



**Encore Wire Corporation**  
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**PRESS RELEASE**

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**For Immediate Release**

### **ENCORE WIRE BUILDING NEW MANUFACTURING PLANT**

MCKINNEY, TX - Encore Wire Corporation (NASDAQ Global Select: WIRE) announced today that the Company is building a new 202,000 square-foot manufacturing plant on its McKinney, Texas campus. The Company projects expenditures for this project, including related upgrades of railroad and road access to Encore's McKinney complex, will be approximately \$25 million to \$30 million. The majority of these expenditures will be made in 2012. The plant expansion is part of the Company's capital expenditure plan for 2012 that will also include the purchase of manufacturing equipment to produce aluminum wire and cable. The Company estimates its total capital expenditures for 2012 to be between \$33 million and \$40 million.

Commenting on the announcement, Daniel L. Jones, President and Chief Executive Officer of Encore Wire Corporation, said, "Encore Wire has experienced steady growth throughout its history. In order to plan for our future and continue the long term growth of the Company we have continued to increase our product offerings to our existing customer base in the building wire category. In 2006, we opened a new armored cable plant, and in 2008, we opened a plant dedicated to the production of large tray cable. We continually canvass our independent manufacturer's reps and the electrical distributors to whom we sell to determine what products they are purchasing that may make sense for us to produce and sell. We believe broadening our product line with aluminum not only allows us to increase sales incrementally with new products, but also gives us the ability to gain sales on our existing products on orders that we may not have previously received because we did not sell aluminum wire. We continue to believe that copper will be the conductor of choice in most building wire applications, but we will offer aluminum to those customers who want it.

Our strong balance sheet allows us the luxury of entertaining these projects at all points of business cycles. We have ready access to the capital required to fund this project in this industry downturn and we will be poised to take even greater advantage of future up swings in business. In conjunction with this project we will make the necessary upgrades to the rail and road access into our complex to provide for this project and potential future growth. We will continue to manage the Company for the long term and will make capital improvements to allow for sustained growth, while ensuring our balance sheet remains strong. We have no long term debt, and our revolving line of credit is paid down to zero. In addition, we have \$15.2 million in cash as of September 30, 2011."

Encore Wire Corporation is a leading manufacturer of a broad range of copper electrical building wire for interior wiring in commercial and industrial buildings, homes, apartments, and manufactured housing. The Company is focused on maintaining a high level of customer service with low-cost production and the addition of new products that complement its current product line. The matters discussed in this news release, other than the historical financial information, including statements about the copper pricing environment, profitability and shareholder value, may include forward-looking statements that involve risks and uncertainties, including fluctuations in the price of copper and other raw materials, the impact of competitive pricing and other risks detailed from time to time in the Company's reports filed with the Securities and Exchange Commission. Actual results may vary materially from those anticipated.