



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 measures of financial performance calculated and presented in accordance with Generally Accepted Accounting Principles (“GAAP”), to compare to the performance of other companies who also publicize this information. EBITDA is not a measurement of financial performance calculated and presented in accordance with 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 financial performance calculated and presented in accordance with GAAP.

The Company has reconciled EBITDA with net income for fiscal years 1996 to 2021 on previous 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	Quarter Ended December 31,		Year Ended December 31,	
	2022	2021	2022	2021
Net Income	\$ 153,998	\$ 141,642	\$ 717,841	\$ 541,422
Income Tax Expense	44,944	41,135	207,009	157,975
Interest Expense	102	104	408	391
Depreciation and Amortization	7,197	6,133	26,232	23,288
EBITDA	\$ 206,241	\$ 189,014	\$ 951,490	\$ 723,076

**Encore Wire Corporation**  
**Condensed Balance Sheets**  
(In Thousands)

	<u>December 31, 2022</u>	<u>December 31, 2021</u>
	(unaudited)	
<b>ASSETS</b>		
Current Assets		
Cash	\$ 730,557	\$ 438,990
Receivables, net	498,762	491,126
Inventories, net	153,187	100,816
Prepaid Expenses and Other	19,135	4,118
<b>Total Current Assets</b>	<b>1,401,641</b>	<b>1,035,050</b>
Property, Plant and Equipment, net	616,601	494,916
Other Assets	490	570
<b>Total Assets</b>	<b>\$ 2,018,732</b>	<b>\$ 1,530,536</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Current Liabilities		
Accounts Payable	\$ 62,780	\$ 75,353
Accrued Liabilities and Other	81,381	78,747
<b>Total Current Liabilities</b>	<b>144,161</b>	<b>154,100</b>
Long-Term Liabilities		
Deferred Income Taxes and Other	55,905	37,347
<b>Total Long-Term Liabilities</b>	<b>55,905</b>	<b>37,347</b>
<b>Total Liabilities</b>	<b>200,066</b>	<b>191,447</b>
Stockholders' Equity		
Common Stock	271	271
Additional Paid-in Capital	83,622	72,753
Treasury Stock	(402,639)	(155,014)
Retained Earnings	2,137,412	1,421,079
<b>Total Stockholders' Equity</b>	<b>1,818,666</b>	<b>1,339,089</b>
<b>Total Liabilities and Stockholders' Equity</b>	<b>\$ 2,018,732</b>	<b>\$ 1,530,536</b>

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

	Quarter Ended December 31,				Year Ended December 31,			
	2022		2021		2022		2021	
	(unaudited)				(unaudited)			
Net sales	\$ 693,885	100.0 %	\$ 687,853	100.0 %	\$ 3,017,555	100.0 %	\$ 2,592,721	100.0 %
Cost of sales	445,430	64.2 %	452,719	65.8 %	1,905,134	63.1 %	1,724,975	66.5 %
Gross profit	248,455	35.8 %	235,134	34.2 %	1,112,421	36.9 %	867,746	33.5 %
Selling, general and administrative expenses	55,510	8.0 %	52,435	7.6 %	197,418	6.5 %	168,543	6.5 %
Operating income	192,945	27.8 %	182,699	26.6 %	915,003	30.4 %	699,203	27.0 %
Net interest & other income	5,997	0.9 %	78	— %	9,847	0.3 %	194	— %
Income before income taxes	198,942	28.7 %	182,777	26.6 %	924,850	30.7 %	699,397	27.0 %
Provision for income taxes	44,944	6.5 %	41,135	6.0 %	207,009	6.9 %	157,975	6.0 %
Net Income	<u>\$ 153,998</u>	<u>22.2 %</u>	<u>\$ 141,642</u>	<u>20.6 %</u>	<u>\$ 717,841</u>	<u>23.8 %</u>	<u>\$ 541,422</u>	<u>20.9 %</u>
Basic earnings per share	<u>\$ 8.43</u>		<u>\$ 7.02</u>		<u>\$ 37.47</u>		<u>\$ 26.49</u>	
Diluted earnings per share	<u>\$ 8.28</u>		<u>\$ 6.91</u>		<u>\$ 36.91</u>		<u>\$ 26.22</u>	
Weighted average number of common and common equivalent shares outstanding:								
Basic	<u>18,270</u>		<u>20,189</u>		<u>19,159</u>		<u>20,439</u>	
Diluted	<u>18,595</u>		<u>20,491</u>		<u>19,446</u>		<u>20,649</u>	
Cash dividend declared per share	<u>\$ 0.02</u>		<u>\$ 0.02</u>		<u>\$ 0.08</u>		<u>\$ 0.08</u>	