Mueller Water Products, Inc.
Form 424B4
May 26, 2006

QuickLinks -- Click here to rapidly navigate through this document

Filed Pursuant to Rule 424(b)(4)
Registration No. 333-131536

25,000,000 Shares

Series A Common Stock

We are selling 25,000,000 shares of Series A common stock. Prior to this offering there has been no public market for our Series A common stock. Our Series A common stock has been approved for listing on the New York Stock Exchange under the symbol "MWA."

We are a wholly-owned subsidiary of Walter Industries, Inc. We have two series of authorized common stock Series A common stock and Series B common stock. Walter Industries owns all of the outstanding shares of our Series B common stock. Except in certain circumstances, holders of our Series A common stock are entitled to one vote per share and the holders of our Series B common stock are entitled to eight votes per share on all matters to be voted on by shareholders. Following the offering, the outstanding shares of Series A common stock will represent 3.5% of the combined voting power of all series of voting stock and 22.6% of the economic interest (or rights of holders of common equity to participate in distributions in respect of the common equity) in us (4.0% and 25.1%, respectively, if the underwriters' option to purchase additional shares is exercised in full). The remainder of the voting power and economic interest in us will be beneficially held by Walter Industries.

Investing in our Series A common stock involves a high degree of risk. See "Risk Factors" beginning on page 21.

	Price to Public	Underwriting Discounts and Commissions	Proceeds to us
Per Share	$16.00	$0.96	$15.04
Total	$400,000,000	$24,000,000	$376,000,000

We have granted the underwriters the right to purchase up to 3,750,000 additional shares of Series A common stock on the same terms and conditions as set forth above if the underwriters sell more than 25,000,000 shares of Series A common stock in this offering. The underwriters can exercise their right at any time and from time to time, in whole or in part, within 30 days after the offering.

Delivery of the shares of Series A common stock will be made on or about June 1, 2006.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

Banc of America Securities LLC **Morgan Stanley** **Lehman Brothers**

SunTrust Robinson Humphrey

Goldman, Sachs & Co.

Avondale Partners

Calyon Securities (USA) Inc.

The date of this prospectus is May 25, 2006

TABLE OF CONTENTS

You should rely only on the information contained in this document or to which we have referred you. We have not authorized anyone to provide you with information that is different. This document may only be used where it is legal to sell these securities. The information in this document may only be accurate on the date of this document.

Through and including June 19, 2006 (the 25th day after the date of this prospectus), all dealers that effect transactions in these securities, whether or not participating in this offering, may be required to deliver a prospectus. This is in addition to the dealer's obligation to deliver a prospectus when acting as an underwriter and with respect to an unsold allotment or subscription.

BASIS OF PRESENTATION

In this prospectus, unless the context otherwise requires, (1) "Mueller Water," the "Company," "we," "us" or "our" refer to Mueller Water Products, Inc. and its subsidiaries, including U.S. Pipe; (2) the "Issuer" refers to Mueller Water Products, Inc. and not to its subsidiaries; (3) "Predecessor Mueller" refers to Mueller Water prior to the Acquisition (as defined below); (4) "Walter Industries" refers to Walter Industries, Inc. and its subsidiaries (other than us); and (5) "U.S. Pipe" refers to United States Pipe and Foundry Company, LLC, our subsidiary.

On October 3, 2005, Walter Industries, through a wholly-owned subsidiary, acquired all outstanding shares of capital stock of Predecessor Mueller and contributed U.S. Pipe (which Walter Industries owned since 1969) to Predecessor Mueller through a series of transactions (the "Acquisition"). For accounting and financial statement presentation purposes, in accordance with the accounting principles generally accepted in the United States of America ("GAAP"), U.S. Pipe is treated as the accounting acquiror of Predecessor Mueller. Accordingly, effective October 3, 2005, U.S. Pipe's historical financial information is used for the Company, and all historical financial data of the Company prior to October 3, 2005 included in this prospectus is that of U.S. Pipe. Historical financial statements for Predecessor Mueller for the periods preceding the Acquisition are also included in this prospectus.

As of the date of this prospectus, we have one class of common stock, all of which is held by Walter Industries. Shortly before completion of this offering, we intend to complete a recapitalization in which we will create two series of common stock. The recapitalization, which may occur through the filing of a restated certificate of incorporation or by other means, will result in the creation of Series A common stock and Series B common stock. The shares sold in the initial public offering of our common stock will be our Series A common stock. Immediately following the offering, Walter Industries will own all of the outstanding shares of our Series B common stock, which will have eight votes per share and will be a series of common stock separate from the Series A common stock offered hereby (which has one vote per share). In general, our Series A common stock and Series B common stock will vote as a single class. The Series B common stock may be converted into Series A common stock at any time at the option of the holder prior to any tax-free spin-off of the Company and will automatically convert into Series A common stock upon certain transfers to third parties. Shares of Series A common stock and shares of Series B common stock will generally have identical rights in all material respects, except for certain voting, conversion and other rights described in this prospectus. See "Description of Capital Stock" for more information. As used in this prospectus, the term "common stock," when used in reference to our capital structure before completion of this offering, means our existing single class of common stock, and when used in reference to our capital structure following completion of this offering, means, collectively, the Series A common stock and the Series B common stock, unless otherwise specified.

Unless we specifically state otherwise, references to "pro forma" give effect, in the manner described under "Unaudited Pro Forma Condensed Combined Financial Statements," to (1) the Acquisition and related transactions, including borrowings under our $1,195.0 million credit agreement ("2005 Mueller Credit Agreement") and the use of proceeds therefrom to repay old credit facilities and to redeem second priority senior secured floating rate notes of Predecessor Mueller (collectively with the Acquisition, the "Transactions") and (2) the sale by us of shares of Series A common stock in this offering and the application of the proceeds therefrom as described in "Use of Proceeds" (the "Offering").

Unless the context indicates otherwise, whenever we refer in this prospectus to a particular fiscal year, we mean the fiscal year ending in that particular calendar year. Effective December 30, 2005, U.S. Pipe changed its fiscal year to September 30, which coincides with Predecessor Mueller's fiscal year end. Therefore, on a prospective basis, our fiscal year will end on September 30 of each year. Beginning with the three months ended December 31, 2005, we manage our business and report operations through three segments, based largely on the products they sell and the markets they serve. Our segments are named after the lead brand in each segment: Mueller®, U.S. Pipe® and Anvil®. Such segments are consistent with the historical reporting for both Predecessor Mueller and U.S. Pipe. Predecessor Mueller had three reporting segments, Mueller, Anvil and corporate, while U.S. Pipe operated within one segment.

Certain of the titles and logos of our products referenced in this prospectus are our trademarks. Each trade name, trademark or servicemark of any other company appearing in this prospectus is the property of its holder.

INDUSTRY AND MARKET DATA

In this prospectus, we rely on and refer to information and statistics regarding economic conditions and trends, the flow control product market and our market share in the sectors of that market in which we compete. In particular, we have obtained general industry information and statistics from the Congressional Budget Office, the U.S. Census Bureau, Freddie Mac and Moody's. We believe that these sources of information and estimates are reliable and accurate, but we have not independently verified them.

Although some of the companies that compete in our particular industry segments are publicly held as of the date of this prospectus, many are not. Accordingly, other than certain market data with respect to fire hydrants, ductile iron pipe and water valves, no current publicly available information is available with respect to the size of such markets or our relative market strength or competitive position. Our statements about our relative market strength and competitive position in this prospectus with respect to other products are based on our management's belief, internal studies and our management's knowledge of industry trends.

SUMMARY

This summary highlights the more detailed information in this prospectus and you should read the entire prospectus carefully, including the section entitled "Risk Factors" and the financial statements and the related notes included in this prospectus.

Our Company

We are a leading North American manufacturer of a broad range of water infrastructure and flow control products for use in water distribution networks, water and wastewater treatment facilities, gas distribution systems and fire protection piping systems. We believe we have the most comprehensive water infrastructure and flow control product line in our industry and enjoy leading market positions based on the estimated market share of our key products, broad brand recognition and a strong reputation for quality and service within the markets we serve. We maintain one of the largest installed bases of products in the United States, including, as of March 31, 2006, approximately three million fire hydrants and approximately nine million iron gate valves. Our products are specified for use in all of the top fifty metropolitan areas in the United States.

Our large installed base, broad product range and well known brands have led to long-standing relationships with the key distributors in our industry. Our diverse end markets, extensive distributor and end-user relationships, acquisition strategy and leading market position have contributed to strong operating margins and sales growth. Our pro forma net sales and pro forma operating income for the twelve months ended September 30, 2005 were $1,747.0 million and $173.9 million, respectively. Our net sales and pro forma operating income for the six months ended March 31, 2006 were $915.3 million and $58.2 million, respectively. Our net sales and pro forma operating income for the six months ended March 31, 2005 were $807.2 million and $60.7 million, respectively. Our operations generate significant cash flow, which will provide us with flexibility in our operating and financial strategy.

We manage our business and report operations through three segments, based largely on the products they sell and the markets they serve: Mueller®, U.S. Pipe® and Anvil®. The table below illustrates each segment's net sales to external customers for the six months ended March 31, 2006, as well as each segment's major products, brand names, market positions and end use markets.

	Mueller	**U.S. Pipe**	**Anvil**
		(dollars in millions)	
Net sales: for the six months ended March 31, 2006(a)	$373.5	$290.8	$260.2
Selected Product Lines (Market Position in the U.S. and Canada)(b)	Fire Hydrants (#1) Gate Valves (#2) Butterfly and Ball Valves (#1) Plug Valves (#2) Brass Water Products (#2)	Ductile Iron Pressure Pipe (#1)	Pipe Fittings and Couplings (#1) Grooved Products (#2) Pipe Hangers (#2)
Selected Brand Names	Mueller® Pratt® James Jones	U.S. Pipe® TYTON® FIELD LOK® MJ FIELD LOK®	Anvil® Beck Gruvlok®
Primary End Markets	Water and Wastewater Infrastructure	Water and Wastewater Infrastructure	Fire Protection Heating, Ventilation and Air Conditioning ("HVAC")

(a) Includes intersegment sales of $9.2 million.

(b) Market position information is based on management's estimates of the overall market size and of the market share of our principal competitors for the relevant product lines. Where available, the management estimates were based on data provided by third parties, including trade associations, distributors and customers. In other instances, the estimates were based upon internal analysis prepared by our employees and management based on their expertise and knowledge of the industry.

1

Our segments are named after our leading brands in each segment:

Mueller. Sales of our Mueller segment products are driven principally by spending on water and wastewater infrastructure upgrade, repair and replacement and new water and wastewater infrastructure. Mueller segment sales of hydrants and iron gate valves are estimated to be approximately 50% for new infrastructure, with the remainder for upgrade, repair and replacement.

U.S. Pipe. U.S. Pipe products are sold primarily to water works distributors, contractors, municipalities, private utilities and other governmental agencies. A substantial percentage of ductile iron pressure pipe orders result from contracts that are bid by contractors or directly issued by municipalities or private utilities.

Anvil. Anvil products are sold to a wide variety of end-users, which are primarily commercial construction contractors. These products are typically sold to our distributors through Anvil's four regional distribution centers located in Illinois, Nevada, Pennsylvania and Texas and through Anvil's Canadian distribution and sales division. A significant portion of Anvil products are used in the fire protection industry and in HVAC applications.

We believe that our current network of independent flow control distributors is the largest such distribution network in the United States and Canada. We also have approximately 500 inside and outside sales and sale support personnel who work directly with end-users, including municipalities. Our products are sold to a wide variety of end-users, including municipalities, publicly and privately-owned water and wastewater utilities, gas utilities and construction contractors.

Industry Overview

The North American water infrastructure and flow control industry consists of the manufacturers of valves, pipe, fittings, fixtures, pumps and seals. Growth in the sectors we serve is driven by the need to upgrade, repair and replace existing water and wastewater infrastructure, new residential construction activity and non-residential construction activity. Specifically, federal and state environmental regulations, such as the Clean Water Act and the Safe Drinking Water Act, are expected to drive growth in our industry over the next several years. We anticipate that sales related to water infrastructure upgrade, repairs and replacement may grow faster than the overall market for water infrastructure and flow control products as a result of the continued aging of municipal water systems in the United States and Canada, and the expanding base of water infrastructure and flow control installations. The ductile iron pipe business, however, is somewhat sensitive to economic cycles because of its partial dependence on the level of new construction activity and state, municipal and federal tax revenues to fund water projects.

Water and Wastewater Infrastructure Upgrades, Repairs and Replacement. Much of the water distribution infrastructure in the United States is considered to be aging or in need of updating. In a November 2002 study, the Congressional Budget Office estimated that the average annual spending necessary to upgrade, repair and replace existing water and wastewater infrastructure will be between $24.6 billion and $41.0 billion a year over the ensuing 15 years.

New Water and Wastewater Infrastructure. Growth in the new water and wastewater infrastructure sector is mainly driven by new housing starts. According to the U.S. Census Bureau, housing starts in 2005 were 5.7% higher than in 2004. According to Freddie Mac, U.S. housing starts are projected to reach 1.9 million units by the end of 2006, which would represent the third best year for single-family housing construction in the last 25 years.

Non-Residential Construction. Non-residential construction activity includes: (1) public works and utility construction; (2) institutional construction, including education, dormitory, health facility, public, religious and amusement construction; and (3) commercial and industrial construction. According to the U.S. Census Bureau, spending on U.S. private non-residential building construction grew 5.0% in 2005 relative to 2004. According to Moody's, spending on non-residential construction is expected to increase 6.1% in 2006.

Competitive Strengths

We believe that we enjoy a number of important competitive strengths that drive our success and differentiate us from our competitors and support our market leadership, including:

Broad Range of Products and Leading Brands. We believe that we have the most comprehensive water infrastructure and flow control product line in our industry and enjoy leading market positions based on the estimated market share of our key products, broad brand recognition and a strong reputation for quality and service within the markets we serve. For the fiscal year ended September 30, 2005 and the six months ended March 31, 2006, on a pro forma basis, approximately 74.1% and 73.9%, respectively, of our total sales were from products in which we believe we have the #1 or #2 market share in the United States and Canada.

Complete Water Transmission Solutions. The combination of Predecessor Mueller and U.S. Pipe created an industry leading company with significant scale in water infrastructure and delivery systems and positions us as one of the largest suppliers to the water products sector with a strong platform to facilitate potential expansion into higher growth areas. Our broad product portfolio of engineered valves, hydrants, ductile iron pipe and pipe fittings provides distributors and end users with a comprehensive source of supply and creates a significant competitive advantage for our company.

Large and Growing Installed Base. We maintain one of the largest installed bases of products in the United States, including, as of March 31, 2006, approximately three million fire hydrants and approximately nine million iron gate valves. Once our products are installed, it is difficult for an end-user to change to a competitive product due to the inventory of parts required to maintain multiple products and due to the life/safety nature of some of our products.

Leading Specification Position. Due to our strong brand name and our large installed base, our products are "specified" as an approved product for use in all of the top fifty metropolitan areas in the United States. The product specification approval process for a municipality generally takes a minimum of one year and there are approximately 55,000 municipal water systems in the United States. This strong specification position has contributed to long-standing relationships with all of the top distributors and creates a strong demand base for our products.

Established and Extensive Distribution Channels. We maintain strong, long-standing relationships with the leading distributors in our major markets throughout the United States and Canada. While we do not have long-term contracts with our distributors, we believe that our superior product quality and the technical support we provide allow us to enjoy long-term relationships with our network of over 5,000 independent distributor locations. The average relationship with our top ten distributors is over 20 years. Home Depot (formerly Hughes Supply, Inc. and National Waterworks), one of our largest distributors, accounted for over 23% and 24%, respectively, of our consolidated pro forma net sales for the twelve months ended September 30, 2005 and for the six months ended March 31, 2006, and for over 27% and 29%, respectively, of our U.S. Pipe segment's net sales in the twelve months ended September 30, 2005 and in the six months ended March 31, 2006.

Advanced, Low-Cost Manufacturing Capabilities. We believe our historical capital investment in manufacturing technologies helps us reduce the costs of producing our cast, malleable and ductile iron and brass water and gas flow control products. We believe that we are the only company in North America that uses the technologically-advanced lost foam casting process to manufacture fire hydrant and iron gate valve castings, which significantly reduces the manual labor and machining time otherwise needed to finish cast products. We believe that this has made us less susceptible to the increase in the prices of raw material over the last three years.

Highly Experienced, Proven Management Team. We are led by an experienced management team with a long and successful track record, enabling us to recognize and capitalize upon attractive opportunities in our key markets. Our five most senior members of the management team have an average of over 20 years of experience in the flow control industry and have substantial experience in acquisition and integration of businesses, cost management rationalization and efficient manufacturing processes.

Business Strategy

Our business strategy is focused on sustaining our market leadership and competitive differentiation, while growing revenues and enhancing profitability. Key elements of our strategy include:

Capitalizing on Large, Attractive and Growing Water Infrastructure Industry. We plan to capitalize on the expected water infrastructure market growth by leveraging our large and growing installed base, leading specification position, established and extensive distribution channels and a broad range of leading water infrastructure and flow control products.

Achieving Ongoing Operating Synergies. We continue to seek opportunities to rationalize our manufacturing facilities and use our significant manufacturing expertise to further reduce our cost structure. We have initiated a multi-pronged synergy plan designed to streamline our manufacturing operations, add incremental volume through combining sales efforts for complementary products and combine corporate-level functions to achieve operating efficiencies, which we expect will produce approximately $40-$50 million of ongoing incremental annual operating income by early fiscal 2008.

Strengthening Relationship with Key Distributors. We are focused on enhancing close relationships with the strongest and fastest growing distributors and on leveraging our extensive distributor network to increase sales of our existing products, introduce new products and rapidly expand sales of products of the businesses we acquire.

Continuing to Focus on Operational Excellence. We will continue to pursue superior product engineering, design and innovation through our technologically-advanced manufacturing processes such as lost foam casting and automated Disa® molding machinery. We will also continue to evaluate sourcing products and materials internationally to lower our costs.

Focused Acquisition Strategy. We will selectively pursue attractive acquisitions that enhance our existing product offering, enable us to enter new markets, expand our technological capabilities and provide synergy opportunities. Over the past five years, we have acquired and successfully integrated eight businesses within the water infrastructure and flow control markets.

Selectively Expanding Internationally. We intend to expand our current international presence in sourcing and manufacturing products as well as in the sale of our products. We believe we can further utilize our current manufacturing facility in China to produce additional products. We are leveraging our Anvil Star ("Star") operations, which we acquired in 2004 from Star Pipe, Inc., to establish a lead position in the United States for the import and sale of piping component products, including fittings and couplings manufactured in China, India and Malaysia.

Corporate Structure

The chart below summarizes the key entities of our current corporate structure. For further information regarding our indebtedness see "Description of Certain Indebtedness."

Mueller Water Products, Inc. is a Delaware corporation that was formed on September 22, 2005 under the name Mueller Holding Company, Inc. Our principal executive offices are located at 4211 W. Boy Scout Blvd., Tampa, FL 33607, and our main telephone number is (813) 871-4811.

THE OFFERING

Series A common stock offered	25,000,000 shares
Common stock to be outstanding after the offering	
Series A common stock	25,000,000 shares
Series B common stock	85,844,920 shares
Total common stock outstanding	110,844,920 shares
Option to purchase additional shares	Up to 3,750,000 shares of Series A common stock.
Use of proceeds	We estimate that the net proceeds from the sale of shares of our Series A common stock in this offering, after deducting underwriting discounts and estimated offering expenses, will be approximately $374.0 million ($430.4 million if the underwriters' option to purchase additional shares is exercised in full). We intend to use the net proceeds from this offering, as well as any proceeds received from the exercise of the underwriters' option to purchase additional shares, to repay certain of our indebtedness, including a portion of the term loan under the 2005 Mueller Credit Agreement, and for general corporate purposes, as described under "Use of Proceeds." Because affiliates of some of the underwriters are lenders under that 2005 Mueller Credit Agreement, they will receive a portion of the proceeds from this offering. See "Underwriting."
Common stock	Shares of Series A common stock and shares of Series B common stock will generally have identical rights in all material respects, except for certain voting, conversion and other rights described in this prospectus. See "Description of Capital Stock" for more information.
Voting rights	Except in certain circumstances, holders of our Series A common stock are entitled to one vote per share and the holders of our Series B common stock are entitled to eight votes per share on all matters to be voted on by shareholders. The Series A common stock and the Series B common stock will generally vote as a single class.
	Under certain circumstances, shares of our Series B common stock can be converted into an equivalent number of shares of our Series A common stock.
	See "Description of Capital Stock Common Stock Voting Rights."
Controlling stockholder	As of the date of this prospectus, Walter Industries owns all outstanding shares of our common stock. Upon completion of this offering, Walter Industries will beneficially own all of our outstanding Series B common stock which will represent approximately 96.5% of the combined voting power of all of our outstanding common stock (or 96.0% if the underwriters' option to purchase additional shares is exercised in full).
	Walter Industries will continue to control us after this offering.

	For information regarding the relationship between us and Walter Industries, see "Certain Relationships and Related Party Transactions Relationship with Walter Industries."
Dividend policy	Our board of directors currently intends to declare an initial quarterly cash dividend on each share of our common stock at a rate of approximately $0.07 per share annually, payable beginning the first full fiscal quarter following the completion of this offering.
	We expect our board to continue to declare regular quarterly dividends in the future. The board will determine the amount of any future dividends from time to time based on:
	our results of operations and the amount of our surplus available to be distributed;
	dividend availability and restrictions under our credit agreement and indentures;
	the dividend rate being paid by comparable companies in our industry;
	our liquidity needs and financial condition; and
	other factors that our board of directors may deem relevant.
	The board of directors may modify or revoke our dividend policy at any time.
	The holders of our Series A common stock and Series B common stock generally will be entitled to share equally on a per share basis in all dividends and other distributions (except for certain stock dividends) declared by our board of directors. See "Description of Capital Stock Common Stock Dividend Rights."
New York Stock Exchange symbol	"MWA"

The number of shares of common stock that will be outstanding after this offering is based on 85,844,920 shares of Series B common stock that we expect to be outstanding immediately prior to the consummation of this offering, and the additional 25,000,000 shares of Series A common stock sold in this offering and excludes 12,000,000 shares of Series A common stock authorized and reserved for issuance under our equity compensation plans.

Unless otherwise indicated, all information in this prospectus assumes no exercise by the underwriters of their option to purchase up to an additional 3,750,000 shares of Series A common stock.

Risk Factors

Investment in our Series A common stock involves substantial risks. See "Risk Factors" immediately following this summary for a discussion of certain risks relating to an investment in our Series A common stock.

Relationship with Walter Industries

As of the date of this prospectus, Walter Industries owns all outstanding shares of our common stock. Upon completion of this offering, Walter Industries will beneficially own all of our outstanding Series B common stock which will represent approximately 96.5% of the combined voting power of all of our outstanding common stock (or 96.0% if the underwriters' option to purchase additional shares is exercised in full). For as long as Walter Industries continues to beneficially own (directly or indirectly) shares of common stock representing more than 50% of the combined voting power of our outstanding common stock, Walter Industries will be able to direct the election of all of the members of our board of directors and exercise a controlling influence over our business and affairs, including:

- any determinations with respect to mergers or other business combinations;
- the acquisition or disposition of assets;
- the incurrence of indebtedness;
- the issuance of any additional common stock or other equity securities;
- the repurchase or redemption of common stock or preferred stock; and
- the payment of dividends.

Walter Industries will also have the power to:

- determine or significantly influence the outcome of matters submitted to a vote of our stockholders;
- prevent an acquisition or any other change in control of us; and
- take other actions that might be favorable to Walter Industries.

See "Description of Capital Stock."

Our restated certificate of incorporation renounces any interest or expectancy that we have in, or right to be offered an opportunity to participate in, specified business opportunities. Our restated certificate of incorporation provides that none of Walter Industries, certain transferees of our Series B common stock ("Series B Transferee") or their respective affiliates or any director who is not employed by us (including any non-employee director who serves as one of our officers in both his director and officer capacities) or his or her affiliates will have any duty to refrain from (i) engaging in a corporate opportunity in the same or similar activities or related lines of business in which we or our affiliates now engage or propose to engage or (ii) otherwise competing with us. In addition, in the event that Walter Industries or the Series B Transferee or any non-employee director acquires knowledge of a potential transaction or other business opportunity which may be a corporate opportunity for itself or himself or its or his affiliates and for us or our affiliates, Walter Industries, the Series B Transferee or such non-employee director will have no duty to communicate or offer such transaction or business opportunity to us and may take any such opportunity for themselves or offer it to another person or entity. See "Description of Capital Stock Competition and Corporate Opportunities."

Walter Industries has indicated to us that it intends, subject to market and other conditions, to completely divest its ownership in us through a tax-free spin-off following the expiration of, or release from, the 180-day lock-up agreement with the underwriters described below. Walter Industries is not subject to any obligation, contractual or otherwise, to retain or dispose of its controlling interest in us, except that we and Walter Industries, our directors, executive officers and certain other employees have agreed, subject to certain exceptions and limitations, not to offer, sell, contract to sell, pledge or otherwise dispose of or hedge any shares of common stock or securities convertible into or exchangeable for shares of common stock, or publicly announce the intention to do any of the foregoing, without the prior written consent of Banc of America Securities LLC and Morgan Stanley & Co. Incorporated for a period of 180 days from the date of this prospectus. See "Underwriting."

8

Walter Industries may also purchase additional shares of Series B common stock to maintain its then-existing percentage of the total voting power and value of us. Additionally, with respect to shares of nonvoting capital stock that may be issued in the future, Walter Industries may purchase such additional shares so as to maintain ownership of 80% of each outstanding class of such nonvoting capital stock.

See "Certain Relationships and Related Party Transactions" for additional information regarding our relationship with Walter Industries.

Summary Pro Forma and Historical Financial Data

On October 3, 2005, Walter Industries acquired all outstanding shares of capital stock of Predecessor Mueller and contributed U.S. Pipe (which Walter Industries owned since 1969) to Predecessor Mueller through a series of transactions (the "Acquisition"). For accounting and financial statement presentation purposes, in accordance with GAAP, U.S. Pipe is treated as the accounting acquiror of Predecessor Mueller. Accordingly, effective October 3, 2005, U.S. Pipe's historical financial information is used for the Company and all historical financial data of the Company included in this prospectus prior to October 3, 2005 is that of U.S. Pipe. Historical financial statements for Predecessor Mueller for the periods preceding the acquisition are also included in this prospectus.

Summary Pro Forma Financial Data

The summary unaudited pro forma statement of operations data for the twelve months ended September 30, 2005 is based on the historical financial statements of Predecessor Mueller and U.S. Pipe and has been restated to correct the classification of certain prior-period shipping and handling costs in accordance with Emerging Issues Task Force Consensus No. 00-10, "Accounting for Shipping and Handling Fees and Costs," ("EITF 00-10"). The unaudited pro forma statements of operations data for the six months ended March 31, 2005 are based on the historical financial statements of Predecessor Mueller and U.S. Pipe. The unaudited pro forma statements of operations data for the six months ended March 31, 2006 are based on the financial statements of Mueller Water Products, Inc. The unaudited pro forma statements of operations data for the year ended September 30, 2005 and the six months ended March 31, 2006 and March 31, 2005 are presented as if the Transactions and the Offering had taken place on October 1, 2004 and were carried forward through September 30, 2005 and through the six months ended March 31, 2006 and March 31, 2005, respectively. The unaudited pro forma financial data is not intended to represent or be indicative of the consolidated results of operations or financial position that would have been reported had the Transactions and the Offering been completed as of the dates presented, and should not be taken as representative of our future consolidated results of operations or financial position. The unaudited pro forma financial data does not reflect (a) any operating efficiencies or cost savings that we may achieve with respect to the combined companies or (b) any additional costs that we may incur as a stand-alone company. In addition, the unaudited pro forma financial data does not include the effects of restructuring certain activities of pre-acquisition operations that have occurred subsequent to March 31, 2006. The following summary pro forma financial data should be read in conjunction with, and is qualified by reference to, "Management's Discussion and Analysis of Financial Condition and Results of Operations," "Unaudited Pro Forma Condensed Combined Financial Statements" and the consolidated historical financial statements and notes thereto of Predecessor Mueller and U.S. Pipe included elsewhere in this prospectus.

	Pro Forma For the twelve months ended September 30, 2005	Pro Forma For the six months ended March 31, 2006	Pro Forma For the six months ended March 31, 2005
	(dollars in millions except per share data)		
Statement of Operations Data:			
Net sales	$ 1,747.0	$ 915.3	$ 807.2
Cost of sales	1,337.9	707.0	626.0
Gross profit	409.1	208.3	181.2
Selling, general and administrative expenses	233.5	121.7	118.9
Facility rationalization and related costs	1.7	28.4	1.6
Operating income	173.9	58.2	60.7
Interest expense and early repayment costs, net of interest income	114.7	45.2	59.2
Income (loss) before income taxes	59.2	13.0	1.5
Income tax expense (benefit)	28.2	5.5	5.6
Net income (loss)	$ 31.0	$ 7.5	$ (4.1)
Earnings (loss) per share:			
Basic	$ 0.28	$ 0.07	$ (0.04)
Diluted	$ 0.28	$ 0.07	$ (0.04)
Weighted average shares outstanding:			
Basic	110,844,920	111,145,253	110,844,920
Diluted	111,348,420	111,358,854	111,361,670

Summary Historical Financial Data Mueller Water Products, Inc.

The following summary consolidated statement of operations data for the six months ended March 31, 2006 and 2005 and the summary consolidated balance sheet data as of March 31, 2006 and September 30, 2005 are derived from, and qualified by reference to, the unaudited consolidated financial statements of Mueller Water Products, Inc. included elsewhere in this prospectus and should be read in conjunction with those unaudited consolidated financial statements and notes thereto. The following summary consolidated financial and other data of Mueller Water Products, Inc. should be read in conjunction with, and are qualified by reference to, "Management's Discussion and Analysis of Financial Condition and Results of Operations," and the unaudited consolidated financial statements and notes thereto included elsewhere in this prospectus. Summary financial data for the six months ended March 31, 2005 in the table below refers to U.S. Pipe prior to the Acquisition.

	For the six months ended March 31,	
	2006	**2005**
	(dollars in millions)	
		As Restated
Statement of Operations Data:		
Net sales	$ 915.3	$ 265.9
Cost of sales(a)	777.2	242.6
Gross profit	138.1	23.3
Selling, general and administrative expenses(b)	117.9	18.3
Related party corporate charges(c)	3.8	3.7
Facility rationalization, restructuring and related costs(d)	28.4	
Loss from operations	(12.0)	1.3
Interest expense arising from related party payable to Walter Industries(e)		(11.0)
Interest expense, net of interest income(f)	(62.3)	(0.3)
Loss before income taxes	(74.3)	(10.0)
Income tax expense (benefit)	(23.7)	0.7
Net loss	$ (50.6)	$ (10.7)
Loss per share(g)	$ (50.6)	$ (10.7)
Other Data:		
EBITDA(h)	$ 38.5	$ 14.4
Depreciation and amortization	50.5	13.1
Capital expenditures	30.9	11.2

	March 31, 2006	**September 30, 2005**
	(dollars in millions)	
Balance Sheet Data:		
Working capital(i)	$ 627.8	$ 188.7
Property, plant and equipment, net	340.7	149.2
Total assets(j)	2,964.8	495.4
Total debt	1,549.3	
Total stockholder's equity (net capital deficiency)	716.7	(155.2)

(a)

Cost of sales includes:

- $70.2 million of purchase accounting adjustments related to valuing inventory acquired in the Acquisition at fair value for the six months ended March 31, 2006;

- $10.7 million of inventory obsolescence write-offs related to the shut-down of the U.S. Pipe Chattanooga plant during the six months ended March 31, 2006; and

$7.6 million of facility expenses at the U.S. Pipe Chattanooga plant due to significantly lower than normal capacity resulting from the plant closure process during the six months ended March 31, 2006.

(b)

Selling, general and administrative expenses include:

$4.0 million related to environmental liabilities at the U.S. Pipe Anniston, Alabama site (shut down in 2003) for the six months ended March 31, 2005.

$5.1 million favorable insurance claims settlement for the six months ended March 31, 2005.

(c)

Related party corporate charges represents costs incurred by Walter Industries that have been allocated to U.S. Pipe. Walter Industries allocates certain costs to all of its subsidiaries based on a systematic and rational method. Upon the spin-off, these charges will no longer be allocated to U.S. Pipe. However, U.S. Pipe may incur costs in an amount less than or greater than these costs for similar services performed by an unaffiliated third party.

(d)

Facility rationalization and restructuring includes severance, other employee-related costs related to pension and other postretirement benefit obligations and exit cost charges and non-cash impairment charges due to the closure of the U.S. Pipe Chattanooga plant during the six months ended March 31, 2006.

(e)

Consists of interest expense allocated by Walter Industries to U.S. Pipe. Following the Acquisition on October 3, 2005, the allocation of the interest expense terminated because the intercompany indebtedness to Walter Industries was contributed to the capital of U.S. Pipe.

(f)

Interest expense, net of interest income, includes $2.5 million in commitment fees for a bridge loan which were expensed at the expiration of the bridge loan period during the six months ended March 31, 2006. Interest expense, net of interest income, also includes interest rate swap gains of $0.5 million for the six months ended March 31, 2006.

(g)

Loss per share for all periods presented was determined using one share, which is the capital structure of the reporting entity subsequent to the Acquisition.

(h)

EBITDA represents net income adjusted for interest expense, net of interest income, income taxes, cumulative effect of change in accounting principle and depreciation and amortization. We present EBITDA because we consider it an important supplemental measure of our performance and believe it is frequently used by securities analysts, investors and other interested parties in the evaluation of companies in our industry, substantially all of which present EBITDA when reporting their results.

In addition, our credit agreement uses EBITDA (with additional adjustments) to measure our compliance with covenants, such as interest coverage and debt incurrence. EBITDA is also widely used by us and others in our industry to evaluate and price potential acquisition candidates.

EBITDA has limitations as an analytical tool, and you should not consider it in isolation, or as a substitute for analysis of our results as reported under GAAP. Some of these limitations are:

EBITDA does not reflect our cash expenditures or future requirements for capital expenditures or contractual commitments;

EBITDA does not reflect changes in, or cash requirements for, our working capital needs;

EBITDA does not reflect the significant interest expense, or the cash requirements necessary to service interest or principal payments, on our debts;

although depreciation and amortization are non-cash charges, the assets being depreciated and amortized will often have to be replaced in the future, and EBITDA does not reflect any cash requirements for such replacements; and

other companies in our industry may calculate EBITDA differently than we do, limiting its usefulness as a comparative measure.

EBITDA is a measure of our performance that is not required by, or presented in accordance with, GAAP. EBITDA is not a measurement of our financial performance under GAAP and should not be considered as an alternative to net income, operating income or any other performance measures derived in accordance with GAAP.

EBITDA reconciliation to net loss:

	For the six months ended March 31,	
	2006	2005
	(dollars in millions)	
EBITDA	$ 38.5	$ 14.4
Adjustments:		
Depreciation and amortization	(50.5)	(13.1)
Interest expense arising from related party payable to Walter Industries		(11.0)
Interest expense, net of interest income	(62.3)	(0.3)
Income tax (expense) benefit	23.7	(0.7)
Net loss	$ (50.6)	$ (10.7)

(i)
Working capital equals current assets less current liabilities.

(j)
On the Mueller Water Products, Inc. Consolidated Balance Sheet as of September 30, 2005, prepaid pension cost of $19.3 million has been netted against accrued pension liability of $72.9 million and is presented as net accrued pension liability of $53.6 million. As a result of this reclassification, total assets at September 30, 2005, as presented in this table, are $495.4 or $19.3 million less than total assets of $514.7 million as presented in U.S. Pipe's historical balance sheet at September 30, 2005.

Summary Historical Financial Data United States Pipe and Foundry Company, LLC (U.S. Pipe)

The following summary statement of operations data for the nine months ended September 30, 2005 and for the years ended December 31, 2004 and 2003 and the summary balance sheet data as of September 30, 2005 and December 31, 2004 are derived from, and qualified by reference to, the audited financial statements of U.S. Pipe included elsewhere in this prospectus and should be read in conjunction with those financial statements and notes thereto. The summary statement of operations data for the nine months ended September 30, 2004 and the year ended December 31, 2002 and the summary balance sheet data as of September 30, 2004 and December 31, 2003 have been derived from unaudited financial statements of U.S. Pipe. The following summary financial and other data of U.S. Pipe should be read in conjunction with, and are qualified by reference to, "Management's Discussion and Analysis of Financial Condition and Results of Operations," "Unaudited Pro Forma Condensed Combined Financial Statements" and the financial statements and notes thereto included elsewhere in this prospectus.

	For the nine months ended September 30,		For the years ended December 31,		
	2005	**2004**	**2004**	**2003**	**2002**
	(dollars in millions) As Restated(h)				
Statement of Operations Data:					
Net sales	$ 456.9	$ 437.2	$ 578.4	$ 465.4	$ 491.8
Cost of sales(a)	402.2	402.9	531.4	427.4	429.8
Gross profit	54.7	34.3	47.0	38.0	62.0
Selling, general and administrative expenses(b)	25.9	25.0	38.2	43.5	36.1
Related party corporate charges(c)	5.4	5.7	7.7	4.8	6.4
Restructuring and impairment charges(d)		0.1	0.1	5.9	
Operating income (loss)	23.4	3.5	1.0	(16.2)	19.5
Interest expense other	(0.3)	(0.4)	(0.5)	(0.5)	(0.1)
Interest expense arising from payable to parent, Walter Industries(e)	(15.2)	(13.0)	(18.9)	(16.4)	(9.4)
Income (loss) before income tax expense (benefit)	7.9	(9.9)	(18.4)	(33.1)	10.0
Income tax expense (benefit)	2.8	(3.9)	(2.9)	(12.7)	4.1
Income (loss) before cumulative effect of change in accounting principle	5.1	(6.0)	(15.5)	(20.4)	5.9
Cumulative effect of change in accounting principle, net of tax				(0.5)	
Net income (loss)	$ 5.1	$ (6.0)	$ (15.5)	$ (20.9)	$ 5.9
Basic income (loss) per share:					
Income (loss) before cumulative effect of change in accounting principle	$ 5.1	$ (6.0)	$ (15.5)	$ (20.4)	$ 5.9
Cumulative effect of change in accounting principle, net of tax				(0.5)	
Earnings (loss) per share(f)	$ 5.1	$ (6.0)	$ (15.5)	$ (20.9)	$ 5.9
Other Data:					
EBITDA(g)	$ 42.8	$ 23.5	$ 27.5	$ 9.0	$ 43.5
Depreciation and amortization	19.4	20.0	26.5	25.2	24.0
Capital expenditures	16.5	12.4	20.4	15.7	26.2

15

	As of September 30,		As of December 31,	
	2005	2004	2004	2003
	(dollars in millions)			
Balance Sheet Data:				
Cash and cash equivalents(i)	$	$ 0.1	$	$ 0.2
Working capital	188.7	176.6	163.5	157.0
Property, plant and equipment, net	149.2	152.2	152.9	160.1
Total assets	514.7	491.6	473.5	452.9
Intercompany indebtedness to Walter Industries	443.6	435.4	422.8	409.2
Total liabilities	669.9	626.7	618.6	581.9
Total stockholder's equity (net capital deficiency)	(155.2)	(135.1)	(145.1)	(129.0)

(a)

Cost of sales includes warranty cost of $2.3 million related to a construction project in Kansas City, Missouri during the nine months ended September 30, 2005.

(b)

Selling, general and administrative expenses include:

credits for environmental-related insurance settlement benefits of $5.1 million and $1.9 million for the nine months ended September 30, 2005 and the year ended December 31, 2004, respectively;

accrual of $4.0 million relating to environmental liabilities for the year ended December 31, 2004; and

settlement expenses for a commercial dispute of $1.7 million and settlement expenses for litigation matters of $6.5 million for the year ended December 31, 2003.

(c)

Related party corporate charges represents costs incurred by Walter Industries that have been allocated to U.S. Pipe. Walter Industries allocates certain costs to all of its subsidiaries based on a systematic and rational method. Upon the spin-off, these charges will no longer be allocated to U.S. Pipe. However, U.S. Pipe may incur costs in an amount less than or greater than these costs for similar services performed by an unaffiliated third party.

(d)

Restructuring and impairment charges for the year ended December 31, 2003 include $5.9 million to cease operations at the castings plant in Anniston, Alabama. These charges primarily included employee benefits costs and the write-off of fixed assets.

(e)

Consists of interest expense allocated by Walter Industries to U.S. Pipe. Following the Acquisition on October 3, 2005, the allocation of the interest expense terminated because the intercompany indebtedness to Walter Industries was contributed to the capital of U.S. Pipe.

(f)

Earnings (loss) per share for all periods presented was determined using one share, which is the capital structure of the reporting entity subsequent to the Acquisition.

(g)

EBITDA represents net income adjusted for interest expense, net of interest income, income taxes, cumulative effect of change in accounting principle and depreciation and amortization. We present EBITDA because we consider it an important supplemental measure of our performance and believe it is frequently used by securities analysts, investors and other interested parties in the evaluation of companies in our industry, substantially all of which present EBITDA when reporting their results.

In addition, our credit agreement uses EBITDA (with additional adjustments) to measure our compliance with covenants, such as interest coverage and debt incurrence. EBITDA is also widely used by us and others in our industry to evaluate and price potential acquisition candidates.

EBITDA has limitations as an analytical tool, and you should not consider it in isolation, or as a substitute for analysis of our results as reported under GAAP. Some of these limitations are:

EBITDA does not reflect our cash expenditures, or future requirements, for capital expenditures or contractual commitments;

EBITDA does not reflect changes in, or cash requirements for, our working capital needs;

EBITDA does not reflect the significant interest expense, or the cash requirements necessary to service interest or principal payments, on our debts;

although depreciation and amortization are non-cash charges, the assets being depreciated and amortized will often have to be replaced in the future, and EBITDA does not reflect any cash requirements for such replacements; and

other companies in our industry may calculate EBITDA differently than we do, limiting its usefulness as a comparative measure.

EBITDA is a measure of our performance that is not required by, or presented in accordance with, GAAP. EBITDA is not a measurement of our financial performance under GAAP and should not be considered as an alternative to net income, operating income or any other performance measures derived in accordance with GAAP.

EBITDA reconciliation to Net income (loss):

	For the nine months ended September 30,		For the years ended December 31,		
	2005	**2004**	**2004**	**2003**	**2002**
	(dollars in millions)				
EBITDA	$ 42.8	$ 23.5	$ 27.5	$ 9.0	$ 43.5
Adjustments:					
Depreciation and amortization	(19.4)	(20.0)	(26.5)	(25.2)	(24.0)
Interest expense-other	(0.3)	(0.4)	(0.5)	(0.5)	(0.1)
Interest expense arising from payable to parent, Walter Industries	(15.2)	(13.0)	(18.9)	(16.4)	(9.4)
Income tax (expense) benefit	(2.8)	3.9	2.9	12.7	(4.1)
Cumulative effect of change in accounting principle, net of tax				(0.5)	
Net income (loss)	$ 5.1	$ (6.0)	$ (15.5)	$ (20.9)	$ 5.9

(h)

The information presented above should be read in conjunction with U.S. Pipe's financial statements and the notes thereto including Note 1 related to the restatement of net sales and costs of sales. As described further in Note 1, sales and cost of sales have been restated to correct the classification of certain prior-period shipping and handling costs in accordance with EITF 00-10.

In addition to the restatement information provided in Note 1, the following information is provided regarding the restatement:

	For the nine months ended September 30, 2004		For the year ended December 31, 2002	
	As Restated	**As Originally Reported**	**As Restated**	**As Originally Reported**
	(dollars in millions)			
Net sales	$ 437.2	$ 406.9	$ 491.8	$ 457.2
Cost of sales	402.9	372.6	429.8	395.2

(i)

Cash and cash equivalents, prior to the acquisition of Predecessor Mueller on October 3, 2005, were transferred daily to the Walter Industries cash management system, effectively reducing U.S. Pipe cash to virtually zero on a daily basis. Subsequent to October 3, 2005, all cash generated by U.S. Pipe is transferred to Mueller Group and is not transferred to Walter Industries.

Summary Historical and Financial Data Mueller Water Products, Inc. (Predecessor Mueller)

The following summary consolidated statement of operations data for the years ended September 30, 2005, 2004 and 2003 and the summary consolidated balance sheet data as of September 30, 2005, 2004 and 2003 are derived, and qualified by reference to, the audited consolidated financial statements of Mueller Water Products, Inc. and should be read in conjunction with those consolidated financial statements and notes thereto. The consolidated financial statements as of September 30, 2005 and 2004 and for each of the three years in the period ended September 30, 2005 are included elsewhere in this prospectus. The following summary consolidated financial and other data of Mueller Water Products, Inc. should be read in conjunction with, and are qualified by reference to, "Management's Discussion and Analysis of Financial Condition and Results of Operations," "Unaudited Pro Forma Condensed Combined Financial Statements" and the consolidated financial statements and notes thereto included in this prospectus.

	For the years ended September 30,		
	2005	2004	2003
		(as restated)(g)	(as restated)(g)
	(dollars in millions except per share data)		
Statement of Operations Data:			
Net sales	$ 1,148.9	$ 1,049.2	$ 922.9
Cost of sales	802.3	750.5	681.8
Gross profit	346.6	298.7	241.1
Selling, general and administrative expenses(a)	172.1	185.1	148.2
Facility rationalization, restructuring and related costs(b)	1.7	0.9	1.7
Operating income	172.8	112.7	91.2
Interest expense, net of interest income(c)	(89.5)	(63.5)	(35.5)
Income before income tax expense	83.3	49.2	55.7
Income tax expense	33.7	16.0	22.9
Net income	$ 49.6	$ 33.2	$ 32.8
Earnings per share(d):			
Basic	$ 0.22	$ 0.11	$ 0.09
Diluted	$ 0.20	$ 0.10	$ 0.09
Weighted average shares outstanding (in millions):			
Basic	220.6	212.3	205.6
Diluted	244.9	223.6	208.9
Other Data:			
EBITDA(e)	$ 221.2	$ 177.0	$ 157.5
Depreciation and amortization	48.4	64.3	66.3
Capital expenditures	27.2	22.5	20.0

	As of September 30,		
	2005	2004	2003
	(dollars in millions)		
Balance Sheet Data:			
Working capital(f)	$481.6	$390.8	$369.1
Property, plant and equipment, net	168.0	186.8	208.0
Total assets	1,086.8	989.2	957.4
Total debt	1,055.7	1,039.4	575.7
Total stockholder's equity (net capital deficiency)	(176.4)	(232.4)	106.8

(a) Selling, general and administrative expenses include stock compensation charges of $21.2 million and $0.7 million for the years ended September 30, 2004 and 2003, respectively.

(b) Facility rationalization and restructuring includes severance and exit cost charges and non-cash impairment charges due to the idling and obsolescence of certain assets related to (A) the implementation of lost foam technology at our Albertville, Alabama and Chattanooga, Tennessee facilities, (B) the closure of our Statesboro, Georgia manufacturing facility, (C) the relocation of certain manufacturing lines to other facilities, and (D) the shutdown of a Mueller segment plant in Colorado that ceased manufacturing operations.

(c) Interest expense, net of interest income, includes the write off of deferred financing fees of $7.0 million for 2004. Interest expense and early debt repayments costs for 2004 also includes a $7.0 million prepayment associated with the redemption in November 2003 of our senior subordinated notes due 2009. Interest expense, net of interest income, also includes interest rate swap (gains)/losses of $(5.2) million, $(12.5) million and $(13.3) million for the years ended September 30, 2005, 2004 and 2003, respectively.

(d) A reconciliation of the basic and diluted net income per share computations for the years ended September 30, 2005, 2004 and 2003 are as follows:

	For the years ended September 30,					
	2005		2004		2003	
	Basic	Diluted	Basic	Diluted	Basic	Diluted
	(in millions, except per share data)					
Numerator:						
Net income	$ 49.6	$ 49.6	$ 33.2	$ 33.2	$ 32.8	$ 32.8
Effect of dilutive securities:						
Dividends related to redeemable preferred stock(1)			9.9	9.9	14.2	14.2
	$ 49.6	$ 49.6	$ 23.3	$ 23.3	$ 18.6	$ 18.6
Denominator:						
Average number of common shares outstanding	220.6	220.6	212.3	212.3	205.6	205.6
Effect of dilutive securities:						
Stock options(2)				1.2		3.3
Warrants(3)		24.3		10.1		
	220.6	244.9	212.3	223.6	205.6	208.9
Net income per share	$ 0.22	$ 0.20	$ 0.11	$ 0.10	$ 0.09	$ 0.09

(1) Represents dividends payable in cash related to the redeemable preferred stock which was redeemed on April 23, 2004.

(2) Represents the number of shares of common stock issuable on the exercise of dilutive employee stock options less the number of shares of common stock which could have been purchased with the proceeds from the exercise of such options. These purchases were assumed to have been made at the average market price for the period. On April 23, 2004, all options were exercised.

(3) Represents the number of warrants issued with the $14^{3}/_{4}$% senior discount notes that were convertible into Predecessor Mueller's Class A common stock upon exercise. In connection with the acquisition of Predecessor Mueller by Walter Industries on October 3, 2005, all warrants were converted into a right to receive cash and are no longer outstanding.

(e) EBITDA represents net income adjusted for interest expense, net of interest income, income taxes, cumulative effect of change in accounting principle, and depreciation and amortization. We present EBITDA because we consider it an important supplemental measure of our performance and believe it is frequently used by securities analysts, investors and other interested parties in the evaluation of companies in our industry, substantially all of which present EBITDA when reporting their results.

In addition, our credit agreement uses EBITDA (with additional adjustments) to measure our compliance with covenants, such as interest coverage and debt incurrence. EBITDA is also widely used by us and others in our industry to evaluate and price potential acquisition candidates.

EBITDA has limitations as an analytical tool, and you should not consider it in isolation, or as a substitute for analysis of our results as reported under GAAP. Some of these limitations are:

- EBITDA does not reflect our cash expenditures, or future requirements, for capital expenditures or contractual commitments;
- EBITDA does not reflect changes in, or cash requirements for, our working capital needs;
- EBITDA does not reflect the significant interest expense, or the cash requirements necessary to service interest or principal payments, on our debts;
- although depreciation and amortization are non-cash charges, the assets being depreciated and amortized will often have to be replaced in the future, and EBITDA does not reflect any cash requirements for such replacements; and
- other companies in our industry may calculate EBITDA differently than we do, limiting its usefulness as a comparative measure.

EBITDA is a measure of our performance that is not required by, or presented in accordance with, GAAP. EBITDA is not a measurement of our financial performance under GAAP and should not be considered as an alternative to net income, operating income or any other performance measures derived in accordance with GAAP.

EBITDA reconciliation to Net income:

	For the years ended September 30,		
	2005	**2004**	**2003**
	(dollars in millions)		
EBITDA	$ 221.2	$ 177.0	$ 157.5
Adjustments:			
Depreciation and amortization	(48.4)	(64.3)	(66.3)
Interest expense, net of interest income	(89.5)	(63.5)	(35.5)
Income tax expense	(33.7)	(16.0)	(22.9)
Net income	$ 49.6	$ 33.2	$ 32.8

(f) Working capital equals current assets less current liabilities.

(g) See Note 2 to the Predecessor Mueller consolidated financial statements for discussion of the restatement of total assets for fiscal 2004 and the reclassification of depreciation expense from selling, general and administrative to cost of sales for fiscal years 2004 and 2003.

RISK FACTORS

You should carefully consider each of the following risks and all of the information set forth in this prospectus before deciding to invest in our Series A common stock. If any of the following risks and uncertainties develop into actual events, our business, financial condition or results of operations could suffer. In that case, the price of our Series A common stock could decline and you could lose all or part of your investment.

Risks Relating to Our Business

Our business may suffer as a result of a downturn in government spending related to infrastructure upgrades, repairs and replacements, or in the cyclical residential or non-residential building markets.

Our business is primarily dependent upon spending on water and wastewater infrastructure upgrades, repairs and replacement, new water and wastewater infrastructure spending (which is dependent upon residential construction) and spending on non-residential construction. We are also subject to general economic conditions, the need for construction projects, interest rates and government incentives provided for public work projects. In addition, a significant percentage of our products are ultimately used by municipalities or other governmental agencies in public water transmission and collection systems. As a result, our sales could decline as a result of declines in the number of projects planned by public water agencies, government spending cuts, general budgetary constraints, difficulty in obtaining necessary permits or the inability of government entities to issue debt. It is not unusual for water projects to be delayed and rescheduled for a number of reasons, including changes in project priorities and difficulties in complying with environmental and other government regulations. Spending growth in the infrastructure upgrades, repairs and replacement sector has slowed in recent years as state and local governments' budgets were negatively impacted by the downturn in the economy. Even if economic conditions were to continue to improve, state and local governments may choose not to address deferred infrastructure needs. Although the residential building market has experienced growth in recent years, this growth may not continue in the future. The residential and non-residential building markets are cyclical, and, historically, down cycles have typically lasted approximately four to six years. Any significant decline in the residential or non-residential building markets or governmental spending on infrastructure could lead to a significant decline in our sales, profitability and cash flows.

Our industry is very competitive and some of our products are commodities.

The domestic and international markets for flow control products are competitive. While there are only a few competitors for most of our product offerings, many of them are well-established companies with strong brand recognition. In particular, our malleable iron and cast iron pipe fitting products, which together comprised 5% and 6% of our pro forma sales for the 2005 fiscal year, and for the six months ended March 31, 2006, respectively, face competition from less expensive imports and our pipe nipple and hanger products and our pipe fittings and couplings products, which together comprised 16% and 17% of our pro forma sales in 2005, and for the six months ended March 31, 2006, respectively, compete on the basis of price and are sold in fragmented markets with low barriers to entry, allowing less expensive domestic and foreign producers to gain market share and reduce our margins. Also, competition for ductile iron pressure pipe sold by our U.S. Pipe segment comes not only from ductile pipe produced by a concentrated number of domestic manufacturers, but also from pipe composed of other materials, such as polyvinylchloride (PVC), high density polyethylene (HDPE), concrete, fiberglass, reinforced plastic and steel.

Foreign competition is intense and could harm our sales, profitability and cash flows.

In addition to domestic competition, we face intense foreign competition. The intensity of foreign competition is affected significantly by fluctuations in the value of the U.S. dollar against foreign currencies, by the relative cost to ship competitive products into the North American markets and by the level of import duties imposed by the U.S. Department of Commerce on certain products. Foreign competition is likely to further increase and certain product prices will continue to face downward pressure as our domestic competitors shift their operations or outsource manufacturing requirements overseas or source supplies from foreign vendors in an effort to reduce expenses.

We depend on a group of major distributors for a significant portion of our sales; any loss of these distributors could reduce our sales and continuing consolidation could cause price pressure.

In the fiscal year ended September 30, 2005 and the six months ended March 31, 2006, on a pro forma basis, approximately 37% and 40%, respectively, of our pro forma sales were to our ten largest distributors, and approximately 30% and 33%, respectively, of our pro forma sales were to our three largest distributors: Home Depot, Ferguson Enterprises and American Waterworks. Our business relationships with most of our major distributor branches may be terminated at the option of either party upon zero to 60 days' notice.

While our relationships with our ten largest distributors have been long-lasting, distributors in our industry have experienced significant consolidation in recent years, and our distributors may be acquired by other distributors who buy products from our competitors. Our ability to retain these customers in the face of other competitors generally depends on a variety of factors, including the quality and price of our products and our ability to market these products effectively. As consolidation among distributors continues, pricing pressure may result, which could lead to a significant decline in our profitability. For example, Home Depot acquired National Waterworks in 2005 and announced in March 2006 that it has acquired Hughes Supply. As a result, two of our three previous largest distributors have been combined under common control. Moreover, the loss of either of Home Depot or Ferguson Enterprises as a distributor could significantly reduce our levels of sales and profitability.

Our brass valve products contain lead, which may be replaced in the future.

Our brass valve products, which constituted approximately 6% and 6% of our pro forma sales in the twelve months ended September 30, 2005 and the six months ended March 31, 2006, respectively, contain approximately 5.0% lead. Environmental advocacy groups, relying on standards established by California's Proposition 65, are seeking to eliminate or reduce the content of lead in some of these products, including water meters and valves, and to limit their sale in California. Some of our business units have entered into settlement agreements with these environmental advocacy groups that have required them to either modify some of these products or offer substitutes for them with respect to products sold in California. Modifications of or substitutions for our products to meet or conform with regulatory requirements will require incremental capital spending of up to $8.0 million in the next two years and will require us to purchase more expensive raw materials, and we may not be able to pass these costs on to our customers. Legislation to substantially restrict lead content in water products has been introduced in the United States Congress. Congress may adopt legislation that would require us to reduce or eliminate lead in our brass products which could require us to incur substantial additional production expenses. In addition, advocacy groups or other parties may file suit against us under Proposition 65, which could result in additional costs in connection with marketing and selling our brass products in California.

Our business is subject to risk of price increases and fluctuations and delay in the delivery of raw materials and purchased components.

Our business is subject to the risk of price increases and fluctuations and periodic delays in the delivery of raw materials and purchased components that are beyond our control. Our operations require substantial amounts of raw materials or purchased components, such as steel pipe and scrap steel and iron, brass ingot, sand, resin, and natural gas. Management estimates that scrap metal and ferrous alloys used in the U.S. Pipe manufacturing process account for approximately 40% of the U.S.

Pipe cost to manufacture ductile iron pipe and raw materials and purchased components used in our manufacturing processes currently account for approximately 18% of the Mueller and Anvil cost of goods sold. Fluctuations in the price and delivery of these materials may be driven by the supply/demand relationship for a material and factors particular to that material. In addition, if any of our suppliers seeks bankruptcy relief or otherwise cannot continue its business as anticipated or we cannot renew our supply contracts on favorable terms, the availability of raw materials could be reduced or the price of raw materials could increase.

The availability and price of certain raw materials or purchased components, such as steel scrap, brass ingot and natural gas are subject to market forces largely beyond our control, including North American and international demand, freight costs, speculation and foreign exchange rates. We generally purchase raw materials at spot prices and generally do not have the ability to hedge our exposure to price changes. We are not always able, and may not be able in the future, to pass on increases in the price of these raw materials to our customers. In particular, when raw material prices increase rapidly or to significantly higher than normal levels, we may not be able to pass price increases through to our customers on a timely basis, if at all, which could lead to significant reductions of our operating margins and cash flow. Any fluctuations in the price or availability of raw materials or purchased components could significantly reduce our levels of production and sales or impair our profitability.

Interruption of normal operations at our key manufacturing facilities may impair our production capabilities.

Some of our key products, including hydrants, valves and ductile iron pipe, are manufactured at five of our largest manufacturing facilities. The operations at our major manufacturing facilities may be impaired by various operating risks, including, but not limited to:

- catastrophic events such as fires, explosions, floods, earthquakes or other similar occurrences;
- interruptions in raw materials and energy supply;
- adverse government regulation;
- breakdowns or equipment failures;
- violations of our permit requirements or revocation of permits;
- releases of pollutants and hazardous substances to air, soil, surface water or groundwater;
- shortages of equipment or spare parts; and
- labor disputes.

To date, we have successfully managed non-material occurrences of the foregoing events, including a fire at the Columbia, PA facility of our Anvil segment and California's adoption of laws limiting the lead content of water infrastructure products, without significant disruption of our operations. More acute occurrences of these events could cause a decrease in, or the elimination of, the revenues generated by our key facilities or a substantial increase in the costs of operating such facilities that, in turn, could, impair our cash flows and results of operations.

We may be unsuccessful in identifying or integrating suitable acquisitions, which could impair our growth.

A part of our growth strategy depends on the availability of acquisition candidates with businesses that can be successfully integrated into our existing business and that will provide us with complementary manufacturing capabilities, products or services. However, we may be unable to identify targets that will be suitable for acquisition. In addition, if we identify a suitable acquisition candidate, our ability to successfully implement the acquisition will depend on a variety of factors, including our ability to finance the acquisition. Our ability to finance our acquisitions is subject to a number of

factors, including the availability of adequate cash from operations or of acceptable financing terms and the terms of our debt instruments. In addition, there are many challenges to integrating acquired companies and businesses in our company, including eliminating redundant operations, facilities and systems, coordinating management and personnel, retaining key employees, managing different corporate cultures and achieving cost reductions and cross-selling opportunities. We may not be able to meet these challenges in the future.

Businesses we have acquired or will acquire may not perform as expected.

Businesses we have recently acquired or may acquire in the future may not perform as expected. Acquired businesses may perform below expectations after the acquisition for various reasons, including legislative or regulatory changes that affect the areas in which a business specializes, the loss of key customers after the acquisition has closed, general economic factors that affect a business in a direct way and the cultural incompatibility of an acquired management team with us. Any of these factors could impair our results of operations.

We have recorded a significant amount of goodwill and other identifiable intangible assets, and we may never realize the full value of our intangible assets.

We have recorded a significant amount of goodwill and other identifiable intangible assets. As of March 31, 2006, goodwill and other net identifiable intangible assets were approximately $855.5 million and $849.0 million (or, collectively, approximately 57% of our total assets). Goodwill and net identifiable intangible assets of Mueller Water were recorded at fair value on the date of acquisition and goodwill of U.S. Pipe remains at historical cost. In accordance with Financial Accounting Standards Board Statement of Financial Accounting Standards ("SFAS") No. 142, Goodwill and Other Intangible Assets, are reviewed at least annually for impairment. Impairment may result from, among other things, deterioration in our performance, adverse market conditions, adverse changes in applicable laws or regulations, including changes that restrict the activities of or affect the products and services sold by our business, and a variety of other factors. The amount of any quantified impairment must be expensed immediately as a charge to results of operations. Depending on future circumstances, it is possible that we may never realize the full value of our intangible assets. Any future determination of impairment of a significant portion of goodwill or other identifiable intangible assets would result in a non-cash impairment charge.

We have a significant amount of debt.

Following this offering, on a pro forma basis, as of March 31, 2006, our total debt would have been $1,190.9 million ($1,134.5 million if the underwriters' over-allotment option is exercised and all additional proceeds are used to reduce debt). Any decrease in the aggregate net proceeds raised in this offering will result in an increase of our pro forma total debt. See "Use of Proceeds" and "Capitalization" for additional information. We may incur significant additional indebtedness from time to time. The level of our indebtedness could have important consequences, including:

- making it more difficult for us to satisfy our obligations under our debt instruments;
- limiting cash flow available for general corporate purposes, including capital expenditures and acquisitions, because a substantial portion of our cash flow from operations must be dedicated to servicing our debt;
- limiting our ability to obtain additional debt financing in the future for working capital, capital expenditures or acquisitions;
- limiting our flexibility to react to competitive and other changes in our industry and economic conditions generally; and

exposing us to risks inherent in interest rate fluctuations because a substantial portion of our borrowings is at variable rates of interest, which could result in higher interest expense in the event of increases in interest rates.

We will require a significant amount of cash to service our debt and our ability to generate cash depends on many factors beyond our control.

Our ability to pay or to refinance our indebtedness will depend upon our future operating performance, which will be affected by general economic, financial, competitive, legislative, regulatory, business and other factors beyond our control. There is a risk that our business will not generate sufficient cash flow from operations, that currently anticipated revenue growth and operating improvements will not be realized or that future borrowings will not be available to us in an amount sufficient to enable us to pay our indebtedness, or to fund our other liquidity needs. If we are unable to meet our debt service obligations or fund our other liquidity needs, we could attempt to restructure or refinance our indebtedness or seek additional equity capital, but we may not be able to accomplish those actions on satisfactory terms, if at all.

Restrictive covenants in our debt instruments may limit our ability to engage in certain transactions and may diminish our ability to make payments on our indebtedness.

Our debt instruments contain various covenants that limit our ability to engage in certain transactions. Our senior credit facilities also require the maintenance of specified financial ratios and the satisfaction of other financial condition tests. In addition, our debt instruments require us to provide regular financial information to our lenders and bondholders. Such requirements generally may be satisfied by our timely filing with the SEC of annual and quarterly reports under the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Our ability to satisfy those financial ratios, tests or covenants can be affected by events beyond our control, and there is a risk that we will not meet those tests. A breach of any of these covenants could result in a default under our debt instruments. If an event of default is not remedied after the delivery of notice of default and lapse of any relevant grace period, the holders of our debt would be able to declare it immediately due and payable. Upon the occurrence of an event of default under our senior credit facilities, the lenders could also terminate all commitments to extend further credit. If we were unable to repay those amounts, the lenders could proceed against the collateral granted to them to secure the indebtedness under our senior credit facilities. We have pledged substantially all of our assets (including our intellectual property), other than the assets of our foreign subsidiaries, as security under our senior credit facilities. If the lenders under our senior credit facilities or noteholders of the notes accelerate the repayment of borrowings, we may not have sufficient assets to repay our senior credit facilities and our other indebtedness, which could negatively impact the value of our stock and our ability to operate as a going concern.

Certain of our brass valve products may not be in compliance with NSF standards, which could limit the ability of municipalities to buy our products.

The National Sanitary Foundation ("NSF") is a non-profit entity that was contracted by the U.S. Environmental Protection Agency ("EPA") to promulgate standards for the water industry. NSF has issued NSF 61, which governs the leaching characteristics of valves and devices that are part of drinking water distribution networks, including certain of our products made from brass. In recent years, a growing majority of states have adopted, by statute or regulation, a requirement that water distribution systems utilize products that comply with NSF 61 and/or are certified as NSF 61 compliant. We, along with others in the industry, are engaged in the lengthy process of attempting to obtain certification of NSF 61 compliance for all of our relevant products. In fiscal 2005 and in the six months ended March 31, 2006, our sales of brass valve products were approximately 6% and 6%, respectively, of our total sales, on a pro forma basis. To date we have obtained certification of approximately 95% of our brass valve and fitting products. Approximately 26% of our certified products use "low lead" brass to comply with current NSF 61 requirements. The NSF 61 certification process is ongoing with our goal to have all products requiring certification completed by January 1, 2007. In the event that some of our brass valve products are found not to be in compliance with NSF 61, those products may not be accepted by various municipalities or we may be forced to modify non-conforming products with substitute materials which may require increased cost, thereby impairing our profitability. In addition, if our competitors develop a complete line of NSF 61 compliant brass valve products before we do, we may be placed at a competitive disadvantage which may, in turn, impair our profitability.

Our business may be harmed by work stoppages and other labor relations matters.

We are subject to a risk of work stoppages and other labor relations matters because our hourly workforce is highly unionized. As of March 31, 2006, on a pro forma basis, approximately 81% of our hourly workforce was represented by unions. These employees are represented by locals from approximately six different unions, including the Glass, Molders, Pottery, Plastics and Allied Workers International Union, which is our largest union. Our labor agreements will be negotiated as they expire at various times through March 2010. Work stoppages for an extended period of time could impair our business. Labor costs are a significant element of the total expenditures involved in our manufacturing process, and an increase in the costs of labor could therefore harm our business. In addition, the freight companies who deliver our products to our distributors generally use unionized truck drivers, and our business could suffer if our contractors face work stoppages or increased labor costs. For more information about our labor relations, see "Business Employees."

Our revenues are influenced by weather conditions and the level of construction activity at different times of the year; we may not be able to generate revenues that are sufficient to cover our expenses during certain periods of the year.

Some of our products, including ductile iron pipe, are moderately seasonal, with lower production capacity and lower sales in the winter months. This seasonality in demand has resulted in fluctuations in our revenues and operating results. Because much of our overhead and expenses are fixed payments, seasonal trends can cause reductions in our profit margin and financial condition, especially during our slower periods.

We may be subject to product liability or warranty claims that could require us to make significant payments.

We would be exposed to product liability claims in the event that the use of our products results, or is alleged to result, in bodily injury and/or property damage. There is a risk that we will experience product liability or warranty losses in the future or that we will incur significant costs to defend such claims. Such losses and costs may be material. While we currently have product liability insurance, our product liability insurance coverage may not be adequate for any liabilities that may ultimately be incurred or the coverage may not continue to be available on terms acceptable to us. A successful claim brought against us in excess of our available insurance coverage could require us to make significant payments or a requirement to participate in a product recall may harm our reputation or profitability.

We rely on Tyco to indemnify us for certain liabilities and there is a risk that Tyco may become unable or fail to fulfill its obligations.

Under the terms of the purchase agreement (the "Tyco Purchase Agreement") relating to the August 1999 sale by Tyco International Ltd. ("Tyco") of the Mueller and Anvil businesses to our prior owners, we are indemnified by Tyco for all liabilities arising in connection with the operation of these businesses prior to their sale by Tyco, including with respect to products manufactured or sold prior to the closing of that transaction. See "Business Legal Proceedings." The indemnity survives forever and is not subject to any dollar limits. In the past, Tyco has made substantial payments and/or assumed defense of claims pursuant to this indemnification provision. However, we may be responsible for these liabilities in the event that Tyco ever becomes financially unable or fails to comply with, the terms of the indemnity. In addition, Tyco's indemnity does not cover product liabilities to the extent caused by our products manufactured after that transaction. On January 14, 2006, Tyco's board of directors announced that it approved a plan to separate Tyco into three separate, publicly traded companies. At this time, we do not know which of the new entities will assume the indemnity provided under the terms of the Tyco Purchase Agreement if this plan is implemented. Should the entity or entities that assume Tyco's obligations under the Tyco Purchase Agreement ever become financially unable or fail to comply with the terms of the indemnity, we may be responsible for such obligations or liabilities. For more information about our potential product liabilities, see "Business Legal Proceedings."

Environmental, health and safety laws and regulations could subject us to liability for fines, clean-ups and other damages, require us to incur significant costs to modify our operations and increase our manufacturing costs.

We are subject to various laws and regulations relating to the protection of the environment and human health and safety and must incur capital and other expenditures to comply with these requirements. Failure to comply with any environmental, health or safety requirements could result in the assessment of damages, or imposition of penalties, suspension of production, a required upgrade or change to equipment or processes or a cessation of operations at one or more of our facilities. Because these laws are complex, constantly changing and may be applied retroactively, there is a risk that these requirements, in particular as they change in the future, may impair our business, profitability and results of operations.

In addition, we will be required to incur costs to comply with the EPA's National Emissions Standards for Hazardous Air Pollutants ("NESHAP") for iron and steel foundries and for our foundries' painting operations. These costs may be substantial. See "Business Environmental Matters." We may be required to conduct investigations and perform remedial activities that could require us to incur material costs in the future. Our operations involve the use of hazardous substances and the disposal of hazardous wastes. We may incur costs to manage these substances and wastes and may be subject to claims for damage for personal injury, property damages or damage to natural resources.

Our U.S. Pipe segment has been identified as a potentially responsible party liable under federal environmental laws for a portion of the clean-up costs with regard to two sites, one in Alabama and one in California, and is currently subject to an administrative consent order requiring certain monitoring and clean-up with regard to its Burlington, New Jersey facility. Such clean-up costs could be substantial and could have a negative effect on our profitability and cash flows in any given reporting period. As described in the immediately preceding risk factor, we rely on Tyco to indemnify us for certain liabilities and there is a risk that Tyco may become unable or fail to fulfill its obligation. For more information about our environmental compliance and potential environmental liabilities, see "Business Environmental Matters" and "Business Legal Proceedings."

We need to improve our disclosure controls and procedures and internal control over financial reporting to comply with SEC reporting requirements; public reporting obligations have put significant demands on our financial, operational and management resources.

The Public Company Accounting Oversight Board ("PCAOB") defines a significant deficiency as a control deficiency, or a combination of control deficiencies, that adversely affects the company's ability to initiate, authorize, record, process, or report external financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the company's annual or interim financial statements that is more than inconsequential will not be prevented or detected. The PCAOB defines a material weakness as a single deficiency, or a combination of deficiencies, that results in more than a remote likelihood that a material misstatement of the annual or interim financial statements will not be prevented or detected.

As of September 30, 2005, we did not maintain effective controls over the preparation, review and presentation and disclosure of our consolidated financial statements due to a lack of personnel with experience in financial reporting and control procedures necessary for SEC registrants. Specifically, our controls failed to prevent or detect the incorrect presentation of the following items in our consolidated financial statements: (i) cash flows from the effect of exchange rate changes on cash balances; (ii) cash flows from the loss on disposal of property, plant and equipment; (iii) cash flows and balance sheet presentation of book overdrafts; (iv) the presentation of current and non-current deferred income tax assets in Predecessor Mueller's consolidated balance sheet; and (v) classification of certain depreciation expense as selling, general and administrative expense instead of cost of sales in the Predecessor Mueller consolidated statement of operations. Further, our controls failed to detect the incorrect presentation of shipping and handling costs in our unaudited consolidated statement of operations for the three months ended December 31, 2004 as initially reported for the three months ended December 31, 2005. These control deficiencies resulted in the restatement of Predecessor Mueller's annual consolidated financial statements for fiscal 2004 and 2003 and interim consolidated financial statements for the first three quarters of fiscal 2005, all interim periods of fiscal 2004, audit adjustments to the 2005 annual consolidated financial statements and the restatement of our consolidated statement of operations for the three months ended December 31, 2004. Additionally, control deficiencies could result in a misstatement of the presentation and disclosure of our consolidated financial statements that would result in a material misstatement in the annual or interim financial statements that would not be prevented or detected. Accordingly, management determined that these control deficiencies constituted a material weakness.

As of September 30, 2004 and 2005, Predecessor Mueller reported the following control deficiencies that, in the aggregate, constituted a material weakness in internal control over preparation, review and presentation and disclosure of their consolidated financial statements. Specifically Predecessor Mueller's control deficiencies included: (i) a lack of personnel with experience in financial reporting and control procedures necessary for SEC registrants; (ii) a lack of sufficient controls to prevent or detect, on a timely basis, unauthorized journal entries; (iii) a lack of sufficient controls over information technology data conversion and program changes; (iv) a lack of sufficient controls over the development and communication of income tax provisions; (v) a lack of effective controls surrounding "whistleblower" hotline complaints and internal certifications to ensure that issues were communicated on a more timely basis by management to the audit committee and the independent registered public accounting firm; (vi) a lack of effective controls over revenue recognition associated with full truckload shipments not immediately dispatched by freight carriers; and (vii) a lack of formal controls and procedures regarding assessment of financial exposures and transactions, including consideration of accounting implications under GAAP. These control deficiencies resulted in audit adjustments to the consolidated financial statements for the year ended September 30, 2004. Additionally, these control deficiencies, in the aggregate, could result in a misstatement to accounts and disclosures that would result in a material misstatement to the annual or interim financial statements that would not be prevented or detected. While item (i) above remains unremediated and is the only remaining item of the material weakness existing at March 31, 2006 described above, management has concluded that based on the remediation actions described below, items (ii) through (vii) of this material weakness did not exist at March 31, 2006.

The material weakness and control deficiency will need to be addressed as part of the evaluation of our internal controls over financial reporting pursuant to the Sarbanes-Oxley Act of 2002 and may impair our ability to comply with Section 404 of the Act.

While we have taken numerous actions described under "Management's Discussion and Analysis of Financial Condition and Results of Operations Previously Issued Consolidated Financial Statements" to address the material weakness, additional measures may be necessary and these actions may not be sufficient to address the issues identified by us or to ensure that our internal controls over financial reporting is effective. If we are unable to correct existing or future material weaknesses in internal controls over financial reporting in a timely manner, we may not be able to record, process, summarize and report financial information within the time periods specified in the rules and forms of the SEC. This failure could harm our business and the market value of our securities and affect our ability to access the capital markets. In addition, there could be a negative reaction in the financial markets due to a loss of confidence in reliability of future financial statements and SEC filings.

Compliance with internal control reporting requirements and securities laws and regulations is likely to increase our compliance costs.

The Sarbanes-Oxley Act of 2002, as well as rules subsequently implemented by the SEC and the Public Company Accounting Oversight Board ("PCAOB"), have required changes in the corporate governance and securities disclosure or compliance practices of public companies over the last few years. We expect these new rules and regulations to continue to increase our legal and financial compliance costs, as well as our ongoing audit costs, and to make legal, accounting and administrative activities more time-consuming and costly. As a result of the Company being a consolidated subsidiary of Walter Industries, in 2006, we will need to comply with the internal control reporting requirements of the Sarbanes-Oxley Act, which will have a significant impact on our compliance cost in 2006. We expect to spend approximately $6 million on our compliance costs in our fiscal year ending September 30, 2006.

Compliance with the securities laws and regulations is likely to make it more difficult and expensive for us to obtain directors and officers liability insurance and to attract and retain qualified members of our board of directors.

We expect the Sarbanes-Oxley Act and the rules and regulations subsequently implemented by the SEC and the PCAOB to make it more difficult and expensive for us to obtain director and officer liability insurance, and we may be required to accept reduced coverage or incur substantially higher costs to obtain coverage. These new rules and regulations could also make it more difficult for us to attract and retain qualified members of our board of directors, particularly to serve on our audit committee, and executive officers.

We may not be able to achieve the anticipated synergies in connection with our integration and rationalization plans.

We are pursuing several initiatives designed to rationalize our manufacturing facilities and to use our manufacturing expertise to reduce our costs. In fiscal 2006, we expect to achieve integration synergies between our Mueller and U.S. Pipe segments by closing the U.S. Pipe Chattanooga, Tennessee production facility and integrating it into the Mueller Chattanooga and Albertville, Alabama production facilities. We have initiated the implementation of plant and distribution combination and production efficiency strategies within our Mueller and Anvil segments, which efforts will continue through fiscal years 2006, 2007 and the beginning of 2008. Our Mueller segment sales force has begun to integrate U.S. Pipe products as complementary product offerings as part of their sales efforts. We also have begun to use our combined purchasing leverage to reduce raw material and overall product costs. If we fail to implement our integration and rationalization plans, at the economic levels or within the time periods expected, we may not be able to achieve the projected levels of synergies and cost savings. In addition, we expect to incur substantial severance, environmental and impairment costs in connection with our integration and rationalization plans.

We are a holding company and may not have access to the cash flow and other assets of our subsidiaries.

We are a holding company that has no operations of our own and derives all of our revenues and cash flow from our subsidiaries. The terms of the indentures governing our senior discount notes and senior subordinated notes and our senior credit facilities significantly restrict our subsidiaries from paying dividends and otherwise transferring assets to us. Furthermore, our subsidiaries are permitted under the terms of our senior credit facilities and other indebtedness to incur additional indebtedness that may severely restrict or prohibit the making of distributions, the payment of dividends or the making of loans by such subsidiaries to us. A breach of any of those covenants would be a default under the applicable debt instrument that would permit the holders thereof to declare all amounts due thereunder immediately payable. As a result, we may not have access to our subsidiaries' cash flow to finance our cash needs.

If we fail to protect our intellectual property, our business and ability to compete could suffer.

Our business depends upon our technology and know-how, which is largely developed internally. While we believe that none of our operating units is substantially dependent on any single patent, trademark, copyright, or other form of intellectual property, we rely on a combination of patent protection, copyright and trademark laws, trade secrets protection, employee and third party confidentiality and nondisclosure agreements and technical measures to protect our intellectual property rights. There is a risk that the measures that we take to protect our intellectual property rights may not be adequate to deter infringement or misappropriation or independent third-party development of our technology or to prevent an unauthorized third party from obtaining or using information or intellectual property that we regard as proprietary or to keep others from using brand names similar to our own. The disclosure, misappropriation or infringement of our intellectual property could harm our ability to protect our rights and our competitive position In addition, our actions to enforce our rights may result in substantial costs and diversion of management and other resources. We may also be subject to intellectual property infringement claims from time to time, which may result in our incurring additional expenses and diverting company resources to respond to these claims.

If transportation for our ductile iron pipe products becomes unavailable or uneconomic for our customers, our ability to sell ductile iron pipe products would suffer.

Transportation costs are a critical factor in a customer's purchasing decision. Increases in transportation costs could make our ductile iron pipe products less competitive with the same or alternative products from competitors with lower transportation costs.

We typically depend upon rail, barge and trucking systems to deliver our products to customers. While our customers typically arrange and pay for transportation from our factory to the point of use, disruption of these transportation services because of weather-related problems, strikes, lock-outs or other events could temporarily impair our ability to supply our products to our customers thereby resulting in lost sales and reduced profitability.

Risks Relating to our Relationship with Walter Industries

Walter Industries controls us and may have conflicts of interest with us or you in the future.

Immediately prior to this offering, Walter Industries will be our only stockholder. Upon completion of this offering, Walter Industries will beneficially own all of our outstanding Series B common stock (which Series B common stock is entitled to eight votes per share on any matter submitted to a vote of our stockholders). The common stock beneficially owned by Walter Industries upon completion of this offering will represent in the aggregate 96.5% of the combined voting power of all of our outstanding common stock (or 96.0% if the underwriters' option to purchase additional shares is exercised in full). For as long as Walter Industries continues to beneficially own shares of common stock representing more than 50% of the combined voting power of our common stock, Walter Industries will be able to direct the election of all of the members of our board of directors and exercise a controlling influence over our business and affairs, including any determinations with respect to mergers or other business combinations, the acquisition or disposition of assets, the incurrence of indebtedness, the issuance of any additional common stock or other equity securities, the repurchase or redemption of common stock or preferred stock and the payment of dividends. Similarly, Walter Industries will have the power to determine or significantly influence the outcome of matters submitted to a vote of our stockholders, including the power to prevent an acquisition or any other change in control of us and could take other actions that might be favorable to Walter Industries. See "Description of Capital Stock" and "Certain Relationships and Related Party Transactions."

Walter Industries will also have an option available to it to purchase additional shares of Series B common stock and/or any nonvoting capital stock to maintain its then-existing percentage of the total voting power and value of us. Additionally, with respect to shares of any nonvoting capital stock that may be issued in the future, Walter Industries will have an option to purchase such additional shares so as to maintain ownership of 80% of each outstanding class of such stock. Beneficial ownership of at least 80% of the total voting power and 80% of each class of any nonvoting capital stock is required in order to effect a tax-free spin-off of us (as discussed under "Description of Capital Stock Common stock Conversion Rights") or certain other tax-free transactions.

For a description of certain provisions of the restated certificate of incorporation concerning the allocation of business opportunities that may be suitable for both us and Walter Industries, see "Description of Capital Stock Competition and Corporate Opportunities."

We may have substantial additional liability for federal income tax allegedly owed by Walter Industries.

Each member of a consolidated group for federal income tax purposes is severally liable for the federal income tax liability of each other member of the consolidated group for any year in which it is a member of the group at any time during such year. Each member of the Walter Industries controlled group, which currently includes Walter Industries, us and Walter Industries' other subsidiaries, is also jointly and severally liable for pension and benefit funding and termination liabilities of other group members, as well as certain benefit plan taxes. Accordingly, we could be liable under such provisions in the event any such liability is incurred, and not discharged, by any other member of the Walter Industries consolidated or controlled group for any period during which we were included in the Walter Industries consolidated or controlled group.

Controversy exists with regard to federal income taxes allegedly owed by the Walter consolidated group, which includes the Company, for fiscal years 1980 through 1994 and 1999 through 2001. It is estimated that the amount of tax presently claimed by the IRS is approximately $34.0 million for issues currently in dispute in bankruptcy court and $80.4 million for the 1999 through 2001 period, each of which is for matters unrelated to the Company. These amounts are subject to interest and penalties. However, Walter Industries believes that their tax filing positions have substantial merit and intends to defend vigorously any claims asserted. Walter Industries believes that it has accruals sufficient to cover the estimated probable loss, including interest and penalties.

The tax allocation agreement between us and Walter Industries gives Walter Industries control over our pre-IPO taxes and allocates to us certain tax risks associated with a planned spin-off of our common stock.

Walter Industries effectively controls all of our tax decisions for periods during which we are a member of the Walter Industries consolidated federal income tax group and certain combined, consolidated or unitary state and local income tax groups. Under the terms of a tax allocation agreement between Walter Industries and us, which will be entered into in connection with this offering, Walter Industries has sole authority to respond to and conduct all tax proceedings (including tax audits) relating to our federal income and combined state returns, to file all such returns on behalf of us and to determine the amount of our liability to (or entitlement to payment from) Walter Industries for such periods. This arrangement may result in conflicts of interests between us and Walter Industries. See "Certain Relationships and Related Party Transactions Relationship with Walter Industries Tax Allocation Agreement." In addition, the tax allocation agreement will provide that in the event that Walter Industries effectuates a spin-off of our common stock that it owns and such spin-off is not tax-free pursuant to Section 355 of the Internal Revenue Code of 1986, as amended, or the "Code," we will generally be responsible for any taxes incurred by Walter Industries or its stockholders if such taxes result from certain of our actions or omissions and for a percentage of any such taxes that are not a result of our actions or omissions or Walter Industries' actions or omissions taxes based upon our market value relative to Walter Industries' market value.

Because we have limited experience operating as a stand-alone entity, our future business prospects are difficult to evaluate and our business could suffer as a result of the separation of our business from Walter Industries.

Our company is a combination of the Predecessor Mueller business acquired by Walter Industries on October 3, 2005 and the U.S. Pipe business. As of the date of this prospectus, Walter Industries owns all outstanding shares of our common stock. Our operations as a stand-alone company may place significant demands on our management, operational, and technical resources. Our future performance will depend on our ability to function as a stand-alone company and on our ability to finance and manage expanding operations and to adapt our information systems to changes in its business. We rely on contractual arrangements that require Walter Industries and its affiliates to provide or procure certain critical transitional services and shared arrangements to us such as:

- certain tax and accounting services;
- certain human resources services, including benefit plan administration;
- communications systems;
- insurance; and
- supply arrangements.

After the termination of these arrangements, we may not be able to replace these services and arrangements in a timely manner or on terms and conditions, including service levels and cost, as favorable as those we have received from Walter Industries and its affiliates. There is a risk that our separation from Walter Industries will not be successful, which could significantly impair our business, our results and our financial reporting ability.

Furthermore, the financial information included in this prospectus may not necessarily reflect what the operating results and financial condition would have been had we been a separate, stand-alone entity during the periods presented or be indicative of our future operating results and financial condition.

Our governing documents and applicable laws include provisions that may discourage a takeover attempt.

Provisions contained in our restated certificate of incorporation and by-laws and Delaware law could make it difficult for a third party to acquire us, even if doing so might be beneficial to our stockholders. For example, stockholders who wish to nominate a director or present a matter for consideration at an annual meeting are required to give us notice of such proposal, which gives us time to respond. These provisions could limit the price that certain investors might be willing to pay in the future for shares of our Series A common stock and may have the effect of delaying or preventing a change in control.

Risks Relating to this Offering

Our Series A common stock has no prior public market and an active trading market may not develop.

Prior to this offering, there has not been a market for our Series A common stock. Although our Series A common stock has been approved for listing on the New York Stock Exchange, an active trading market in our Series A common stock might not develop or be sustained after this offering. An investor purchasing shares of Series A common stock in this offering will pay a price that was not established in a competitive market, but instead was determined by negotiations with the representatives of the underwriters based upon an assessment of the valuation of our Series A common stock. The public market may not agree with or accept this valuation, in which case an investor may not be able to sell shares of our stock at or above the initial offering price.

The price of our Series A common stock may be volatile and may be affected by market conditions beyond our control.

Our share price is likely to fluctuate in the future because of the volatility of the stock market in general and a variety of factors, many of which are beyond our control, including:

- general economic conditions that impact construction and infrastructure activity, including interest rate movements;
- quarterly variations in actual or anticipated results of our operations;
- speculation in the press or investment community;
- changes in financial estimates by securities analysts;
- actions or announcements by our competitors;
- actions by our principal stockholders;
- regulatory actions;
- litigation;
- U.S. and international economic, legal and regulatory factors unrelated to our performance;
- loss or gain of a major customer;
- additions or departures of key personnel; and
- future sales of our Series A common stock.

Market fluctuations could result in extreme volatility in the price of shares of our Series A common stock, which could cause a decline in the value of your investment. You should also be aware that price volatility may be greater if the public float and trading volume of shares of our Series A common stock is low. In addition, if our operating results and net income fail to meet the expectations of stock analysts and investors, we may experience an immediate and significant decline in the trading price of our stock.

Sales of common stock may depress the stock price after the offering.

After the completion of this offering, we will have 25,000,000 outstanding shares of Series A common stock (28,750,000 shares of Series A common stock if the underwriters exercise in full their option to purchase additional shares). This number is comprised of all the shares of our Series A common stock that we are selling in this offering, which may be resold immediately in the public market.

In addition, Walter Industries owns 85,844,920 shares of our Series B common stock, which constitute all of our outstanding shares of Series B common stock. Our directors, executive officers and Walter Industries have agreed, with limited exceptions, that we and they will not directly or indirectly, without the prior written consent of the underwriters, offer to sell, sell or otherwise dispose of any of our common stock for a period of 180 days after the date of this prospectus. Subject to the selling restrictions described under "Shares Eligible for Future Sale" and "Underwriting," Walter Industries could, from time to time, convert its Series B common stock into Series A common stock on a one-for-one basis and sell any or all of those shares of Series A common stock. In addition, Walter Industries currently intends to undertake a spin-off of our capital stock to Walter Industries' shareholders. See "Certain Relationships and Related Party Transactions."

Further, following the consummation of this offering, pursuant to the terms of the agreement ("Corporate Agreement") that we expect to enter into with Walter Industries, Walter Industries and its permitted transferees will have the right to require us to register their common stock under the Securities Act of 1933 ("the Securities Act"), for sale into the public markets. Upon the effectiveness of any such registration statement, all shares covered by the registration statement will be freely transferable. On or shortly following the date of this prospectus, we also intend to file a registration statement on Form S-8 under the Securities Act to register an aggregate of 12,000,000 shares of Series A common stock reserved for issuance under our stock incentive plan and our employee stock purchase plan. Subject to the exercise of issued and outstanding options, shares registered under the registration statement on Form S-8 will be available for sale into the public markets after the expiration of the 180-day lock-up agreements.

We cannot predict what effect, if any, future sales of our common stock, or the availability of common stock for future sale, will have on the market price of our Series A common stock. Sales of substantial amounts of our common stock in the public market following our initial public offering, or the perception that such sales could occur, could lead to a decline in the market price of our Series A common stock and may make it more difficult for you to sell your Series A common stock at a time and price which you deem appropriate. The sale by Walter Industries of additional shares of Series A common stock in the public market, or the perception that such sales might occur, could reduce the price that our Series A common stock might otherwise obtain or could impair our ability to obtain capital through the sale of equity securities.

The book value of shares of common stock purchased in the offering will be immediately diluted.

Investors who purchase common stock in the offering will suffer immediate dilution of $21.61 per share in the pro forma net tangible book value per share. See "Dilution."

Our ability to pay regular dividends to our stockholders is subject to the discretion of our board of directors and may be limited by our holding company structure, the covenants in our debt instruments and applicable provisions of Delaware law.

After consummation of this offering, we intend to pay cash dividends on a quarterly basis. Our board of directors may, in its discretion, decrease the level of dividends or discontinue the payment of dividends entirely. In addition, as a holding company, we will be dependent upon the ability of our subsidiaries to generate earnings and cash flows and distribute them to us so that we may pay our obligations and expenses and pay dividends to our stockholders. Our ability to pay future dividends and the ability of our subsidiaries to make distributions to us will be subject to our and their respective operating results, cash requirements and financial condition, the applicable laws of the State of Delaware (which may limit the amount of funds available for distribution), compliance with covenants and financial ratios related to existing or future indebtedness and other agreements with third parties. If, as a consequence of these various limitations and restrictions, we are unable to generate sufficient distributions from our business, we may not be able to make, or may have to reduce or eliminate, the payment of dividends on our shares.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

The information contained in this prospectus includes some forward-looking statements that involve a number of risks and uncertainties. A forward-looking statement is usually identified by our use of certain terminology including "believes," "expects, "may," "should," "seeks," "anticipates" or "intends" or by discussions of strategy or intentions. A number of factors could cause our actual results, performance, achievements or industry results to be very different from the results, performance or achievements expressed or implied by those forward-looking statements. These factors include, but are not limited to:

- the competitive environment in our industry in general and in the sectors of the flow control product industry in which we compete;
- economic conditions in general and in the sectors of the flow control product industry in which we compete;
- changes in, or our failure to comply with, federal, state, local or foreign laws and government regulations;
- liability and other claims asserted against our company;
- changes in operating strategy or development plans;
- the ability to attract and retain qualified personnel;
- our significant indebtedness;
- changes in our acquisition and capital expenditure plans;
- our ability to achieve anticipated synergies;
- our ability to timely implement improvements to our internal controls;
- unforeseen interruptions with our largest customers; and
- other factors we refer to in this prospectus, including factors described in the "Risk Factors" section.

In addition, forward-looking statements depend upon assumptions, estimates and dates that may not be correct or precise and involve known and unknown risks, uncertainties and other factors. Accordingly, a forward-looking statement in this prospectus is not a prediction of future events or circumstances and those future events or circumstances may not occur. Given these uncertainties, you are warned not to rely on the forward-looking statements. We are not undertaking any obligation to update these factors or to publicly announce the results of any changes to our forward-looking statements due to future events or developments.

USE OF PROCEEDS

We estimate that the net proceeds from the offering of our Series A common stock, after deducting approximately $26.0 million of estimated underwriting discounts and offering expenses, will be approximately $374.0 million. We intend to: (1) use approximately $60.2 million to redeem a portion of our 14$^{3}/_{4}$% senior discount notes due 2014; (2) contribute approximately $123.1 million to our subsidiary, Mueller Group, LLC ("Mueller Group"), which will use such proceeds to redeem a portion of its 10% senior subordinated notes due 2012 and pay accrued interest; and (3) contribute approximately $190.7 million to Mueller Group, which will use such proceeds to optionally prepay a portion of the term loan outstanding under the 2005 Mueller Credit Agreement. We will use any remaining proceeds for general corporate and other purposes.

Affiliates of Banc of America Securities LLC, Morgan Stanley & Co. Incorporated and Calyon Securities (USA) Inc., three of the underwriters in this offering, are lenders under the 2005 Mueller Credit Agreement. It is anticipated that affiliates of Banc of America Securities LLC and Calyon Securities (USA) Inc. will receive approximately $2.9 million and $1.8 million, respectively, of the proceeds from this offering through the partial repayment of the term loan outstanding under the 2005 Mueller Credit Agreement, based on the aggregate principal amount of the term loan outstanding as of the date of this prospectus. See "Underwriting."

The expected sources and uses of funds in connection with the offering (assuming a May 31, 2006 completion of this offering unless otherwise specified) are set forth in the table below. The actual amounts may vary depending on the time of the completion of this offering.

Sources		Uses	
	(dollars in millions)		
Series A common stock	$ 400.0	Partial redemption of senior discount notes(1)	$ 60.2
		Partial redemption of senior subordinated notes(2)	123.1
		Partial repayment of the term loan(3)	190.7
		Estimated fees and expenses(4)	26.0
Total sources	$ 400.0	Total uses	$ 400.0

(1) Represents redemption of approximately $52.5 million in accreted value of our 14$^{3}/_{4}$% senior discount notes due 2014 and a payment of approximately $7.7 million of a contractual premium based on the amount required at the assumed redemption date. In addition, as a result of the early repayment, the Company will record a favorable adjustment to interest expense of approximately $8.5 million for adjustment for the difference between the carrying value and the contractual obligation.

(2) Represents redemption of approximately $110.3 million of Mueller Group's 10% senior subordinated notes due 2012 and a payment of approximately $12.8 million of a contractual premium and accrued interest based on the amount required at the assumed redemption date. In addition, as a result of the early repayment, the Company will record a favorable adjustment to interest expense of approximately $5.8 million for adjustment for the difference between the carrying value and the contractual obligation.

(3) Represents the optional prepayment of a portion of the $1,050.0 million term loan outstanding under the 2005 Mueller Credit Agreement. There is no prepayment premium or penalty associated with the term loan. The senior credit facilities under the 2005 Mueller Credit Agreement consist of: (1) an amortizing senior secured term loan facility in an initial aggregate principal amount of $1,050.0 million ($1,044.8 million of which is currently outstanding) and (2) a $145.0 million senior

secured revolving credit facility, which provides for loans and under which letters of credit may be issued. The revolving credit facility will terminate on October 4, 2010, and the term loans will mature on November 1, 2011 (or October 3, 2012, if the 10% senior subordinated notes due 2012 are paid in full or refinanced prior to such date). Loans under the senior credit facilities currently bear interest, at our option, at: (x) initially, the reserve adjusted LIBOR rate plus 250 basis points or the alternate base rate plus 150 basis points for borrowings under the revolving credit facility; and (y) the reserve adjusted LIBOR rate plus 225 basis points or the alternate base rate plus 125 basis points for term loans. The proceeds of the 2005 Mueller Credit Agreement were used to retire certain old debt of Predecessor Mueller and to finance the Acquisition.

(4)

Represents estimated underwriting discounts and fees and legal, accounting and other fees and expenses.

We intend to contribute the net proceeds from any shares of our Series A common stock sold pursuant to the underwriters' option to purchase additional shares to Mueller Group, which intends to use such proceeds to optionally prepay an additional portion of the term loan outstanding under the 2005 Mueller Credit Agreement or for general corporate purposes.

Any decrease in the aggregate amount of net proceeds raised in this offering (assuming net proceeds of at least $183.3 million are raised) will decrease the amount of debt under the 2005 Mueller Credit Agreement to be prepaid, but will not affect the amount of senior discount notes or senior subordinated notes to be redeemed. Any increase in the aggregate amount of net proceeds raised in this offering will be used to optionally prepay additional debt under the 2005 Mueller Credit Agreement or for general corporate purposes.

DIVIDEND POLICY

Our board of directors currently intends to declare an initial quarterly cash dividend on each share of our common stock at a rate of approximately $0.07 per share annually, payable beginning the first full fiscal quarter following the completion of this offering. We expect our board to continue to declare regular quarterly dividends in the future. The board will determine the amount of any future dividends from time to time based on

- our results of operations and the amount of our surplus available to be distributed;
- dividend availability and restrictions under our credit agreement and indentures and the applicable laws of the State of Delaware;
- the dividend rate being paid by comparable companies in our industry;
- our liquidity needs and financial condition; and
- other factors that our board of directors may deem relevant.

The board of directors may modify or revoke our dividend policy at any time. The 2005 Mueller Credit Agreement and the indentures governing the senior subordinated notes and the senior discount notes limit but do not prohibit our ability to pay dividends. See "Management's Discussion and Analysis of Financial Condition and Results of Operations Liquidity and Capital Resources" and "Description of Certain Indebtedness."

Under Delaware law, our board of directors may declare dividends only to the extent of our "surplus" (which is defined as total assets at fair market value minus total liabilities, minus statutory capital), or if there is no surplus, out of our net profits for the then current and/or immediately preceding fiscal years. The value of a corporation's assets can be measured in a number of ways and may not necessarily equal their book value. The value of our capital may be adjusted from time to time by our board of directors but in no event will be less than the aggregate par value of our issued stock. Our board of directors may base this determination on our financial statements, a fair valuation of our assets or another reasonable method. Our board of directors will seek to assure itself that the statutory requirements will be met before actually declaring dividends. In future periods, our board of directors may seek opinions from outside valuation firms to the effect that our solvency or assets are sufficient to allow payment of dividends, and such opinions may not be forthcoming. If we sought and were not able to obtain such an opinion, we likely would not be able to pay dividends.

CAPITALIZATION

The following table presents our cash and cash equivalents and consolidated capitalization as of March 31, 2006: (1) on a historical basis and (2) as adjusted to reflect the expected recapitalization and the sale by us of shares of Series A common stock in this offering and the application of the proceeds as described in "Use of Proceeds." This table should be read in conjunction with our consolidated financial statements and the notes to those statements included elsewhere in this prospectus, "Selected Historical Consolidated Financial Data," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Use of Proceeds."

	As of March 31, 2006	
		Pro Forma
	Historical	As Adjusted for Offering
	(dollars in millions)	
Cash and cash equivalents	$ 41.1	$ 41.1
Long-term debt, including current portion:		
Senior credit facilities(1)		
Revolver loans	0.0	0.0
Term loans(2)	1,044.8	854.8
Senior discount notes(3)	169.8	110.4
Senior subordinated notes(4)	332.4	216.1
Capital lease obligations	2.3	2.3
Payable to affiliates	7.3	7.3
Total debt	$ 1,556.6	$ 1,190.9
Stockholders' equity:		
Common stock, par value $0.01 per share, 1,000 shares authorized, actual, 600,000,000 shares authorized as adjusted; 1 share issued and outstanding, actual, 25,000,000 shares of Series A common stock and 85,844,920 shares of Series B common stock issued and outstanding as adjusted		1.1
Preferred stock, par value $0.01 per share, no shares authorized, actual, 60,000,000 shares authorized as adjusted; no shares issued and outstanding, actual and as adjusted		
Additional paid-in capital	988.3	1,361.2
Accumulated deficit	(228.7)	(235.0)
Accumulated other comprehensive loss	(42.9)	(42.9)
Total stockholders' equity (deficit)	716.7	1,084.4
Total capitalization	$ 2,232.2	$ 2,234.2

(1) The senior credit facilities under the 2005 Mueller Credit Agreement consist of: (1) an amortizing senior secured term loan facility in an initial aggregate principal amount of $1,050.0 million ($1,044.8 million of which is currently outstanding) and (2) a $145.0 million senior secured revolving credit facility, which provides for loans and under which letters of credit may be issued. The revolving credit facility will terminate on October 4, 2010, and the term loans will mature on the earlier of October 3, 2012 or November 1, 2011, unless the 10% senior subordinated notes due 2012 are paid in full prior to such date. Loans under the senior credit facilities currently bear interest, at our option, at: (x) initially, the reserve adjusted LIBOR rate plus 250 basis points or the alternate base rate plus 150 basis points for borrowings under the revolving credit facility; and

(y) the reserve adjusted LIBOR rate plus 225 basis points or the alternate base rate plus 125 basis points for term loans.

(2)

The pro forma repayment of the term loan of $190.7 million reflected in the Use of Proceeds table exceeds the term loan repayment of $190.0 million reflected in this table because the Capitalization table is pro forma as of March 31, 2006 and the Use of Proceeds table is as of the time of the offering. Although both tables reflect total estimated repayment of debt of $374.0 million, the allocation of the debt repayment varies between the March 31, 2006 pro forma period and the May 31, 2006 estimated completion date of this offering. We estimate that as of the time of the offering, prior to using the offering proceeds, the actual debt balances for the term loans, senior discount notes and senior subordinated notes will be $1,044.8 million, $174.2 million and $331.7 million, respectively.

(3)

The senior discount notes were adjusted to fair market value at the date of Acquisition. The carrying value exceeds the contractual obligation by $25.1 million at March 31, 2006, on a historical basis. After the partial redemption, the carrying value would exceed the contractual obligation by $16.3 million on a pro forma basis.

(4)

The senior subordinated notes were adjusted to fair market value at the date of Acquisition. The carrying value exceeds the contractual obligation by $17.4 million at March 31, 2006 on a historical basis. After the partial redemption, the carrying value would exceed the contractual obligation by $11.3 million on a pro forma basis.

DILUTION

Our net tangible book deficit as of March 31, 2006 was approximately $987.8 million or $8.91 per share. Net tangible book deficit per share as of March 31, 2006 is equal to our total assets (excluding intangible assets) minus our total liabilities divided by the aggregate number of shares of Series B common stock that would have been held by Walter Industries had the recapitalization that we expect to effect prior to the consummation of this offering been made. After giving effect to this offering of Series A common stock and the recapitalization and after deducting applicable underwriting discounts and estimated offering expenses, our pro forma net tangible book deficit at March 31, 2006 would have been approximately $622.1 million or $5.61 per share. This represents an immediate increase in net tangible book value of $3.30 per share to our existing stockholder and an immediate dilution of $21.61 per share to new investors purchasing shares in this offering. Dilution is determined by subtracting net tangible book value per share after the offering from the amount of cash paid by a new investor for a share of Series A common stock. The following table illustrates the pro forma dilution to new investors:

Initial public offering price per share	$	16.00
Net tangible book value per share as of March 31, 2006 (after giving effect to the recapitalization)		(8.91)
Increase in net tangible book value per share attributable to new investors		3.30
Pro forma net tangible book value per share after this offering		(5.61)
Pro forma dilution per share to new investors	$	21.61

Assuming this offering had occurred on March 31, 2006 (after giving effect to the recapitalization), the following table summarizes, on a pro forma basis, the differences between the number of shares of Series A common stock purchased from us, the total consideration paid and the average price per share paid by existing stockholder and by the new investors purchasing shares in this offering.

	Shares Purchased		Total Consideration		Average Price Per Share
	Number	**Percent**	**Amount**	**Percent**	
Existing stockholder	85,844,920	77.4%	$ 716,700,000	64%	$ 8.35
New investors	25,000,000	22.6	400,000,000	36	16.00
Total	110,844,920	100%	$ 1,116,700,000	100%	

If the underwriters exercise in full their option to purchase additional shares:

- the net tangible book deficit per share of common stock as of March 31, 2006 would have been $8.62 per share, which would result in dilution to the new investors of $20.94 per share;

- the number of shares of common stock held by existing stockholder will decrease to approximately 74.9% of the total number of shares of our common stock outstanding after completion of this offering; and

- the number of shares of Series A common stock held by new investors will be approximately 25.1% of the total number of shares of our common stock outstanding after completion of this offering.

UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL STATEMENTS

The following unaudited pro forma condensed combined financial statements are based on the historical financial statements of Mueller Water Products, Inc. ("Predecessor Mueller") and United States Pipe and Foundry Company, LLC ("U.S. Pipe") after giving effect to: (1) the Acquisition and related transactions, including borrowings under our $1,195.0 million credit agreement ("2005 Mueller Credit Agreement") and the use of proceeds therefrom to repay our old credit facility and to redeem the second priority senior secured floating rate notes of Predecessor Mueller (collectively with the Acquisition, the "Transactions"); (2) the sale by us of shares of Series A common stock in this offering and the application of the proceeds therefrom as described in "Use of Proceeds" (the "Offering"); and (3) the assumptions and adjustments described in the accompanying notes to the unaudited pro forma condensed combined financial statements. For accounting and financial statement presentation purposes, U.S. Pipe is considered the accounting acquiror of Predecessor Mueller.

Effective December 30, 2005, U.S. Pipe changed its fiscal year to September 30, which coincides with Predecessor Mueller's fiscal year end. For purposes of preparing the September 30, 2005 pro forma statement of operations, the U.S. Pipe operating information for the three months ended December 31, 2004 has been added to the operating financial results for the nine months ended September 30, 2005 in arriving at the twelve months ended September 30, 2005 operating financial information in the pro forma data presented hereinafter. As described further in Note 1 to the unaudited pro forma condensed combined financial statements included herein, pro forma sales and cost of sales have been restated for the twelve months ended September 30, 2005 to correct the classification of certain prior-period shipping and handling costs in accordance with EITF 00-10.

The unaudited pro forma condensed combined statement of operations for the year ended September 30, 2005 is presented as if the Transactions and the Offering had taken place on October 1, 2004 and were carried forward through September 30, 2005. The unaudited pro forma condensed combined statement of operations for the six months ended March 31, 2006 and March 31, 2005 are presented as if the offering had taken place on October 1, 2004 and were carried forward through March 31, 2006.

The unaudited pro forma condensed combined financial statements are not intended to represent or be indicative of the consolidated results of operations that would have been reported had the Transactions and the Offering been completed as of the dates presented, and should not be taken as representative of our future consolidated results of operations. The unaudited pro forma condensed combined financial statements do not reflect (a) any operating efficiencies or cost savings that we may achieve with respect to the combined companies or (b) any additional costs that we may incur as a stand-alone company. The unaudited pro forma condensed combined financial statements also do not include the effects of restructuring certain activities of pre-acquisition operations, which occurred subsequent to March 31, 2006. The unaudited pro forma condensed combined financial statements should be read in conjunction with the historical consolidated financial statements and accompanying notes of Predecessor Mueller and U.S. Pipe included elsewhere in this prospectus.

MUELLER WATER PRODUCTS, INC.
UNAUDITED PRO FORMA CONDENSED COMBINED STATEMENT OF OPERATIONS
For the six months ended March 31, 2006

	Historical Mueller Water Products, Inc. for the six months ended March 31, 2006	Pro Forma Adjustments for Transactions	Pro Forma Combined for Transactions	Pro Forma Adjustments for Offering	Pro Forma as Adjusted for Offering
	(dollars in millions except per share data)				
Statement of Operations Data:					
Net Sales	$ 915.3		$ 915.3	$	$ 915.3
Cost of sales	777.2	(70.2)(f)	707.0		707.0
Gross profit	138.1	70.2	208.3		208.3
Selling, general and administrative expense	121.7		121.7		121.7
Facility rationalization and related costs	28.4		28.4		28.4
Operating income (loss)	(12.0)	70.2	58.2		58.2
Interest expense net of interest income	(62.3)		(62.3)	17.1 (e)	(45.2)
Income (loss) before income taxes	(74.3)	70.2	(4.1)	17.1	13.0
Income tax expense (benefit)	(23.7)	28.1 (g)	4.4	1.1(g)	5.5
Net income (loss)	$ (50.6)	$ 42.1	$ (8.5)	$ 16.0	$ 7.5
Earnings (loss) per share:(h)					
Earnings (loss) per share:					
Basic	$ (50,600,000)				$ 0.07
Diluted	$ (50,600,000)				$ 0.07
Weighted average shares outstanding:					
Basic	1				111,145,253
Diluted	1				111,358,854

See notes to unaudited pro forma condensed combined statement of operations.

MUELLER WATER PRODUCTS, INC.
UNAUDITED PRO FORMA CONDENSED COMBINED STATEMENT OF OPERATIONS
For the six months ended March 31, 2005

	Historical U.S. Pipe for the six months ended March 31, 2005	Predecessor Mueller for the six months ended March 31, 2005	Pro Forma Adjustments for Transactions	Pro Forma Combined for Transactions	Pro Forma Adjustments for Offering	Pro Forma as Adjusted for Offering
	(dollars in millions except per share data)					
Statement of Operations Data:						
Net Sales	$ 265.9	$ 541.3		$ 807.2	$	$ 807.2
Cost of sales	242.7	380.9	2.4 (a)	626.0		626.0
Gross profit	23.2	160.4	(2.4)	181.2		181.2
Selling, general and administrative expense	22.0	87.9	9.0 (b)	118.9		118.9
Facility rationalization and related costs		1.6		1.6		1.6
Operating income (loss)	1.2	70.9	(11.4)	60.7		60.7
Interest expense net of interest income	(11.3)	(44.0)	(12.9)(c)	(68.2)	9.0(e)	(59.2)
Income (loss) before income taxes	(10.1)	26.9	(24.3)	(7.5)	9.0	1.5
Income tax expense (benefit)	0.6	11.0	(9.6)(d)	2.0	3.6(d)	5.6
Net income (loss)	$ (10.7)	$ 15.9	$ (14.7)	$ (9.5)	$ 5.1	$ (4.1)
Earnings (loss) per share(h):						
Earnings (loss) per share:						
Basic	$ (10,700,000)	$ 0.07				$ (0.04)
Diluted	$ (10,700,000)	$ 0.06				$ (0.04)
Weighted average shares outstanding:						
Basic	1	220,552,697				110,844,920
Diluted	1	244,907,546				111,361,670

See notes to unaudited pro forma condensed combined statement of operations.

MUELLER WATER PRODUCTS, INC.
UNAUDITED PRO FORMA CONDENSED COMBINED STATEMENT OF OPERATIONS
For the year ended September 30, 2005

	Historical U.S. Pipe for the year ended September 30, 2005	Predecessor Mueller for the year ended September 30, 2005	Pro Forma Adjustments for Transactions	Pro Forma Combined for Transactions	Pro Forma Adjustments for Offering	Pro Forma as Adjusted for Transactions and Offering
	As Restated					
	(dollars in millions except per share data)					
						As Restated
Statement of Operations Data:						
Net sales	$ 598.1	$ 1,148.9	$	$ 1,747.0		$ 1,747.0
Cost of sales	530.8	802.3	4.8 (a)	1,337.9		1,337.9
Gross profit	67.3	346.6	(4.8)	409.1		409.1
Selling, general and administrative expenses	46.4	172.1	15.0 (b)	233.5		233.5
Facility rationalization and related costs		1.7		1.7		1.7
Operating income (loss)	20.9	172.8	(19.8)	173.9		173.9
Interest expense and early repayment costs net of interest income	(21.4)	(89.5)	(22.0)(c)	(132.9)	18.2 (e)	114.7
Income (loss) before income taxes	(0.5)	83.3	(41.8)	41.0	18.2	59.2
Income tax expense	3.9	33.7	(16.7)(d)	20.9	7.3 (d)	28.2
Net income (loss)	$ (4.4)	$ 49.6	$ (25.1)	$ 20.1	$ 10.9	$ 31.0
Earnings (loss) per Share(h):						
Earnings (loss) per share:						
Basic	$ (4,441,000)	$ 0.22				$ 0.28
Diluted	$ (4,441,000)	$ 0.20				$ 0.28
Weighted average units/shares outstanding:						
Basic	1	220,552,697				110,844,920

	Historical U.S. Pipe for the year ended September 30, 2005	Predecessor Mueller for the year ended September 30, 2005	Pro Forma Adjustments for Transactions	Pro Forma Combined for Transactions	Pro Forma Adjustments for Offering	Pro Forma as Adjusted for Transactions and Offering
Diluted	1	244,907,546				111,348,420

See notes to unaudited pro forma condensed combined statement of operations.

1. RESTATEMENT

The Company has restated its Unaudited Pro Forma Condensed Combined Statement of Operations to correct the classification of certain prior-period shipping and handling costs in accordance with Emerging Issues Task Force ("EITF") Consensus No. 00-10, "Accounting for Shipping and Handling Fees and Costs." EITF 00-10 does not allow shipping and handling costs to be shown as a deduction from net sales.

For the nine months ended September 30, 2005, and the years ended December 31, 2004 and 2003, the Company incorrectly included certain shipping and handling fees and costs as deductions against net sales when they should have been reported as cost of sales. The impact of the restatement was to increase net sales and cost of sales by $42.3 million for the twelve months ended September 30, 2005. The restatement had no impact on operating income or net income for any of the periods presented.

The following table sets forth the effects of the restatement discussed above on the unaudited pro forma condensed combined Statement of Operations for the twelve months ended September 30, 2005.

Unaudited Pro Form Condensed Combined Statements of Operations

	For the twelve months ended September 30, 2005	
	As Reported	As Restated
	(dollars in millions)	
Net sales	$ 1,704.7	$ 1,747.0
Cost of Sales	$ 1,295.6	$ 1,337.9

2. ACQUISITION

On October 3, 2005, pursuant to the agreement dated June 17, 2005, Walter Industries acquired all of the outstanding common stock of Predecessor Mueller for approximately $918.1 million. Transaction costs related to the acquisition were $14.8 million. In conjunction with the acquisition, U.S. Pipe, a wholly-owned subsidiary of Walter Industries, was contributed in a series of transactions to Predecessor Mueller's wholly-owned subsidiary, Mueller Group, LLC.

Walter Industries' acquisition of Predecessor Mueller has been accounted for as a business combination. Assets acquired and liabilities assumed were recorded at their fair values as of October 3, 2005. The total purchase price is $932.9 million, including acquisition-related transaction costs, and is comprised of (dollars in millions):

Acquisition of the outstanding common stock of Predecessor Mueller	$ 918.1
Acquisition-related transaction costs	14.8
Total purchase price	$ 932.9

Acquisition-related transaction costs include investment banking, legal and accounting fees and other external costs directly related to the Acquisition.

Under business combination accounting, the purchase price was allocated to Predecessor Mueller's net tangible and identifiable intangible assets based on their fair values as of October 3, 2005. The excess of the purchase price over the net tangible and identifiable intangible assets was recorded as goodwill. Based on current fair values, the purchase price was allocated as follows (dollars in millions):

Receivables, net	$	177.4
Inventory		373.2
Property, plant and equipment		215.7
Identifiable intangible assets		855.9
Goodwill		790.4
Net other assets		376.1
Net deferred tax liabilities		(283.1)
Debt		(1,572.7)
Total purchase price allocation	$	932.9

The purchase price allocation is preliminary and is subject to future adjustments to goodwill for the execution of certain restructuring plans identified by Walter Industries prior to the acquisition date primarily related to the Predecessor Mueller facility rationalization actions. Costs related to these facility rationalization actions will be recorded to goodwill through October 3, 2006.

Receivables are short-term trade receivables and their net book value approximates current fair value.

Finished goods inventory is valued at estimated selling price less cost of disposal and a reasonable profit allowance for the selling effort. Work in process inventory is valued at estimated selling price of finished goods less costs to complete, cost of disposal and a reasonable profit allowance for the completing and selling effort. Raw materials are valued at book value, which approximates current replacement cost.

Property, plant and equipment is valued at the current replacement cost as follows (dollars in millions):

			Depreciation Period
Land	$	14.1	Indefinite
Buildings		51.8	5 to 14 years
Machinery and equipment		136.6	3 to 5 years
Other		13.2	3 years
Total property, plant and equipment	$	215.7	

Depreciation related to the property, plant and equipment adjustment is reflected in the pro forma condensed combined statement of operations.

Identifiable intangible assets were as follows (dollars in millions):

			Amortization Period
Trade name and trademark	$	403.0	Indefinite
Technology		56.3	10 years
Customer relationships		396.6	19 years
Total identifiable intangible assets	$	855.9	

Identifiable intangible assets acquired consist of trade name, trademark, technology and customer relationships and were valued at their current fair value. Trade name and trademark relate to

Mueller®, Anvil®, Hersey®, Henry Pratt and James Jones and Jones®. Technology represents processes related to the design and development of products. Customer relationships represents the recurring nature of sales to current distributors, municipalities, contractors and other end customers regardless of their contractual nature. The amortization related to the fair value adjustments of these definite-lived intangible assets is reflected in the pro forma condensed combined statements of operations.

Goodwill represents the excess of the purchase price over the fair value of tangible and identifiable intangible assets acquired. Goodwill is not amortized, but rather is tested for impairment at least annually. In the event that we determine the book value of goodwill has become impaired, we will incur an accounting charge for the amount of impairment during the fiscal quarter in which such determination is made.

Net other assets include cash, prepaid expenses, deferred financing fees, accounts payable, accrued expenses and accrued pension liability and were valued at their approximate current fair value. After the purchase price allocation and the contribution of U.S. Pipe, Predecessor Mueller paid a $444.5 million dividend to Mueller Holding Company, Inc., a subsidiary of Walter Industries, to fund the acquisition, $20.0 million for transaction expenses and $10.0 million in employee-related costs and such payments are reflected in the pro forma condensed combined financial statements. Transaction expenses were capitalized and employee-related costs were expensed.

Net deferred tax liabilities include the tax effects of fair value adjustments related to identifiable intangible assets and net tangible assets.

Debt is valued at fair market value as of October 3, 2005, which resulted in a $36.0 million and an $18.9 million fair value increase to the senior discount notes and the senior subordinated notes, respectively. The amortization of the premium on debt related to fair value adjustments is reflected in the pro forma condensed combined statement of operations as a credit to interest expense.

3. CREDIT AGREEMENT

On October 3, 2005, Mueller Group entered into the 2005 Mueller Credit Agreement consisting of a $145.0 million senior secured revolving credit facility terminating on October 4, 2010 and a $1,050.0 million senior secured term loan maturing in October 3, 2012 or November 1, 2011, unless the 10% senior subordinated notes due 2012 are paid in full prior to such date. Loans under the senior credit facilities currently bear interest, at our option, at: (x) initially, the reserve adjusted LIBOR rate plus 250 basis points or the alternate base rate plus 150 basis points for borrowings under the revolving credit facility; and (y) the reserve adjusted LIBOR rate plus 225 basis points or the alternate base rate plus 125 basis points for term loans. The 2005 Mueller Credit Agreement is a secured obligation of Mueller Group and substantially all of the wholly-owned domestic subsidiaries of Mueller Group, including U.S. Pipe. Proceeds from the 2005 Mueller Credit Agreement were approximately $1,053.4 million, net of approximately $21.6 million of underwriting fees and expenses, which will be amortized over the life of the loans. The proceeds were used to retire the previous Mueller Group senior credit facility of $512.8 million, the second priority senior secured floating rate notes of $100.0 million, and to finance the acquisition of Predecessor Mueller by Walter Industries. The term loan requires quarterly principal payments of $2.6 million through October 3, 2012, at which point in time the remaining principal outstanding is due. Presently, the commitment fee on the unused portion of the revolving credit facility is 0.50% and the interest rate is a floating rate of 250 basis points over LIBOR. The term loan presently carries a floating interest rate of 225 basis points over LIBOR.

4. PRO FORMA ADJUSTMENTS

The following pro forma adjustments are included in the unaudited pro forma condensed combined statement of operations:

(a) Adjustment of $2.8 million and $5.6 million to increase amortization expense for technology intangible assets associated with the Acquisition, net of a $0.4 million and $0.8 million decrease in depreciation expense associated with acquired fixed assets depreciated over their remaining useful lives for the six months ended March 31, 2005 and the twelve months ended September 30, 2005, respectively. The decrease in depreciation expense in relation to the increase in basis for property, plant and equipment represents adjustments to the remaining lives of the assets to reflect their expected economic life.

(b) Adjustment of $9.0 million and $18.1 million ($10.4 million and $20.9 million net of ($1.4 million and $2.8 million) of recorded amortization) to increase amortization expense for customer relationship intangible assets associated with the Acquisition, net of a zero and $3.1 million removal of seller transaction expenses incurred prior to September 30, 2005 for the six months ended March 31, 2005 and the twelve months ended September 30, 2005, respectively.

(c) Net adjustment consists of a $14.4 million and a $27.5 million increase in interest expense for interest on the 2005 Mueller Credit Agreement along with a $2.3 million and a $2.1 million increase in amortization expense for new deferred financing fees, net of a decrease of $3.8 million and $7.6 million in interest expense resulting from the amortization of premium created by the fair value adjustment of Predecessor Mueller's existing public debt for the six months ended March 31, 2005 and the twelve months ended September 30, 2005, respectively. A change in interest rates of $^{1}/_{8}$% would result in a change in interest expense of approximately $1.3 million.

(d) Adjustment to reflect the tax effect of pro forma adjustments at a 40% statutory rate. The statutory tax rate of 40% is based on a 35% statutory federal tax rate plus an average statutory state tax rate of 5%. As more fully described in Note 9 to the financial statements of U.S. Pipe, income tax expense is calculated as if U.S. Pipe filed a tax return on a stand alone basis, with the exception that the tax sharing agreement in place with Walter Industries provides that U.S. Pipe receives an immediate benefit when its tax losses for Federal purposes are utilizable by the consolidated group. On a pro forma basis, U.S. Pipe's historical tax expense of $3.9 million would have been $12.0 million on a stand alone basis assuming U.S. Pipe's deferred tax assets were consistently evaluated for realization without regard to the utilization by Walter Industries of its tax losses for the twelve months ended September 30, 2005.

(e) Adjustments of $17.1 million, $9.0 million and $18.2 million to decrease interest expense resulting from using the proceeds of this offering to repay debt for the six months ended March 31, 2006 and 2005 and for the year ended September 30, 2005 respectively.

(f) Adjustment to eliminate amortization of inventory fair value adjustment.

(g) Adjustment to reflect the tax effect of pro forma adjustments at a 40% statutory rate plus a tax benefit adjustment of $5.7 million to provide taxes, after giving effect for the transactions and offering, at an effective tax rate of 42.3%, the Company's estimated fiscal 2006 effective tax rate. Prior to initiating the offering, the Company had estimated its effective tax rate for fiscal 2006 to be 32% as a result of the fiscal 2006 forecasted loss. The effective tax rate of 32% is lower than the statutory rate primarily as a result of non-deductible interest expense.

(h)

Our pro forma basic and diluted net income per common share were calculated as follows (in millions except per share data):

	For the six months ended March 31, 2006		For the year ended March 31, 2005		For the year ended September 30, 2005	
	Basic	Diluted	Basic	Diluted	Basic	Diluted
Numerator:						
Pro forma net income	$ 7.5	$ 7.5	$ (4.1)	$ (4.1)	$ 31.0	$ 31.0
Denominator:						
Weighted average number of common shares	111.1	111.1	110.8	110.8	110.8	110.8
Incremental common shares issuable for restricted stock units		0.2		0.5		0.5
	111.1	111.4	110.8	111.3	110.8	113.3
Net income (loss) per share	$ 0.07	$ 0.07	$ (0.04)	$ (0.04)	$ 0.28	$ 0.28

SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA

Selected Historical Financial Data Mueller Water Products, Inc.

The following selected consolidated statement of operations data for the six months ended March 31, 2006 and 2005 and the selected consolidated balance sheet data as of March 31, 2006 and September 30, 2005 are derived from, and qualified by reference to, the unaudited consolidated financial statements of Mueller Water Products, Inc. included elsewhere in this prospectus and should be read in conjunction with those unaudited consolidated financial statements and notes thereto. The following selected consolidated financial and other data of Mueller Water Products, Inc. should be read in conjunction with, and are qualified by reference to, "Management's Discussion and Analysis of Financial Condition and Results of Operations," and the unaudited consolidated financial statements and notes thereto included elsewhere in this prospectus.

	For the six months ended March 31,	
	2006	2005
	(dollars in millions)	
		As Restated(j)
Statement of Operations Data:		
Net sales	$ 915.3	$ 265.9
Cost of sales(a)	777.2	242.6
Gross profit	138.1	23.3
Selling, general and administrative expenses(b)	117.9	18.3
Related party corporate charges(c)	3.8	3.7
Facility rationalization, restructuring and related costs(d)	28.4	
Loss from operations	(12.0)	(1.3)
Interest expense arising from related party payable to Walter Industries(e)		(11.0)
Interest expense, net of interest income(f)	(62.3)	(0.3)
Loss before income taxes	(74.3)	(10.0)
Income tax expense (benefit)	(23.7)	0.7
Net loss	$ (50.6)	$ (10.7)
Loss per share(g)	$ (50.6)	$ (10.7)
Other Data:		
EBITDA(h)	$ 38.5	$ 14.4
Depreciation and amortization	50.5	13.1
Capital expenditures	30.9	11.2

	March 31, 2006	September 30, 2005
	(dollars in millions)	
Balance Sheet Data:		
Working capital(i)	$ 627.8	$ 188.6
Property, plant and equipment, net	340.7	149.2
Total assets	2,964.8	495.4
Total debt	1,549.3	
Total stockholder's equity (net capital deficiency)	716.7	(155.2)

(a) Cost of sales includes:

- $70.2 million of purchase accounting adjustments related to valuing inventory acquired in the Acquisition at fair value for the six months ended March 31, 2006;

$10.7 million of inventory obsolescence write-offs related to the shut-down of the U.S. Pipe Chattanooga plant during the six months ended March 31, 2006; and

$7.6 million of facility expenses at the U.S. Pipe Chattanooga plant due to significantly lower than normal capacity resulting from the plant closure process during the six months ended March 31, 2006.

(b) Selling, general and administrative expenses include:

$4.0 million related to environmental liabilities at the U.S. Pipe Anniston, Alabama site (shut down in 2003) for the six months ended March 31, 2005.

$5.1 million favorable insurance claims settlement for the six month ended March 31, 2005.

(c) Related party corporate charges represents costs incurred by Walter Industries that have been allocated to U.S. Pipe. Walter Industries allocates certain costs to all of its subsidiaries based on a systematic and rational method. Upon the spin-off, these charges will no longer be allocated to U.S. Pipe. However, U.S. Pipe may incur costs in an amount less than or greater than these costs for similar services performed by an unaffiliated third party.

(d) Facility rationalization and restructuring includes severance, other employee-related costs related to pension and other post retirement benefit obligations, and exit cost charges and non-cash impairment charges due to the closure of the U.S. Pipe Chattanooga plant during the six months ended March 31, 2006.

(e) Consists of interest expense allocated by Walter Industries to U.S. Pipe. Following the Acquisition on October 3, 2005, the allocation of the interest expense terminated because the intercompany indebtedness to Walter Industries was contributed to the capital of U.S. Pipe.

(f) Interest expense, net of interest income, includes $2.5 million in commitment fees for a bridge loan which were expensed at the expiration of the bridge loan period during the six months ended March 31, 2006. Interest expense, net of interest income, also includes interest rate swap gains of $0.5 million for the six months ended March 31, 2006.

(g) Loss per share for all periods presented was determined using one share, which is the capital structure of the reporting entity subsequent to the Acquisition.

(h) EBITDA represents net income adjusted for interest expense, net of interest income, income taxes, cumulative effect of change in accounting principle and depreciation and amortization. We present EBITDA because we consider it an important supplemental measure of our performance and believe it is frequently used by securities analysts, investors and other interested parties in the evaluation of companies in our industry, substantially all of which present EBITDA when reporting their results.

In addition, our credit agreement uses EBITDA (with additional adjustments) to measure our compliance with covenants, such as interest coverage and debt incurrence. EBITDA is also widely used by us and others in our industry to evaluate and price potential acquisition candidates.

EBITDA has limitations as an analytical tool, and you should not consider it in isolation, or as a substitute for analysis of our results as reported under GAAP. Some of these limitations are:

EBITDA does not reflect our cash expenditures or future requirements for capital expenditures or contractual commitments;

EBITDA does not reflect changes in, or cash requirements for, our working capital needs;

EBITDA does not reflect the significant interest expense, or the cash requirements necessary to service interest or principal payments, on our debts;

although depreciation and amortization are non-cash charges, the assets being depreciated and amortized will often have to be replaced in the future, and EBITDA does not reflect any cash requirements for such replacements; and

other companies in our industry may calculate EBITDA differently than we do, limiting its usefulness as a comparative measure.

EBITDA is a measure of our performance that is not required by, or presented in accordance with, GAAP. EBITDA is not a measurement of our financial performance under GAAP and should not be considered as an alternative to net income, operating income or any other performance measures derived in accordance with GAAP.

EBITDA reconciliation to Net loss:

	For the six months ended March 31,	
	2006	**2005**
	(dollars in millions)	
EBITDA	$ 38.5	$ 14.4
Adjustments:		
Depreciation and amortization	(50.5)	(13.1)
Interest expense arising from related party payable to Walter Industries		(11.0)
Interest expense, net of interest income	(62.3)	(0.3)
Income tax (expense) benefit	23.7	(0.7)
Net loss	$ (50.6)	$ (10.7)

(i) Working capital equals current assets less current liabilities.

(j) The information presented above should be read in conjunction with Mueller Water Products, Inc.'s financial statements and the notes thereto, including Note 2 related to the restatement of net sales and cost of sales, for the three months ended December 31, 2004. As described further in Note 2, sales and cost of sales have been restated to correct the classification of certain prior-period shipping and handling costs in accordance with EITF 00-10.

United States Pipe and Foundry Company, LLC.

The selected statement of operations data for the nine months ended September 30, 2005 and for the years ended December 31, 2004 and 2003 and the selected balance sheet data as of September 30, 2005 and December 31, 2004 are derived, and qualified by reference to, the audited financial statements of U.S. Pipe included elsewhere in this prospectus and should be read in conjunction with those financial statements and notes thereto. The selected statement of operations data for the nine months ended September 30, 2004 and the years ended December 31, 2002 and 2001 and the selected balance sheet data as of September 30, 2004 and December 31, 2003, 2002 and 2001 have been derived from unaudited financial statements of U.S. Pipe not included in this prospectus. The following selected financial and other data should be read in conjunction with, and are qualified by reference to, "Management's Discussion and Analysis of Financial Condition and Results of Operations," "Unaudited Pro Forma Condensed Combined Financial Statements" and the financial statements and notes thereto included elsewhere in this prospectus.

	For the nine months ended September 30,		For the years ended December 31,			
	2005	2004	2004	2003	2002	2001
	(dollars in millions) As Restated(i)					
Statement of Operations Data:						
Net sales	$ 456.9	$ 437.2	$ 578.4	$ 465.4	$ 491.8	$ 525.9
Cost of sales(a)	402.2	402.9	531.4	427.4	429.8	429.5
Gross profit	54.7	34.3	47.0	38.0	62.0	96.4
Selling, general and administrative expenses(b)	25.9	25.0	38.2	43.5	36.1	37.0
Related party corporate charges(c)	5.4	5.7	7.7	4.8	6.4	3.1
Restructuring and impairment charges(d)		0.1	0.1	5.9		
Operating income (loss)	23.4	3.5	1.0	(16.2)	19.5	56.3
Interest expense-other	(0.3)	(0.4)	(0.5)	(0.5)	(0.1)	(0.1)
Interest expense arising from payable to parent, Walter Industries(e)	(15.2)	(13.0)	(18.9)	(16.4)	(9.4)	(18.2)
Income (loss) before income tax expense (benefit)	7.9	(9.9)	(18.4)	(33.1)	10.0	38.0
Income tax expense (benefit)	2.8	(3.9)	(2.9)	(12.7)	4.1	15.1
Income (loss) before cumulative effect of change in accounting principle	5.1	(6.0)	(15.5)	(20.4)	5.9	22.9
Cumulative effect of change in accounting principle, net of tax				(0.5)		
Net income (loss)	$ 5.1	$ (6.0)	$ (15.5)	$ (20.9)	$ 5.9	$ 22.9