



December 21, 2018

Subject: Price Increase Announcement: Effective 1/1/2019

Dear Valued Customer,

Inflationary pressures continue to impact Southwire, and throughout 2018, we have seen significant cost increases on freight as well as non-metal and metal raw materials. While the freight cost drivers have been well documented, other increases in raw materials used in the production of wire and cable are significant. Non-metal raw materials such as Low and High Density Polyethylene, Polypropylene, PVC, and Nylon Resin have increased from 3.4% - 11% since the beginning of the year. Additionally, copper has been affected by market changes resulting in increased cathode premiums, which according to industry reports, are predicted to increase in 2019 by 12.5% to 25%.

While Southwire has absorbed many of these raw material increases throughout the year, Southwire must now pass these additional costs to our customers. Therefore, Southwire is announcing price increases of approximately 3% - 6% across all wire & cable product lines to cover these additional costs.

Price sheets will be posted on or before 12/28/18 for an effective date of January 1, 2019.

We greatly appreciate our business together and will continue to support our customers with competitive value in the marketplace.

Best regards,

A handwritten signature in blue ink that reads "J. Phil Tuggle".

J. Phil Tuggle

SVP, Wire & Cable Sales

Construction Systems & Solutions Group

Southwire Company, LLC