products for OEMs in the industrial, construction, HVAC, plumbing, and refrigeration markets. Finally, the Climate segment offers valves, protection devices, and brass fittings for various OEMs in the commercial HVAC and refrigeration markets, as well as high-pressure components and accessories for the air-conditioning and refrigeration markets. MLI strives to be an industry leader, as it follows the approach of competing where it can be first or second in its core products and key markets. In 2025, MLI posted an impressive 22% return on invested capital. It also aims to produce double-digit annual growth in operating income.

On April 21st, MLI shared its earnings report for the first quarter ended March 28th, 2026. The company's total net sales surged 19.3% higher over the year-ago period to $1.19 billion during the quarter. This was fueled by higher copper prices, which MLI passed to customers through higher selling prices in the quarter. Strong end market demand (particularly in the Industrial & Electric and Commercial & Mechanical end markets) was another factor for the quarter. Finally, strengthened demand for higher-margin products due to shifts in construction patterns and the effects of tariffs also played a role during the quarter. MLI's diluted EPS soared 55.4% higher year-over-year to $2.16 in the quarter. That topped the analyst consensus for the quarter by $0.64. Stripping out a $41.4 million gain on the sale of its Sherwood Valve business ($0.37 per share), the company still handily beat expectations. In February, MLI boosted its quarterly dividend per share by 40% to $0.35. This marked its sixth consecutive year of dividend growth.

Growth on a Per-Share Basis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
EPS	$0.87	$0.75	$0.91	$0.90	$1.24	$4.13	$5.82	$5.30	$5.31	$6.86	***$8.10***	***$11.90***
DPS	$0.19	$0.20	$0.20	$0.20	$0.20	$0.26	$0.50	$0.60	$0.80	$1.00	***$1.40***	***$2.70***
Shares[1]	114.8	115.6	113.4	113.9	114.2	114.6	114.0	114.2	113.8	111.2	***110.6***	***100.0***

Since 2016, MLI's diluted EPS have compounded by almost 26% annually. In recent years, this has slowed down a bit to 14%. Still, we think that even with MLI's much larger earnings base, it can deliver at least 8% annual diluted EPS growth through 2031, off an anticipated 2026 base of $8.10. The path to achieving this growth rate will be a combination of low to mid single-digit organic revenue growth (supported by HVACR and heat pump adoption and infrastructure and construction recovery), strategic margin expansion, bolt-on acquisitions, and incremental share repurchases.

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[1] Share count is in millions.

Disclosure: This analyst has no position in the security discussed in this research report, and no plans to initiate one in the next 72 hours.

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Valuation Analysis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Now	2031
Avg. P/E	23.0	23.8	12.9	17.6	14.1	7.2	5.1	8.9	15.2	17.0	***17.4***	***15.0***
Avg. Yld.	0.9%	1.1%	1.7%	1.3%	1.1%	0.9%	1.7%	1.3%	1.0%	0.9%	***1.0%***	***1.5%***

Over the last decade, MLI's cyclical nature has resulted in shares trading as cheaply as the mid single-digits in boom years to the low-20s in trough years. Over that time, the average P/E ratio was right around 15. Moving forward, we think that MLI's margin expansion and high returns on invested capital continue to justify such a valuation. Following a 25% rally in the share price in recent months, this has pushed the current-year P/E ratio up just past 17. Relative to our fair value P/E ratio, that implies shares are moderately overvalued.

Safety, Quality, Competitive Advantage, & Recession Resiliency

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
Payout	22%	27%	22%	22%	16%	6%	9%	11%	15%	15%	***17%***	***23%***

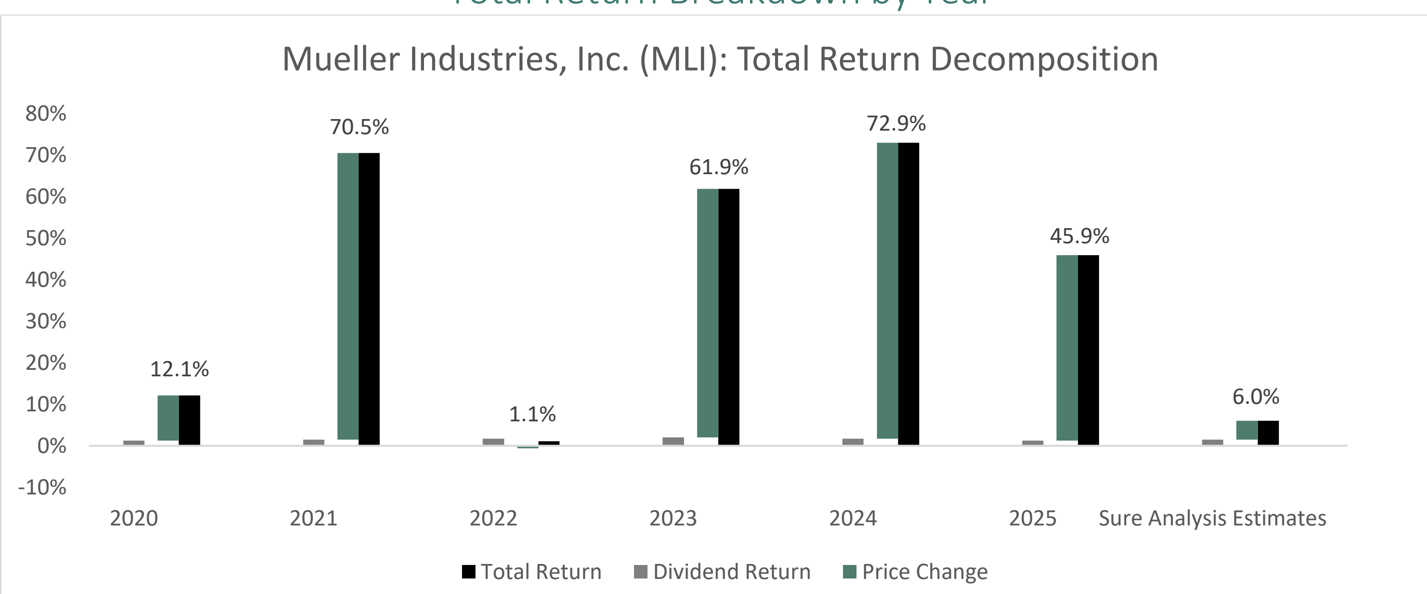
MLI's strategy to compete only where it can be the #1 or #2 player provides it with scale compared to its peers. This allows the company to implement price increases across the industry more effectively than smaller, fragmented competitors. Being a one-stop shop for major distributors is another key competitive advantage. Since a wholesaler can source cooper tube, brass fittings, plastic pipes, and valves from one MLI truck, this significantly lowers logistic costs. That creates high switching costs for the distributor, which is how the stock has generated roughly 20% annual total returns from 2010 through 2025.

MLI is also financially robust. As of March 28th, 2026, the company had $1.38 billion of cash against no long-term debt. That gives MLI plenty of room for bolt-on acquisitions and share repurchases moving forward. The company's dividend payout ratio is also set to be in the high-teens in 2026. This puts it in a position to build on its six-year dividend growth streak with continued double-digit percentage payout growth over the next several years.

Final Thoughts & Recommendation

MLI's 1.0% yield, 8.0% annual diluted EPS growth prospects, and 2.9% annual valuation multiple contraction potential could deliver 6.0% annual total returns through 2031. As a result, we're maintaining our Hold rating.

Total Return Breakdown by Year



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Income Statement Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenue	2,056	2,266	2,508	2,431	2,398	3,769	3,982	3,420	3,769	4,179
Gross Profit	295	299	313	349	402	781	1,063	945	993	1,139
Gross Margin	14.3%	13.2%	12.5%	14.4%	16.8%	20.7%	26.7%	27.6%	26.3%	27.3%
SG&A Exp.	137	141	149	162	159	184	203	208	227	249
D&A Exp.	35	34	40	43	45	45	44	40	53	69
Operating Profit	157	159	165	187	243	597	860	737	766	891
Operating Margin	7.6%	7.0%	6.6%	7.7%	10.1%	15.9%	21.6%	21.5%	20.3%	21.3%
Net Profit	100	87	107	106	144	475	663	610	618	774
Net Margin	4.9%	3.8%	4.3%	4.4%	6.0%	12.6%	16.6%	17.8%	16.4%	18.5%
Free Cash Flow	120	(2)	129	169	201	280	689	620	566	687
Income Tax	48	38	31	35	55	166	223	221	205	247

Balance Sheet Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total Assets	1,447	1,320	1,370	1,371	1,529	1,729	2,242	2,759	3,291	3,733
Cash & Equivalents	351	126	77	98	127	90	683	1,272	1,061	1,408
Accounts Receivable	256	245	273	270	358	472	380	352	450	476
Inventories	242	328	330	292	315	430	449	380	462	510
Goodwill & Int. Ass.	160	172	212	213	245	233	212	198	618	585
Total Liabilities	511	784	806	709	728	472	428	401	486	497
Accounts Payable	103	103	104	86	148	181	128	120	174	181
Long-Term Debt	227	465	497	409	349	19	19	28	26	19
Shareholder's Equity	899	522	548	643	777	1,222	1,791	2,337	2,773	3,210
LTD/E Ratio	0.25	0.89	0.91	0.64	0.46	0.02	0.01	0.02	0.01	0.01

Profitability & Per Share Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Return on Assets	7.2%	6.3%	7.9%	7.8%	9.9%	29.2%	33.4%	24.4%	20.4%	22.0%
Return on Equity	11.1%	11.8%	19.4%	17.3%	19.6%	46.2%	43.2%	29.2%	23.9%	25.6%
ROIC	8.9%	8.0%	10.4%	9.9%	12.9%	39.0%	42.5%	28.8%	23.6%	25.4%
Shares Out.	114.8	115.6	113.4	113.9	114.2	114.6	114.0	114.2	113.8	111.2
Revenue/Share	17.98	19.71	21.90	21.57	21.26	33.18	35.21	30.09	33.07	37.48
FCF/Share	1.05	(0.02)	1.13	1.50	1.78	2.46	6.09	5.45	4.96	6.16

Note: All figures in millions of U.S. Dollars unless per share or indicated otherwise.