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PRESS RELEASE

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For Immediate Release

ENCORE WIRE REPORTS FIRST QUARTER RESULTS

McKinney, TX - Encore Wire Corporation (NASDAQ Global Select: WIRE) today announced results for the first quarter of 2016.

Net sales for the first quarter ended March 31, 2016 were \$225.5 million compared to \$250.3 million during the first quarter of 2015. Copper unit volume, measured in pounds of copper contained in the wire sold, increased 5.2% in the first quarter of 2016 versus the first quarter of 2015. Aluminum unit volume was up 11.6% in the first quarter of 2016 versus the first quarter of 2015. Aluminum building wire sales constituted 10.5% of net sales dollars for the first quarter of 2016 versus 9.4% in the first quarter of 2015. The average selling price of wire per copper pound sold dropped 15.4% in the first quarter of 2016 versus the first quarter of 2015, driving the decrease in net sales dollars. Copper wire sales prices declined primarily due to the lower price of copper purchased, which declined 20.7% versus the first quarter of 2015. Net income for the first quarter of 2016 was \$8.6 million versus \$10.8 million in the first quarter of 2015. Fully diluted net earnings per common share were \$0.41 in the first quarter of 2016 versus \$0.52 in the first quarter of 2015.

On a sequential quarter comparison, net sales for the first quarter of 2016 were \$225.5 million versus \$250.9 million during the fourth quarter of 2015. Sales dollars decreased due to a 6.8% unit volume decrease of copper building wire sold coupled with a 3.9% decrease in the average selling price per pound of copper wire sold on a sequential quarter comparison. Copper wire sales prices followed the price of copper purchased, which declined 5.3%. Net income for the first quarter of 2016 decreased to \$8.6 million versus \$10.9 million in the fourth quarter of 2015. Fully diluted net income per common share was \$0.41 in the first quarter of 2016 versus \$0.53 in the fourth quarter of 2015.

Commenting on the results, Daniel L. Jones, Chairman, President and Chief Executive Officer of Encore Wire Corporation, said, "We are generally pleased with the first quarter results. Unit volumes were up over the first quarter of last year. Margins, however, declined slightly in both copper and aluminum wire sales. One of the key metrics to our earnings is the "spread" between the price of copper wire sold and the cost of raw copper purchased in any given period. That copper spread decreased 4.2% in the first quarter of 2016 versus the first quarter of 2015, and 1.2% on a sequential quarter comparison. The copper spread contracted 4.2% as the average price of copper purchased decreased 20.7% in the first quarter of 2016 versus the first quarter of 2015, and the average selling price of wire sold decreased 15.4%. Aluminum spreads were down 0.3% and 4.0% versus the same respective periods. The margins were off somewhat due to the timing of at least two attempts by the industry to raise prices that were announced just ahead of a week of soft copper commodity prices. These price increase attempts had difficulty gaining traction, and margins dropped slightly. We do not necessarily view this as poor industry discipline, but more a case of unfortunate timing, which happens from time to time. Our discussions with our distributor customers and their contractor customers indicate there is a fairly good outlook for construction projects this year, although we are steering through headwinds generated by concern about the national political landscape and other factors.

We continue to strive to lead and support industry price increases in an effort to maintain and increase margins. We believe our superior order fill rates continue to enhance our competitive position, as our electrical distributor customers are holding lean inventories in the field. As orders come in from electrical contractors, the distributors can count on our order fill rates to ensure quick deliveries from coast to coast. We have been able to accomplish this despite holding what are historically lean inventories for us.

Our balance sheet is very strong. We have no long term debt, and our revolving line of credit is paid down to zero. In addition, we had \$78.6 million in cash at the end of the quarter. We also declared another cash dividend during the quarter.

Our low cost structure and strong balance sheet have enabled us to withstand difficult periods in the past, and we believe they are continuing to prove valuable now. We thank our employees and associates for their outstanding effort and our shareholders for their continued support.”

Encore Wire Corporation is a leading manufacturer of a broad range of 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 stockholder value, may include forward-looking statements that involve risks and uncertainties, including payment of future dividends, future purchases of stock, 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.

Additional Disclosures:

The term “EBITDA” is used by the Company in presentations, quarterly conference calls and other instances as appropriate. EBITDA is defined as net income before interest, income taxes, depreciation and amortization. The Company presents EBITDA because it is a required component of financial ratios reported by the Company to the Company’s banks, and is also frequently used by securities analysts, investors and other interested parties, in addition to and not in lieu of Generally Accepted Accounting Principles (GAAP) results to compare to the performance of other companies who also publicize this information. EBITDA is not a measurement of financial performance under GAAP and should not be considered an alternative to net income as an indicator of the Company’s operating performance or any other measure of performance derived in accordance with GAAP.

The Company has reconciled EBITDA with net income for fiscal years 1996 to 2015 on previous current reports on Form 8-K filed with the Securities and Exchange Commission. EBITDA for each period pertinent to this press release is calculated and reconciled to net income as follows:

In Thousands	Three Months Ended March 31,	
	2016	2015
Net Income	\$ 8,599	\$ 10,789
Income Tax Expense	4,238	5,710
Interest Expense	58	62
Depreciation and Amortization	4,846	3,897
EBITDA	\$ 17,741	\$ 20,458

Encore Wire Corporation
Condensed Consolidated Balance Sheets
(In Thousands)

	<u>March 31, 2016</u>	<u>December 31, 2015</u>
	(Unaudited)	
ASSETS		
Current Assets		
Cash	\$ 78,561	\$ 79,152
Receivables, net	175,215	186,065
Inventories	98,472	95,254
Prepaid Expenses and Other	4,153	9,684
Total Current Assets	356,401	370,155
Property, Plant and Equipment, net	260,251	254,768
Other Assets	3,192	3,193
Total Assets	\$ 619,844	\$ 628,116
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities		
Accounts Payable	\$ 21,579	\$ 28,743
Accrued Liabilities and Other	24,624	33,972
Total Current Liabilities	46,203	62,715
Long Term Liabilities		
Non-Current Deferred Income Taxes	26,347	26,762
Total Long Term Liabilities	26,347	26,762
Total Liabilities	72,550	89,477
Stockholders' Equity		
Common Stock	267	267
Additional Paid in Capital	53,494	53,024
Treasury Stock	(91,056)	(91,056)
Retained Earnings	584,589	576,404
Total Stockholders' Equity	547,294	538,639
Total Liabilities and Stockholders' Equity	\$ 619,844	\$ 628,116

Encore Wire Corporation
Condensed Consolidated Statements of Income
(Unaudited)
(In Thousands, Except Per Share Data)

	Three Months Ended March 31,			
	2016		2015	
Net Sales	\$ 225,544	100.0 %	\$ 250,262	100.0 %
Cost of Sales	195,401	86.6 %	217,832	87.0 %
Gross Profit	30,143	13.4 %	32,430	13.0 %
Selling, General and Administrative Expenses	17,309	7.7 %	16,031	6.4 %
Operating Income	12,834	5.7 %	16,399	6.6 %
Net Interest & Other Expense	(3)	— %	(100)	— %
Income before Income Taxes	12,837	5.7 %	16,499	6.6 %
Income Taxes	4,238	1.9 %	5,710	2.3 %
Net Income	\$ 8,599	3.8 %	\$ 10,789	4.3 %
Basic Earnings Per Share	\$ 0.42		\$ 0.52	
Diluted Earnings Per Share	\$ 0.41		\$ 0.52	
Weighted Average Number of Common and Common Equivalent Shares Outstanding:				
Basic	20,688		20,725	
Diluted	20,747		20,782	
Dividend Declared per Share	\$ 0.02		\$ 0.02	