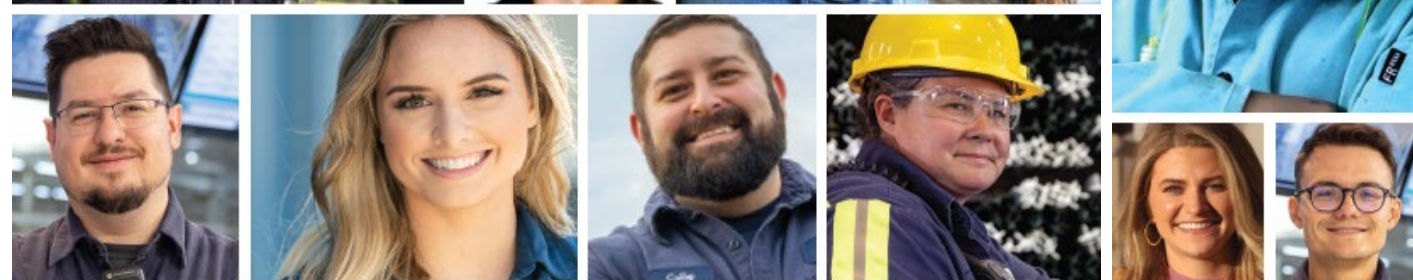




COMMERCIAL METALS COMPANY

Q2 FY 2023 Supplemental Slides



Forward-Looking Statements

This presentation contains forward-looking statements within the meaning of the federal securities laws with respect to general economic conditions, key macro-economic drivers that impact our business, the effects of ongoing trade actions, the effects of continued pressure on the liquidity of our customers, potential synergies and organic growth provided by acquisitions and strategic investments, demand for our products, shipment volumes, metal margins, the effect of COVID-19 and related governmental and economic responses thereto, the ability to operate our steel mills at full capacity, future availability and cost of supplies of raw materials and energy for our operations, share repurchases, legal proceedings, construction activity, international trade, the impact of the Russian invasion of Ukraine, capital expenditures, tax credits, our liquidity and our ability to satisfy future liquidity requirements, estimated contractual obligations, the expected capabilities and benefits of new facilities, the timeline for execution of our growth plan, and our expectations or beliefs concerning future events. The statements in this presentation that are not historical statements, are forward-looking statements. These forward-looking statements can generally be identified by phrases such as we or our management "expects," "anticipates," "believes," "estimates," "future," "intends," "may," "plans to," "ought," "could," "will," "should," "likely," "appears," "projects," "forecasts," "outlook" or other similar words or phrases, as well as by discussions of strategy, plans, or intentions.

Our forward-looking statements are based on management's expectations and beliefs as of the date of this presentation. Although we believe that our expectations are reasonable, we can give no assurance that these expectations will prove to have been correct, and actual results may vary materially. Except as required by law, we undertake no obligation to update, amend or clarify any forward-looking statements to reflect changed assumptions, the occurrence of anticipated or unanticipated events, new information or circumstances or any other changes. Important factors that could cause actual results to differ materially from our expectations include those described in our filings with the Securities and Exchange Commission, including, but not limited to, in Part I, Item 1A, "Risk Factors" of our annual report on Form 10-K for the fiscal year ended August 31, 2022, as well as the following: changes in economic conditions which affect demand for our products or construction activity generally, and the impact of such changes on the highly cyclical steel industry; rapid and significant changes in the price of metals, potentially impairing our inventory values due to declines in commodity prices or reducing the profitability of our downstream contracts due to rising commodity pricing; impacts from global health epidemics, including the COVID-19 pandemic, on the economy, demand for our products, global supply chain and on our operations; excess capacity in our industry, particularly in China, and product availability from competing steel mills and other steel suppliers including import quantities and pricing; the impact of the Russian invasion of Ukraine on the global economy, inflation, energy supplies and raw materials, which is uncertain, but may prove to negatively impact our business and operations; increased attention to environmental, social and governance ("ESG") matters, including any targets or other ESG or environmental justice initiatives; operating and startup risks, as well as market risks associated with the commissioning of new projects could prevent us from realizing anticipated benefits and could result in a loss of all or a substantial part of our investments; compliance with and changes in existing and future laws, regulations and other legal requirements and judicial decisions that govern our business, including increased environmental regulations associated with climate change and greenhouse gas emissions; involvement in various environmental matters that may result in fines, penalties or judgments; evolving remediation technology, changing regulations, possible third-party contributions, the inherent uncertainties of the estimation process and other factors that may impact amounts accrued for environmental liabilities; potential limitations in our or our customers' abilities to access credit and non-compliance of their contractual obligations, including payment obligations; activity in repurchasing shares of our common stock under our repurchase program; financial covenants and restrictions on the operation of our business contained in agreements governing our debt; our ability to successfully identify, consummate and integrate acquisitions and realize any or all of the anticipated synergies or other benefits of acquisitions; the effects that acquisitions may have on our financial leverage; risks associated with acquisitions generally, such as the inability to obtain, or delays in obtaining, required approvals under applicable antitrust legislation and other regulatory and third party consents and approvals; lower than expected future levels of revenues and higher than expected future costs; failure or inability to implement growth strategies in a timely manner; impact of goodwill or other indefinite lived intangible asset impairment charges; impact of long-lived asset impairment charges; currency fluctuations; global factors, such as trade measures, military conflicts and political uncertainties, including changes to current trade regulations, such as Section 232 trade tariffs and quotas, tax legislation and other regulations which might adversely impact our business; availability and pricing of electricity, electrodes and natural gas for mill operations; ability to hire and retain key executives and other employees; competition from other materials or from competitors that have a lower cost structure or access to greater financial resources; information technology interruptions and breaches in security; ability to make necessary capital expenditures; availability and pricing of raw materials and other items over which we exert little influence, including scrap metal, energy and insurance; unexpected equipment failures; losses or limited potential gains due to hedging transactions; litigation claims and settlements, court decisions, regulatory rulings and legal compliance risks; risk of injury or death to employees, customers or other visitors to our operations; and civil unrest, protests and riots.



Increasing Shareholder Value...With a Winning Formula



- ↗ **Leading positions** in core products and geographies
- ↗ **Focused strategy** that leverages capabilities, competitive strengths, and market knowledge
- ↗ **Strong balance sheet and cash generation** provides flexibility to execute on strategy
- ↗ **Vertical structure** optimizes returns through the entire value chain
- ↗ **Disciplined capital allocation** focused on maximizing returns for our shareholders



Key Takeaways From Today's Call

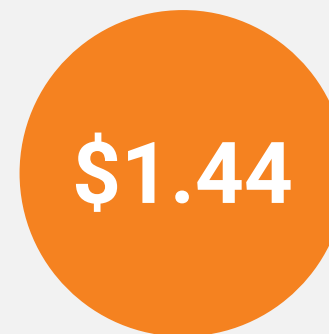
- ✓ **Historically strong financial results despite Q2 margin and weather-related challenges**
 - Quarter also included a significant planned outage
- ✓ **Expect sequential earnings improvement**
 - Anticipate benefits from margin stabilization and higher shipments
- ✓ **Positive North America long-term fundamentals supported by infrastructure spending programs and outlook for large-scale industrial projects**
- ✓ **Arizona 2 expected to start production in late spring**
 - Anticipate to begin shipping during the fourth quarter
 - Increases CMC's ability to capitalize on strong multi-year market fundamentals
- ✓ **Management bench augmented with appointment of Peter Matt as President**
 - Well-respected industry leader who has served on CMC's Board of Directors since 2020
- ✓ **Strong financial position**
 - Balance sheet strength and cash flow profile continue to provide capital allocation flexibility



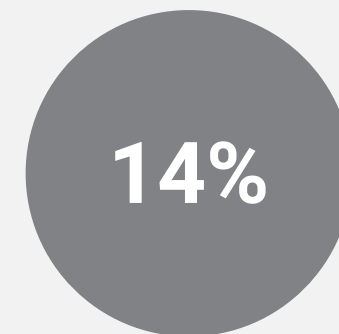
Q2 Core EBITDA⁽¹⁾



Q2 Adjusted Earnings⁽¹⁾



Q2 Adjusted EPS⁽¹⁾



Q2 Annualized ROIC⁽¹⁾

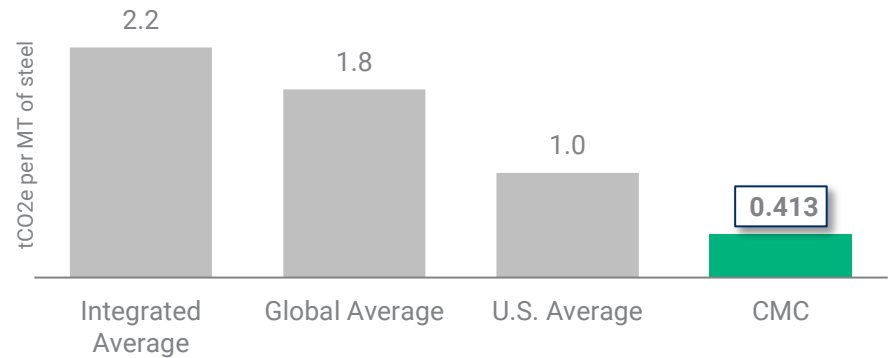


¹ Core EBITDA, annualized return on invested capital, adjusted earnings, and adjusted EPS are non-GAAP financial measures. For definitions and reconciliations of non-GAAP financial measures to the most directly comparable GAAP financial measures, see the appendix to this document

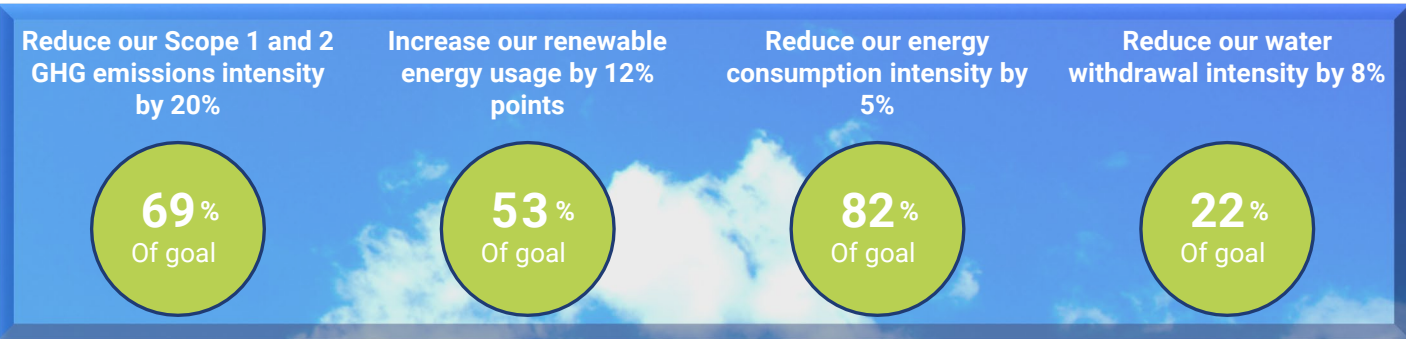
Clear Sustainability Leader

CMC plays a key role in the circular steel economy, turning society’s metallic waste into the steel that forms the backbone of modern life

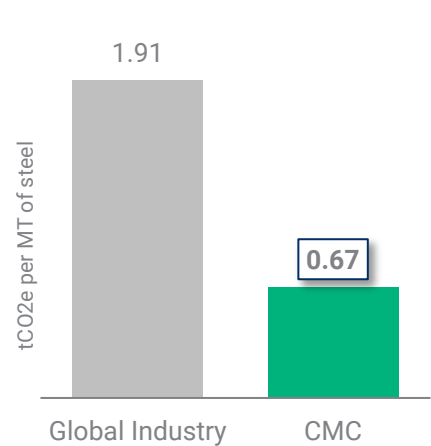
Scopes 1&2 Greenhouse Gas Emissions (GHG) Intensity



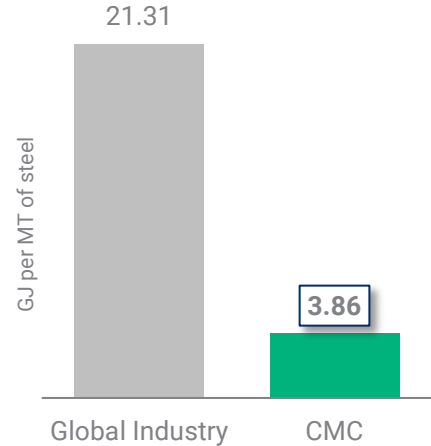
Progress on 2030 Goals (2019 baseline^[1])



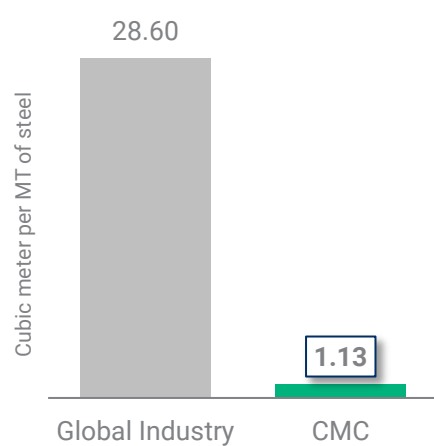
Scopes 1-3 GHG Emissions Intensity



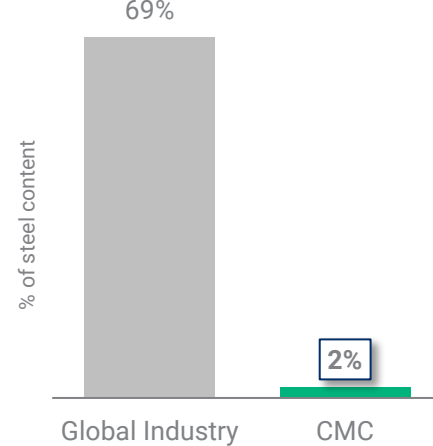
Energy Intensity




Water Withdrawal Intensity



Virgin Materials Used in Steelmaking





ACCOUNTABILITY FOR OUR ACTIONS



RESPECT FOR OUR ENVIRONMENT



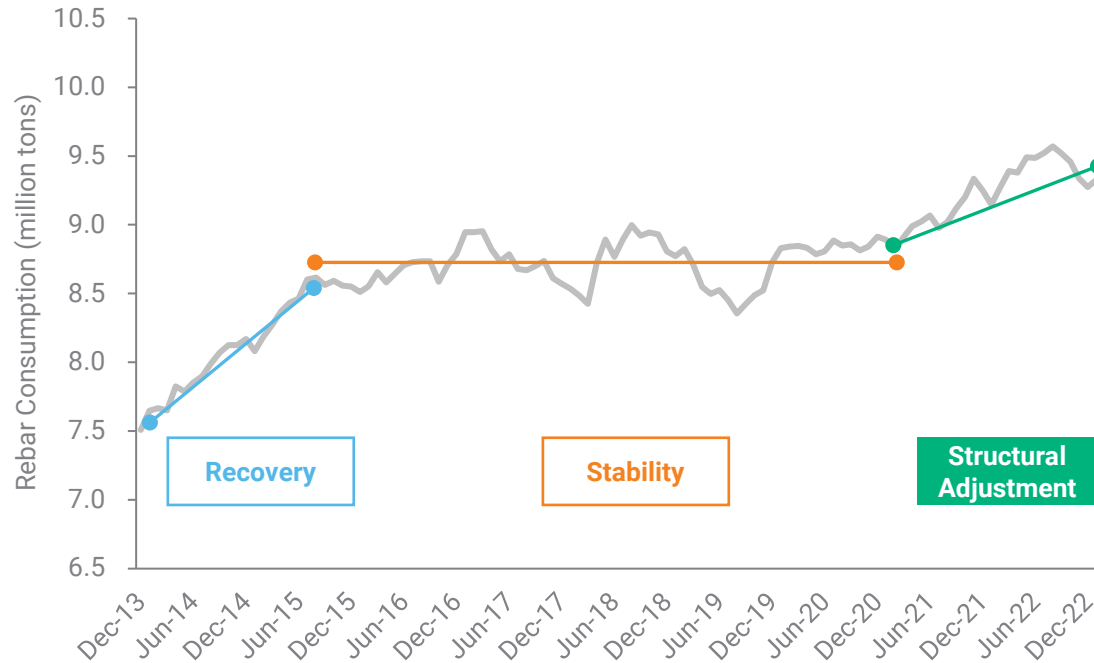
ACTING WITH INTEGRITY



[1] Represents progress on environmental goals as of fiscal year 2022, compared to fiscal year 2019
Note: GHG emissions statistics for CMC include only steel mill operations, which represents over 95% of CMC’s emissions footprint
Sources: CMC 2022 Sustainability Report; virgin material content for industry based on data from Bureau of International Recycling; all other industry data sourced from the World Steel Association

Attractive Market Environment in North America

U.S. Rebar Consumption Trending Up¹ (trailing 12-month basis)



➤ **The ongoing Structural Adjustment** has occurred in phases:

- 1) Pandemic driven North to South migration and residential buildout
- 2) Construction of e-commerce facilities, warehouses, and data centers
- 3) Major reshoring projects (e.g., semiconductors, LNG facilities, automotive suppliers)
- 4) Federally funded infrastructure investment is yet to impact construction activity, but is expected to do so in calendar 2023

Near-Term Market Outlook – Key Construction Indicators

External Indicators

Dodge Momentum Index

↑ 43% y/y

State Highway Contract Awards²

↑ 24% y/y

Internal Indicators

CMC New Project Bid Volumes

↑ 34% y/y

Downstream Backlog Value

↑ 20% y/y

- Dodge Momentum Index registered its 3rd highest reading in February, pointing toward growth in private non-residential construction
- Highway awards lead construction activity. Growth in 2022 awards signals a strong spring and summer construction season for 2023
- CMC's internal demand measures echo key external indicators. The flow of new work into the project pipeline remains robust, with a solid blend of private and public work
- Backlog repricing over the last six quarters, combined with strong award activity, has led to historically high value in backlog



[1] Data from Steel Manufacturers' Association

[2] Growth in state and local government highway contracts awarded in 2022 vs. 2021 as reported by the American Road and Transportation Builders Association

Powerful Long-Term Structural Trends Emerging

Successive crises of pandemic, supply chain failures, and geopolitical shocks have launched significant structural adjustments. Construction activity is at the heart of economic realignment.

INFRASTRUCTURE INVESTMENT

- 2021 Infrastructure Investment and Jobs Act (IIJA) significantly increases federal support for infrastructure investment
 - Estimated to increase annual rebar demand by 1.5 million tons at full run-rate
- Several states have meaningfully increased long-term highway funding, driven by the need for investment and strong tax revenues

Dodge Analytics
Infrastructure Design-
Phase Index

+400%
Y/Y (trailing 3-mo)

5-Year Highway
Construction Budgets
in CMC Top 3 States⁶

Expected **+24%**
vs. past year

RESHORING AND SUPPLY CHAIN REALIGNMENT

- Supply chain failures and direct government support have stimulated a massive amount of investment across multiple industries
- A recent survey¹ of manufacturing executives indicated that 68% intend to invest in reshoring projects, and shift 36% of Asia-originating shipments to other regions (e.g. Western hemisphere)

Semiconductor
Investments²

12 projects
\$287 billion

Electric Vehicle and
Battery Plants³

~20 projects
>\$61 billion

ENERGY

- The war in Ukraine and the resulting European energy crisis has led Europe to seek reliable sources of natural gas
 - Projects in planning or under construction have reached commercial deals on long-term arrangements
- Legislation to promote investment in renewable energy

LNG Export Terminals
in U.S. Gulf⁴

9 projects
in planning or under
construction

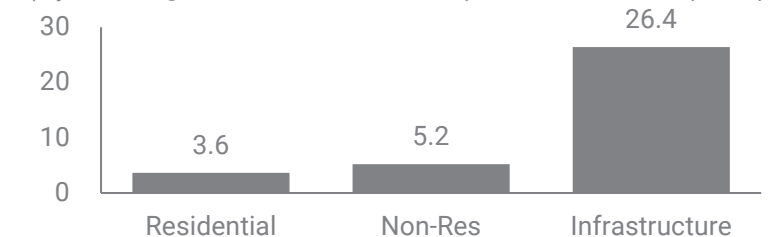
Federal Support for
Green Energy⁵

\$250 billion
from Inflation
Reduction Act

The trends highlighted above have the potential to support rebar demand for multiple years. Investments are being driven by necessity and the availability of government funding, making them less interest rate sensitive than traditional non-residential markets like office, retail, and lodging. These investments are also more rebar intensive. Infrastructure, for example, consumes 6x as much rebar per dollar invested compared to single-family housing and 5x a standard non-residential structure.

Rebar Consumption Intensities⁵

(5-year average: tons of rebar consumed per \$ million of value put-in-place)



[1] Survey conducted by Deloitte and reported in November 2022 [2] Data from CNBC [3] Data from Atlas Public Policy report [4] Data from S&P [5] Rebar intensities equal to consumption by market segment per Concrete Reinforcing Steel Institute divided by total construction spending by market segment per the U.S. Census Bureau [6] Source: McKinsey [6] CMC estimates based on government filings and reports

Well-Positioned to Benefit From Near-Term and Structural Trends

Sources of Stability

Record Downstream Backlog

- CMC has steadily improved the average pricing in its downstream backlog over the last eight quarters
- Currently at historically high volume and pricing levels
- Expected to help stabilize CMC North America earnings if steel product margins decline

Working Capital Release

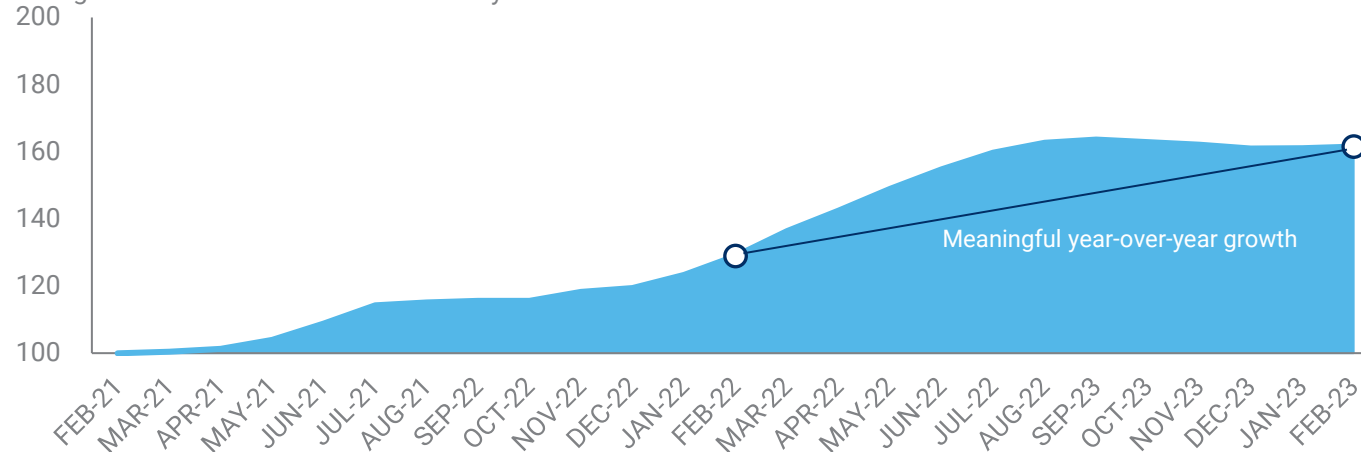
- CMC has invested roughly \$950 million in working capital since end of FY 2020
- In a downturn, this amount would be converted to cash and help stabilize CMC cash flow

Highly Flexible Operations Network

- Ability to optimize production across facilities and products in various demand scenarios
- Product mix enhancement in Poland

Downstream Backlog Value

Trailing 3-month basis indexed to February CY 2021



Sources of Growth

Arizona 2 Micro Mill

- Scheduled to start up in spring 2023
- Expected to add 500,000 tons of low-cost production with ability to flex between rebar and merchant bar
- Improves ability to capitalize on growing domestic demand for rebar
- Provides opportunity to further optimize mill and fabrication network through production mix, logistics improvements, and resource sharing

Tensar Acquisition

- Strong value proposition that reduces construction cost and duration
- Underpenetrated markets expected to provide significant organic growth opportunity
- Meaningfully extends CMC's growth runway; creates a platform for further expansion in high-margin engineered solutions
- Highly complementary products used in early phase of construction

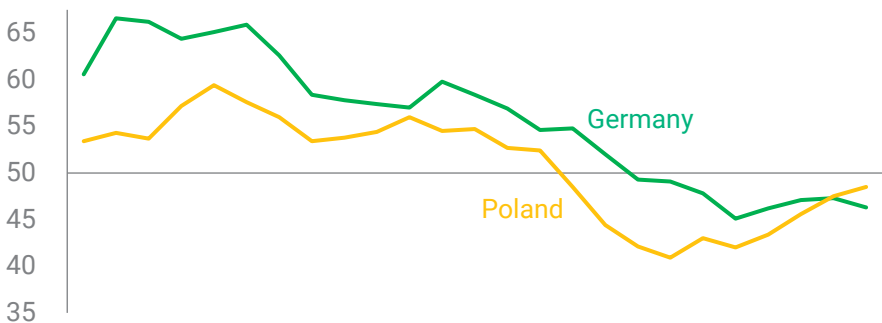
Key construction indicators continue to point toward strength over the near-term. Looking further ahead, several structural trends are underway that could provide meaningful tailwinds to activity. CMC is positioned well to capitalize on upside or respond to softness.



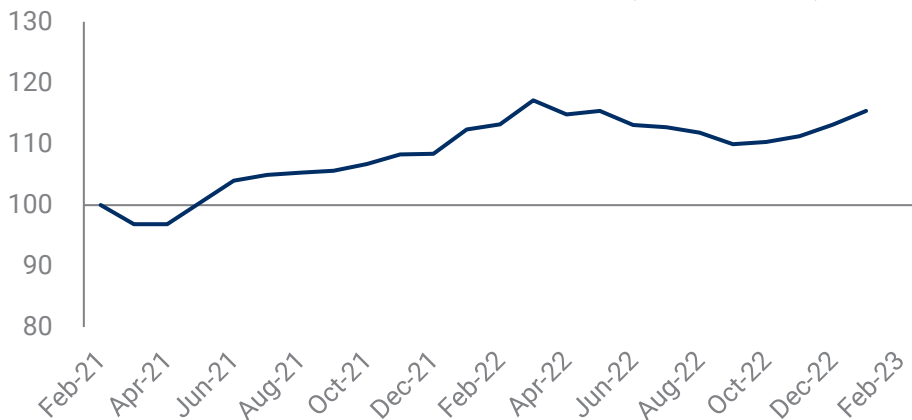
Strong Competitive Position in Europe Has Supported Shipments

CMC has maintained strong volumes by leveraging a favorable cost position and advantageous commercial and operational flexibility, even in challenging industrial end markets.

Poland and Germany Manufacturing PMIs¹

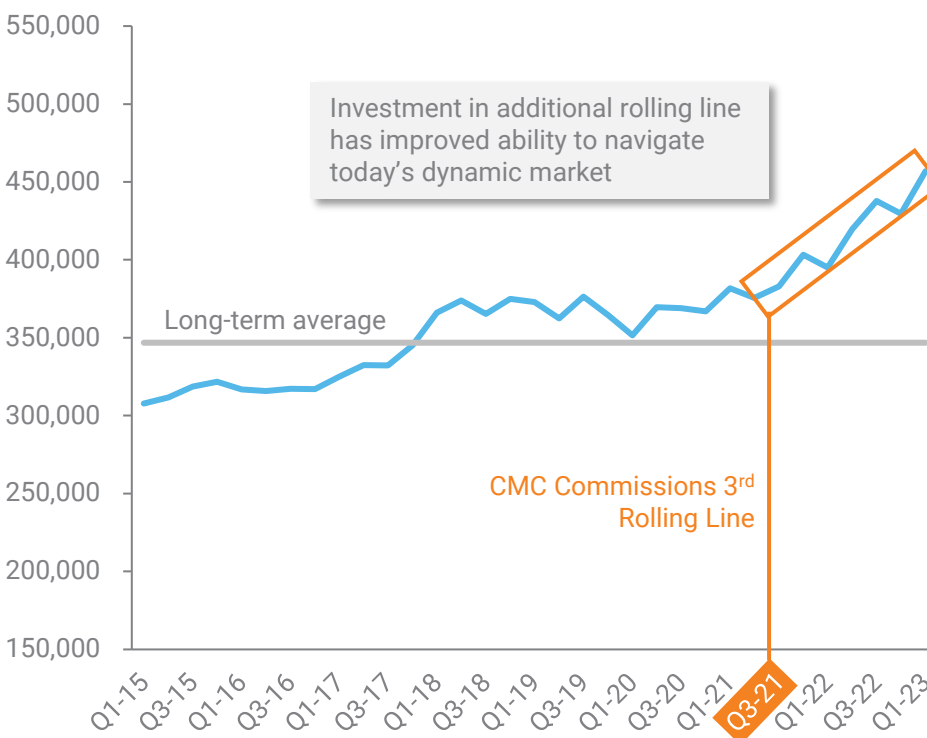


Poland Construction Volume Index² (Feb 2021=100)



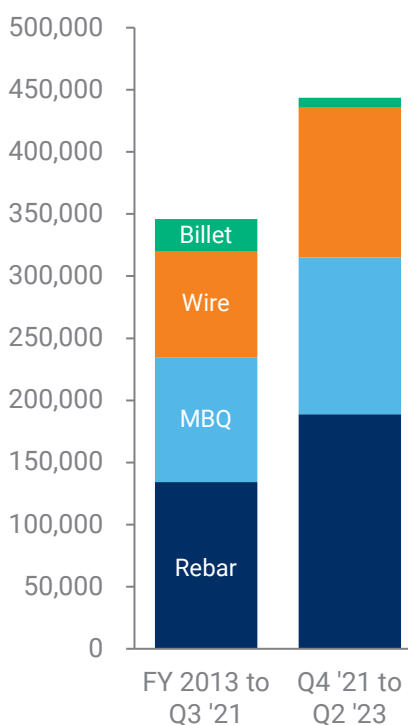
CMC Europe Steel Shipments

(Trailing 4-quarter basis in short tons)



Shipment Breakdown

(Quarterly average in short tons)



Demand conditions within Central Europe are dynamic and uncertain, but within this environment, CMC Europe has shown the ability to opportunistically serve the market to achieve solid shipment volumes and maintain profitability.



[1] Data from S&P Global manufacturing PMI report

[2] Data from Eurostat

Turkish Impact on Global Steel Markets

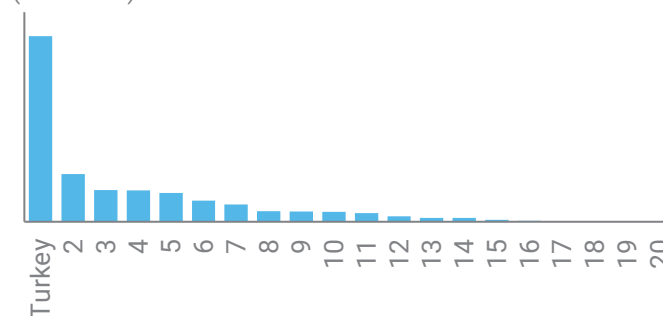
Turkey is a significant participant within scrap and rebar markets in both the U.S. and Europe. Increased scrap demand and/or reduced rebar availability related to Turkish reconstruction efforts could impact CMC's markets.

Turkey's Annual Scrap and Rebar Trade with U.S. and E.U.

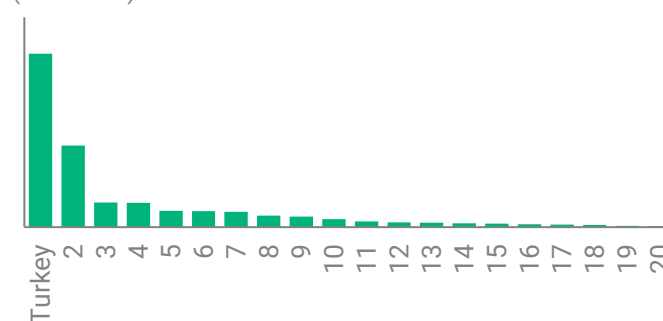
Data in thousand short tons
(E.U. scrap data from 2021, all other data from 2022)

	United States ¹	European Union ²
Total Obsolete Scrap Exports	13,300	20,290
Obsolete Scrap Exports to Turkey	3,500	14,400
Turkey % of Total	26%	71%
Total Rebar Imports	1,460	1,890
Rebar Imports from Turkey	420	525
Turkey % of Total	29%	28%

Relative Size of Top 20 Scrap Net Importing Countries³
(2021 data)



Relative Size of Top 20 Rebar Net Exporting Countries³
(2021 data)



Government reconstruction plans as reported in the media would require roughly 5.5 million to 6 million short tons of steel, including 3.9 million to 4.4 million short tons of rebar⁴



[1] Data from U.S. Census Bureau

[2] Data from Eurostat

[3] Data from U.N. Comtrade reporting system

[4] Based on reports referencing comments made by the president of the Turkish Steel Producers Association

Q2 Operational Update

Performance Drivers

- North America steel product margins over scrap continued to expand on a y/y basis, but compressed from the first quarter
 - Subsequent to quarter-end, CMC and other long steel producers announced \$50 per ton price increases across rebar, merchant bar, and wire rod
- North America finished steel volumes were constrained by weather-related shipment disruptions in several core geographies
- Major planned outage to replace an EAF impacted second quarter EBITDA by approximately \$15 million. Melt shop successfully restarted in February 2023
- Downstream average selling price increased \$249 per ton from a year ago, a reflection of newer, higher priced contracts replacing older contracts
- Downstream backlog volume grew on a year-over-year basis for seventh consecutive quarter
- Europe segment results negatively impacted, on a year-over-year basis, by a lower steel pricing environment, higher energy costs, and a modest reduction in shipments
 - Steel product margin over scrap declined \$40 per ton from a year ago
 - Energy costs increased by \$71 per ton y/y
- Europe maintained profitability and historically high shipment volumes within a challenging market environment
 - Leveraged strong competitive cost position and operational flexibility to address market opportunities

Outlook

- Q3 financial results are expected to improve from second quarter levels
- Finished steel shipments should follow a normal seasonal pattern (historically up from Q2) and, in North America, benefit from the recovery of some volumes that were delayed in Q2 due to weather disruptions
- Volumes in North America should be supported by a robust downstream backlog, as well as end market strength
- Third quarter will include a planned outage similar in cost and scope to the outage taken in Q2
- Margins over scrap in North America should stabilize at historically high levels following a recent steel price increase



Q2 Consolidated Operating Results

Performance Summary

Units in 000's except per ton amounts

	Q2 '22	Q3 '22	Q4 '22	Q1 '23	Q2 '23
External Finished Steel Tons Shipped ¹	1,429	1,654	1,560	1,559	1,408
Core EBITDA ²	\$323,107	\$483,913	\$419,021	\$424,985	\$302,788
Core EBITDA per Ton of Finished Steel Shipped ²	\$226	\$293	\$269	\$273	\$215
Adjusted Earnings ²	\$187,553	\$320,244	\$294,924	\$266,192	\$171,319

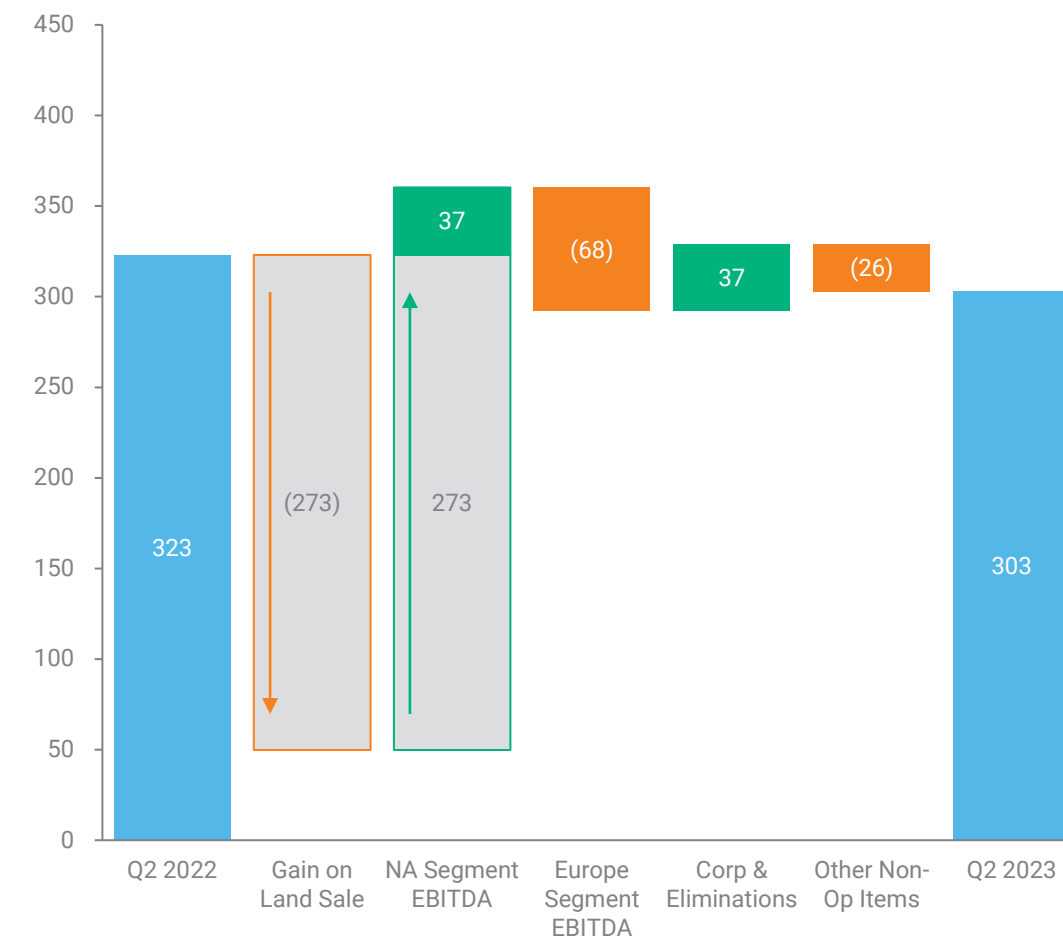
Non-Operating Adjustments (excluded from results above)

Figures are pre-tax for Q2 2023

- \$17.7 million recognition of incentive related to Steel Oklahoma capital investment
- \$6.8 million in costs related to start-up activities at Arizona 2 mill project

Core EBITDA Bridge – Q2 2022 to Q2 2023

\$ Millions



[1] External Finished Steel Tons Shipped equal to shipments of Steel Products plus Downstream Products

[2] Core EBITDA, Core EBITDA per ton of finished steel shipped, and adjusted earnings are non-GAAP measures. For reconciliations of non-GAAP financial measures to the most directly comparable GAAP financial measures, see the appendix to this document.

Q2 North America

Performance Summary

Units in 000's except per ton amounts (excludes California land sale)

	Q2 '22	Q3 '22	Q4 '22	Q1 '23	Q2 '23
External Finished Steel Tons Shipped ^[1]	979	1,178	1,132	1,086	972
Adjusted EBITDA	\$262,148	\$379,355	\$370,516	\$377,956	\$299,311
Adjusted EBITDA per Ton of Finished Steel Shipped	\$268	\$322	\$327	\$348	\$308
Adjusted EBITDA Margin	16.2%	18.7%	18.5%	20.8%	18.2%

Key Performance Drivers

Q2 2023 vs Q2 2022

- Increase in steel product margins over scrap
 - Up \$34 per ton y/y
- Expanded margins on sales of downstream products
 - Margin over scrap cost increased \$352 per ton y/y (lagging scrap by one quarter)
 - Full value chain profitability on sales of downstream products above long-term average
- Positive contribution from Tensar (\$7.4 million)
- Controllable costs negatively impacted by planned upgrade outage, energy, and alloys
 - Planned outage impacted costs by roughly \$15 million vs. prior year

Notes:

[1] External Finished Steel Tons Shipped equal to shipments of Steel Products plus Downstream Products

[2] Downstream Product Margin Over Scrap equals Average Selling Price minus cost of ferrous scrap utilized during the prior quarter

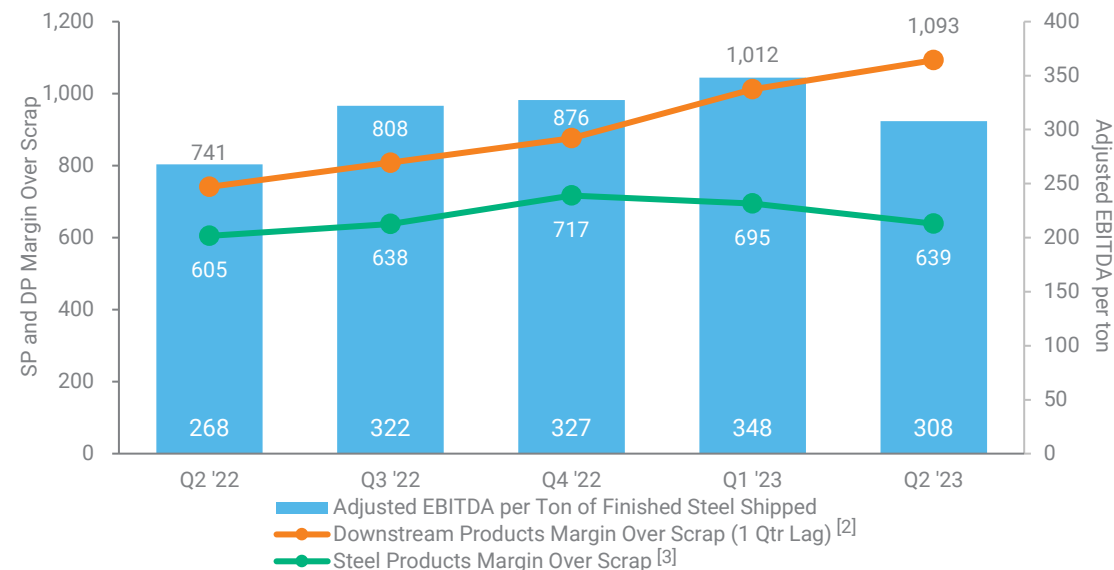
[3] Steel Products Margin Over Scrap equals Average Selling Price minus Cost of ferrous scrap utilized

[4] Weighted average finished steel margin over scrap equals weighted average selling price of steel products and downstream products minus cost of ferrous scrap utilized



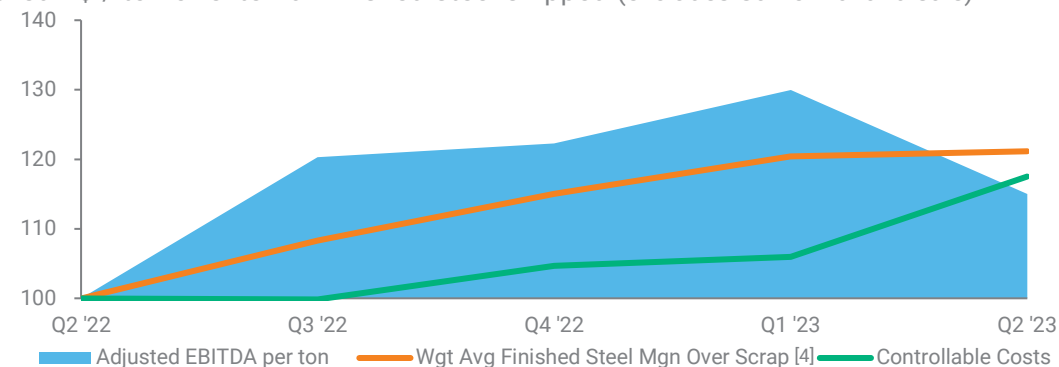
North America – Key Margins

\$ / ton (excludes California land sale)



North America Indexed Margins and Controllable Costs

Indexed - \$ / ton of external finished steel shipped (excludes California land sale)



Q2 Europe

Performance Summary

Units in 000's except per ton amounts

	Q2 '22	Q3 '22	Q4 '22	Q1 '23	Q2 '23
External Finished Steel Tons Shipped ^[1]	450	476	428	473	436
Adjusted EBITDA	\$81,149	\$120,974	\$64,096	\$64,505	\$12,949
Adjusted EBITDA per Ton of Finished Steel Shipped	\$180	\$254	\$150	\$136	\$30
Adjusted EBITDA Margin	20.5%	25.0%	15.5%	15.9%	3.6%

Key Performance Drivers

Q2 2023 vs Q2 2022

- Margins over scrap declined from the prior year period
 - Down \$40 per ton y/y
- Costs impacted by rising energy price environment
 - CMC is positioned well relative to the broader industry, but costs have increased meaningfully on an absolute basis
- Shipment volumes declined modestly from the prior year period

Notes:

[1] External Finished Steel Tons Shipped equal to shipments of Steel Products

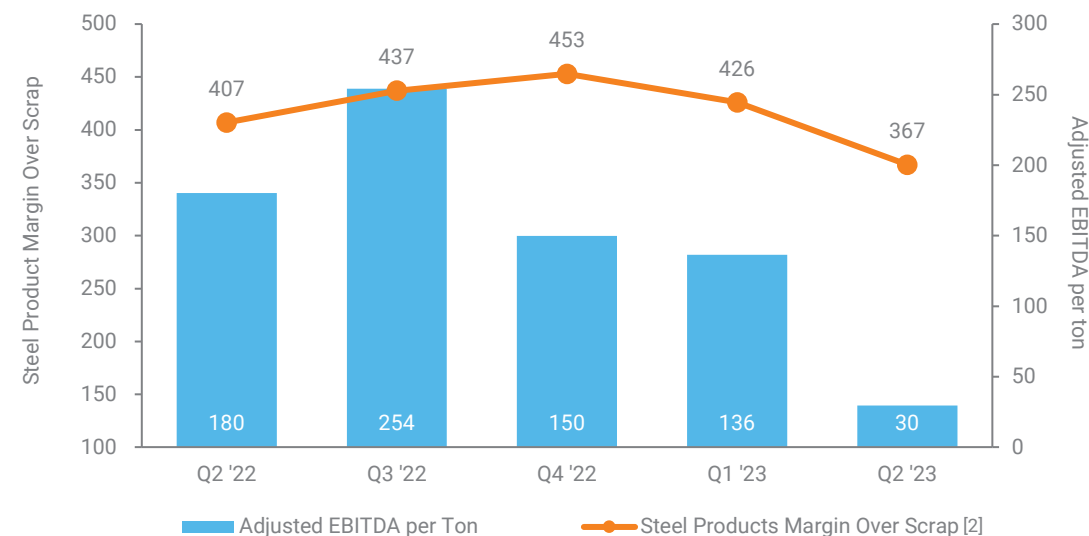
[2] Steel Products Margin Over Scrap equals Average Selling Price minus Cost of ferrous scrap utilized

[3] Data sourced from Eurostat and Polish customs data



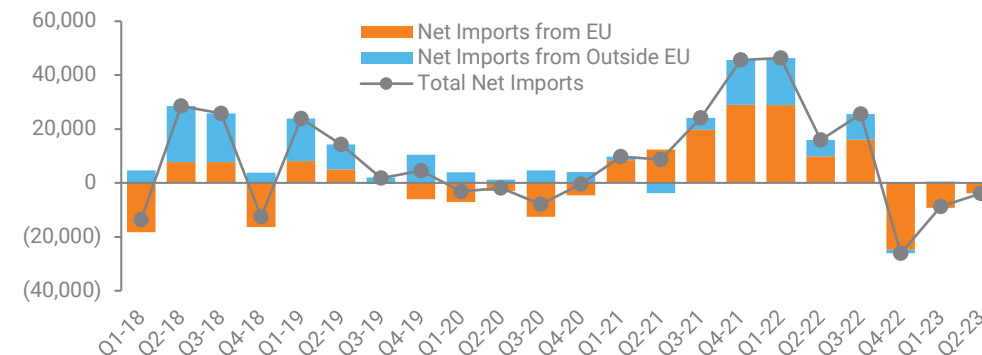
Europe – Key Margins

\$ / ton



Poland Rebar Trade Balance

(Q2 2023 data to December)³



Disciplined Capital Allocation Strategy

CMC will prudently allocate capital while maintaining a strong and flexible balance sheet

CMC Capital Allocation Priorities: **1** Value-Generating Growth **2** Shareholder Distributions **3** Debt Management

2023 Sources of Cash

- Cash flow from earnings
- Working capital release

2023 Uses of Cash

- Completion of Arizona 2 greenfield project
- Initial investments in CMC Steel West Virginia
- Key equipment replacement and upgrade projects at several mills
- Opportunistic M&A
- Share repurchases (\$66 million in 1H FY 2023)
- Repayment of 2023 senior notes

Quarterly dividend of \$0.16 per share
(increased 14% in Q4 2022)

Shareholder Cash Distribution
Programs in Place

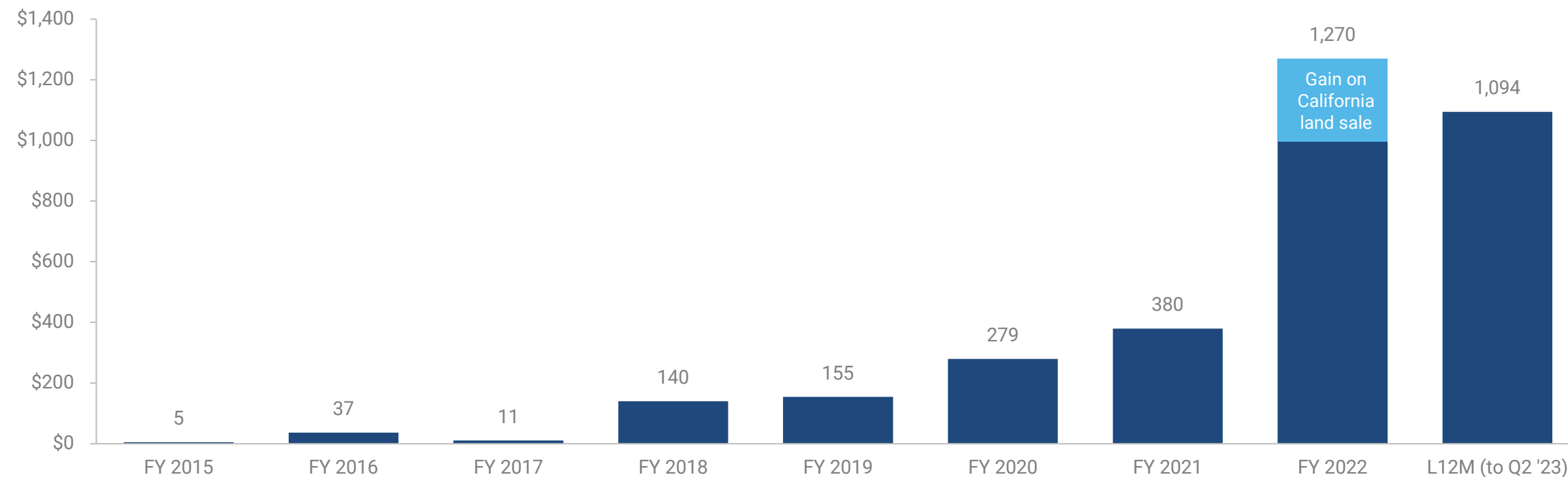
**\$350 million share repurchase
program (\$122 million remaining)**



Cash Generation Profile

Adjusted EBITDA Less Sustaining Capital Expenditures and Disbursements to Stakeholders¹

(in millions)



- ▶ CMC's cash flow capabilities have been greatly enhanced through our strategic transformation
- ▶ FY 2023 capital expenditures expected in a range of \$550 million to \$600 million



Source: Public filings, Internal data

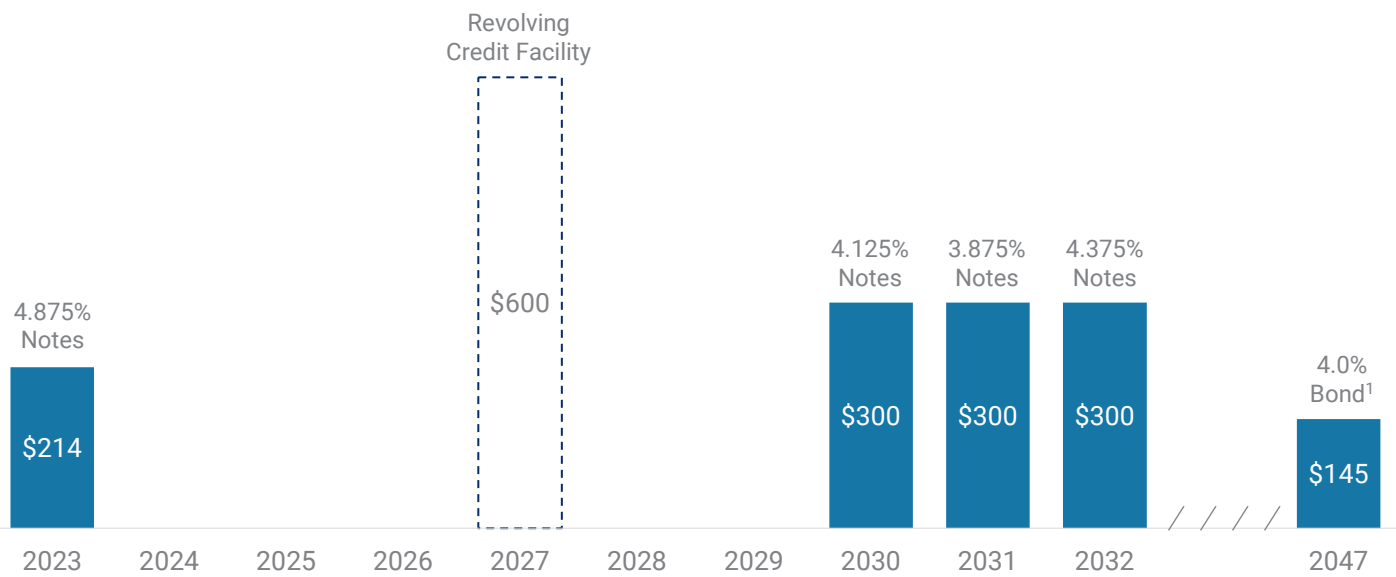
[1] Adjusted EBITDA less Sustaining Capital Expenditures and Disbursements to Stakeholders is a non-GAAP financial measure. For reconciliations of non-GAAP financial measures to the most directly comparable GAAP financial measures, see the appendix to this document.

Balance Sheet Strength

Debt maturity profile provides strategic flexibility

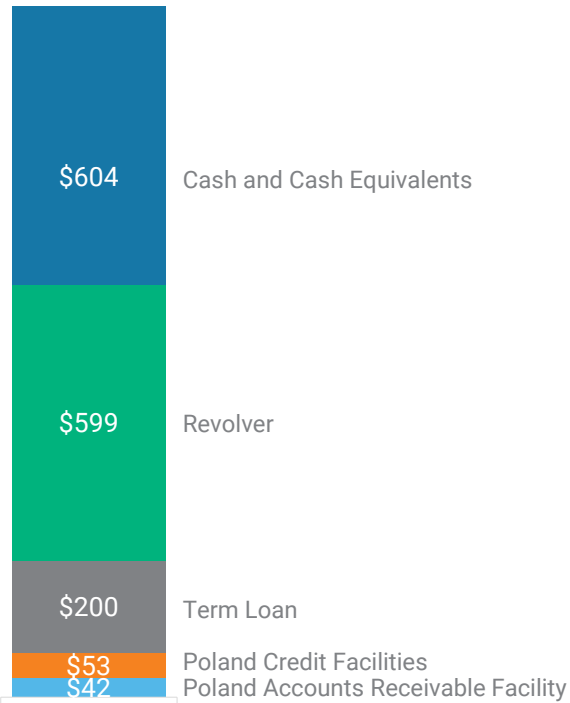
Debt Maturity Profile

(US\$ in millions)



Q2 FY'23 Liquidity

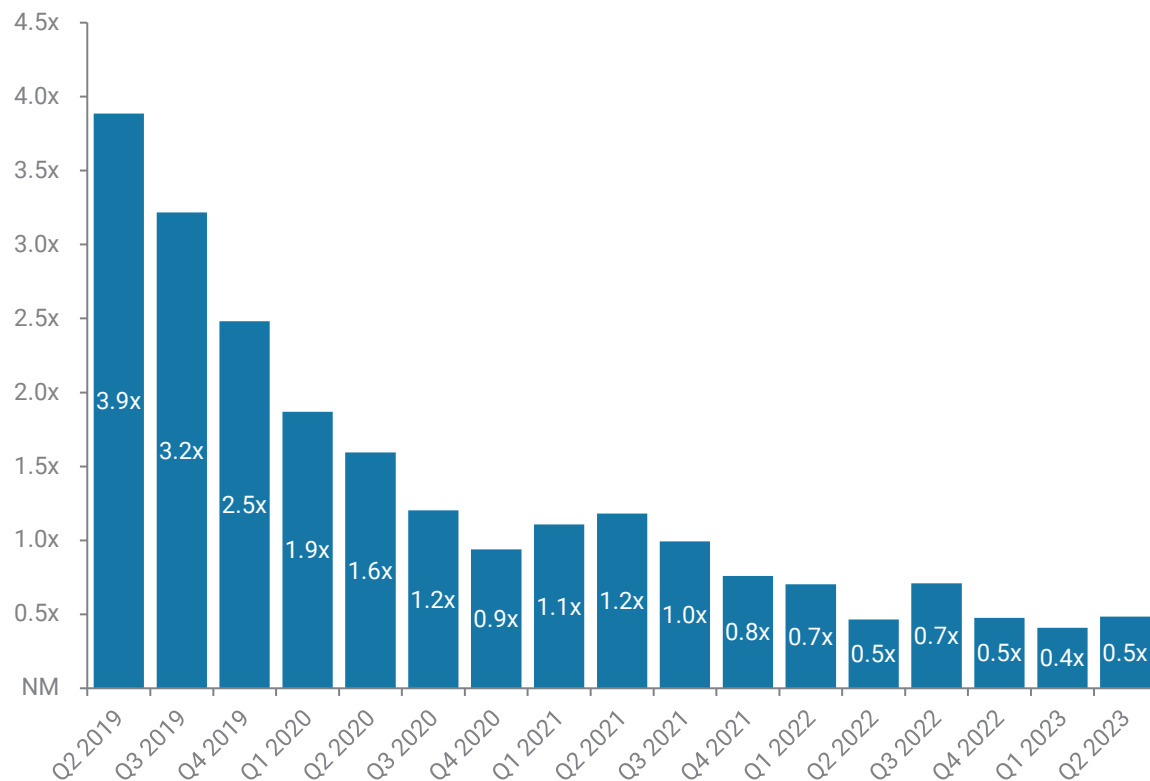
(US\$ in millions)



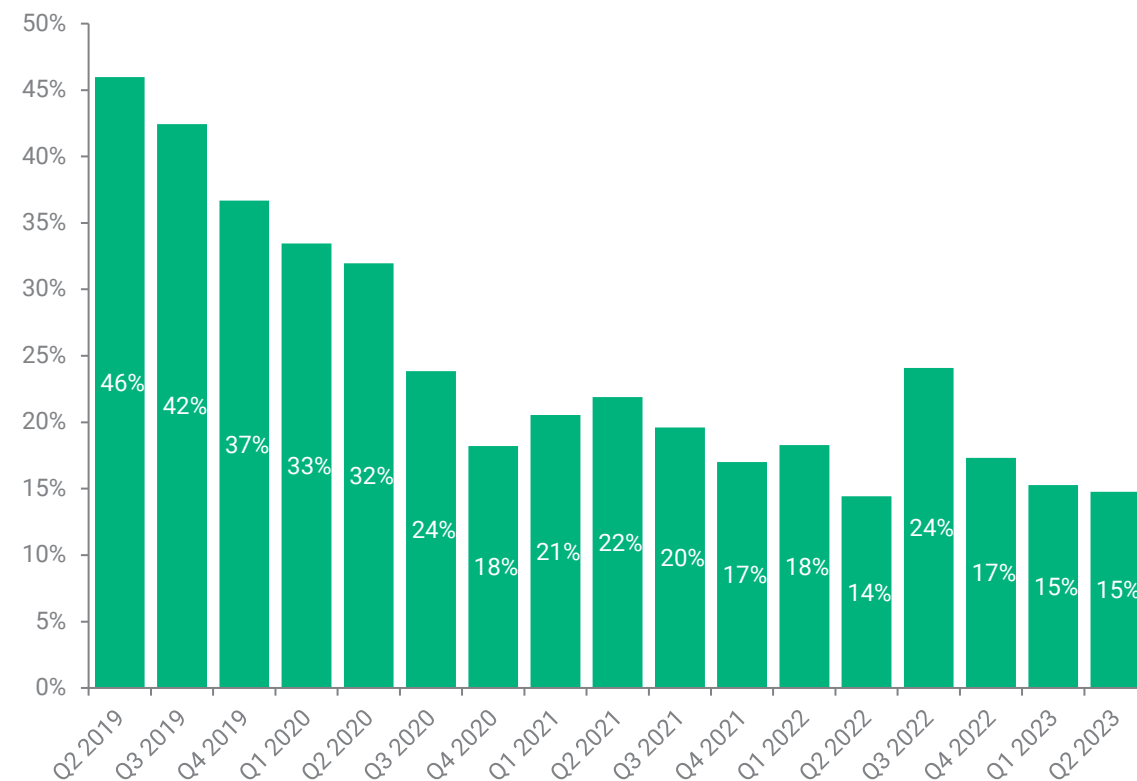
[1] 2047 tax-exempt bonds were priced to yield 3.5%; coupon rate is 4.0%
Source: Public filings

Leverage Profile

Net Debt^{1,2} / EBITDA³



Net Debt-to-Capitalization⁴



► Financial strength gives us the flexibility to fund our announced projects, pursue opportunistic M&A, and distribute cash to shareholders

Source: Public filings, Internal data

Notes:

1. Total debt is defined as long-term debt plus current maturities of long-term debt and short-term borrowings.

2. Net Debt is defined as total debt less cash & cash equivalents.

3. EBITDA depicted is adjusted EBITDA from continuing operations on a trailing 12-month basis.

4. Net debt-to-capitalization is defined as net debt on CMC's balance sheet divided by the sum of total debt and stockholders' equity.

For a reconciliation of non-GAAP financial measures to the most directly comparable GAAP financial measures, see the appendix to this document.



Appendix:

Non-GAAP Financial Reconciliations



Adjusted EBITDA and Core EBITDA – Last Five Quarters

Figures in thousand \$

	3 MONTHS ENDED				
	2/28/2023	11/30/2022	8/31/2022	5/31/2022	2/28/2022
Net earnings from continuing operations	\$179,849	\$261,774	\$288,630	\$312,429	\$383,314
Interest expense	9,945	13,045	14,230	13,433	12,011
Income taxes	55,641	76,725	49,991	92,590	126,432
Depreciation and amortization	51,216	51,183	49,081	43,583	41,134
Asset impairments	36	9	453	3,245	1,228
Adjusted EBITDA¹	\$296,687	\$402,736	\$402,385	\$465,280	\$564,119
Non-cash equity compensation	16,949	16,675	9,122	11,986	16,251
Loss on debt extinguishment	–	–	–	–	16,052
Gain on sale of assets	–	–	–	–	(273,315)
New Markets Tax Credit	(17,659)	–	–	–	–
Acquisition and integration related costs and other	–	–	1,008	4,478	–
Purchase accounting effect on inventory	–	–	6,506	2,169	–
Mill operational start-up costs ²	6,811	5,574	–	–	–
Core EBITDA¹	\$302,788	\$424,985	\$419,021	\$483,913	\$323,107
Shipments in thousand tons					
North America steel product shipments	661	704	700	779	652
North America downstream shipments	311	382	432	399	327
Europe steel product shipments	436	473	428	476	450
Total finished steel shipments	1,408	1,559	1,560	1,654	1,429
Core EBITDA per ton of finished steel shipped	\$215	\$273	\$269	\$293	\$226



[1] See page 25 for definitions of non-GAAP measures

[2] Net of depreciation and non-cash equity compensation

Adjusted Earnings

Figures in thousand \$

	3 MONTHS ENDED				
	2/28/2023	11/30/2022	8/31/2022	5/31/2022	2/28/2022
Net earnings from continuing operations	\$179,849	\$261,774	\$288,630	\$312,429	\$383,314
Gain on sale of assets	–	–	–	–	(273,315)
Loss on debt extinguishment	–	–	–	–	16,052
Asset impairments	36	9	453	3,245	1,228
New Markets Tax Credit	(17,659)	–	–	–	–
Acquisition and integration related costs and other	–	–	1,008	4,478	–
Purchase accounting effect on inventory	–	–	6,506	2,169	–
Mill operational start-up costs	6,825	5,584	–	–	–
Total adjustments (pre-tax)	(\$10,798)	\$5,593	\$7,967	\$9,892	(\$256,035)
Tax impact					
Related tax effects on adjustments	2,268	(1,175)	(1,673)	(2,077)	60,274
Total tax impact	\$2,268	(\$1,175)	(\$1,673)	(\$2,077)	\$60,274
Adjusted earnings¹	\$171,319	\$266,192	\$294,924	\$320,244	\$187,553
Average diluted shares outstanding (thousands)	118,723	118,925	120,457	122,800	122,852
Adjusted earnings per diluted share¹	\$1.44	\$2.24	\$2.45	\$2.61	\$1.53



[1] See page 25 for definitions of non-GAAP measures

Annualized Return on Invested Capital – Q2 2023

	3 MOS ENDED 2/28/2023
<i>Figures in thousand \$</i>	
Earnings before income taxes	\$235,490
Plus: interest expense	9,945
Plus: asset impairments	36
Plus: mill operational start-up costs	6,825
Less: New Markets Tax Credit	(17,659)
Operating profit	\$234,637
Operating profit	\$234,637
Less: income tax at statutory rate ¹	56,782
Net operating profit after tax	\$177,855
Annualized net operating profit after tax	\$711,420
Assets	\$6,484,851
Less: cash and cash equivalents	603,966
Less: accounts payable	422,814
Less: accrued expenses and other payables	378,572
Invested capital	\$5,079,499
Annualized net operating profit after tax	\$711,420
Invested capital (average of Q2 2023 and Q1 2023 ending balance)	\$4,966,626
Annualized Return on Invested Capital ²	14.3%



[1] Federal statutory rate of 21% plus approximate impact of state level income tax

[2] See page 25 for definitions of non-GAAP measures

Adjusted EBITDA Less Sustaining Capital Expenditures and Disbursements to Stakeholders

Figures in thousand \$

	12 MONTHS ENDED									6 MONTHS ENDED	
	2/28/2023	8/31/2022	8/31/2021	8/31/2020	8/31/2019	8/31/2018	8/31/2017	8/31/2016	8/31/2015	2/28/2023	2/28/2022
Net earnings from continuing operations	1,042,682	\$1,217,262	\$412,865	\$278,302	\$198,779	\$135,237	\$50,175	\$62,001	\$58,583	\$441,623	\$616,203
Interest expense	50,653	50,709	51,904	61,837	71,373	40,957	44,151	62,121	76,456	22,990	23,046
Income taxes	274,947	297,885	121,153	92,476	69,681	30,147	15,276	13,976	36,097	132,366	155,304
Depreciation and amortization	195,063	175,024	167,613	165,749	158,652	131,508	124,490	127,111	135,559	102,399	82,360
Asset impairments	3,743	4,926	6,784	7,611	384	14,372	1,730	40,028	2,573	45	1,228
Amortization of acquired unfavorable contract backlog	–	–	(6,035)	(29,367)	(74,784)	–	–	–	–	–	–
Adjusted EBITDA¹	\$1,567,088	\$1,745,806	\$754,284	\$576,608	\$424,085	\$352,221	\$235,822	\$305,237	\$309,268	\$699,423	\$878,141
Sustaining capital expenditures and disbursements to stakeholders											
Sustaining capital expenditures (depreciation and amortization used as proxy)	195,063	175,024	167,613	165,749	158,652	131,508	124,490	127,111	135,559	102,399	82,360
Interest expense	50,653	50,709	51,904	61,837	71,373	40,957	44,151	62,121	76,456	22,990	23,046
Cash income taxes	210,707	229,316	140,950	44,499	7,977	7,198	30,963	50,201	61,000	114,585	133,194
Dividends	71,262	67,749	57,766	57,056	56,537	56,076	55,514	55,342	55,945	37,524	34,011
Less: Equity Compensation	(54,732)	(46,978)	(43,677)	(31,850)	(25,106)	(24,038)	(21,469)	(26,355)	(24,484)	(33,624)	(25,870)
Total capital expenditures and disbursements to stakeholders	\$472,953	\$475,820	\$374,556	\$297,291	\$269,433	\$211,701	\$233,649	\$268,420	\$304,476	\$243,874	\$246,741
Adjusted EBITDA less capital expenditures and disbursements to stakeholders¹	\$1,094,135	\$1,269,986	\$379,728	\$279,317	\$154,652	\$140,520	\$2,173	\$36,817	\$4,792	\$455,549	\$631,400



[1] See page 25 for definitions of non-GAAP measures

Net Debt to Adjusted EBITDA and Net Debt to Capitalization

	3 MONTHS ENDED																	
Figures in thousand \$	2/28/2023	11/30/2022	8/31/2022	5/31/2022	2/28/2022	11/30/2021	8/31/2021	5/31/2021	2/28/2021	11/30/2020	8/31/2020	5/31/2020	2/29/2020	11/30/2019	8/31/2019	5/31/2019	2/28/2019	11/30/2018
Long-term debt	\$1,099,728	\$1,093,146	\$1,113,249	\$1,115,478	\$1,445,755	\$1,007,801	\$1,015,415	\$1,020,129	\$1,011,035	\$1,064,893	\$1,065,536	\$1,153,800	\$1,144,573	\$1,179,443	\$1,227,214	\$1,306,863	\$1,310,150	\$1,307,824
Current maturities of long-term debt and short-term borrowings	264,762	239,406	388,796	423,091	27,554	56,896	54,366	56,735	22,777	20,701	18,149	17,271	22,715	13,717	17,439	54,895	88,902	29,083
Total debt	\$1,364,490	\$1,332,552	\$1,502,045	\$1,538,569	\$1,473,309	\$1,064,697	\$1,069,781	\$1,076,864	\$1,033,812	\$1,085,594	\$1,083,685	\$1,171,071	\$1,167,288	\$1,193,160	\$1,244,653	\$1,361,758	\$1,399,052	\$1,336,907
Less: Cash and cash equivalents	603,966	582,069	672,596	410,265	846,587	415,055	497,745	443,120	367,347	465,162	542,103	462,110	232,442	224,797	192,461	120,315	66,742	52,352
Net debt¹	\$760,524	\$750,483	\$829,449	\$1,128,304	\$626,722	\$649,642	\$572,036	\$633,744	\$666,465	\$620,432	\$541,582	\$708,961	\$934,846	\$968,363	\$1,052,192	\$1,241,443	\$1,332,310	\$1,284,555
Earnings from continuing operations	\$179,849	\$261,774	\$288,630	\$312,429	\$383,314	\$232,889	\$152,313	\$130,408	\$66,233	\$63,911	\$67,782	\$64,169	\$63,596	\$82,755	\$85,880	\$78,551	\$14,928	\$19,420
Interest expense	9,945	13,045	14,230	13,433	12,011	11,035	11,659	11,965	14,021	14,259	13,962	15,409	15,888	16,578	17,702	18,513	18,495	16,663
Income taxes	55,641	76,725	49,991	92,590	126,432	28,872	40,444	38,175	20,941	21,593	18,495	23,804	22,845	27,332	16,826	29,105	18,141	5,609
Depreciation and amortization	51,216	51,183	49,081	43,583	41,134	41,226	42,437	41,804	41,573	41,799	41,654	41,765	41,389	40,941	41,050	41,181	41,245	35,176
Asset impairments	36	9	453	3,245	1,228	–	2,439	277	474	3,594	1,098	5,983	–	530	369	15	–	–
Amortization of acquired unfavorable contract backlog	–	–	–	–	–	–	(1,495)	(1,508)	(1,509)	(1,523)	(10,691)	(4,348)	(5,997)	(8,331)	(16,582)	(23,394)	(23,476)	(11,332)
Adjusted EBITDA from continuing operations ¹	\$296,687	\$402,736	\$402,385	\$465,280	\$564,119	\$314,022	\$247,797	\$221,121	\$141,733	\$143,633	\$132,300	\$146,782	\$137,721	\$159,805	\$145,245	\$143,971	\$69,333	\$65,536
Trailing 12 month adjusted EBITDA from continuing operations	\$1,567,088	\$1,834,520	\$1,745,806	\$1,591,218	\$1,347,059	\$924,673	\$754,284	\$638,787	\$564,448	\$560,436	\$576,608	\$589,553	\$586,742	\$518,354	\$424,085			
Total debt	\$1,364,490	\$1,332,552	\$1,502,045	\$1,538,569	\$1,473,309	\$1,064,697	\$1,069,781	\$1,076,864	\$1,033,812	\$1,085,594	\$1,083,685	\$1,171,071	\$1,167,288	\$1,193,160	\$1,244,653	\$1,361,758	\$1,399,052	\$1,336,907
Total stockholders' equity	3,783,193	3,584,235	3,286,429	3,142,169	2,869,947	2,486,189	2,295,109	2,156,597	2,009,492	1,934,899	1,889,413	1,800,662	1,758,055	1,701,697	1,624,057	1,564,195	1,498,496	1,489,027
Total capitalization	\$5,147,683	\$4,916,787	\$4,788,474	\$4,680,738	\$4,343,256	\$3,550,886	\$3,364,890	\$3,233,461	\$3,043,304	\$3,020,493	\$2,973,098	\$2,971,733	\$2,925,343	\$2,894,857	\$2,868,710	\$2,925,953	\$2,897,548	\$2,825,934
Net debt to trailing 12 month adjusted EBITDA from continuing operations	0.5x	0.4x	0.5x	0.7x	0.5x	0.7x	0.8x	1.0x	1.2x	1.1x	0.9x	1.2x	1.6x	1.9x	2.5x			
Net debt to capitalization	15%	15%	17%	24%	14%	18%	17%	20%	22%	21%	18%	24%	32%	33%	37%			



[1] See page 25 for definitions of non-GAAP measures

Definitions for non-GAAP financial measures

ADJUSTED EARNINGS

Adjusted earnings is a non-GAAP financial measure that is equal to earnings before debt extinguishment costs, settlement for New Market Tax Credit transactions, certain gains on sale of assets, asset impairments, purchase accounting effect on inventory, mill operational start-up costs, acquisition and integration related costs and other, including the estimated income tax effects thereof. Adjusted earnings should not be considered as an alternative to net earnings or any other performance measure derived in accordance with GAAP. However, we believe that adjusted earnings provides relevant and useful information to investors as it allows: (i) a supplemental measure of our ongoing core performance and (ii) the assessment of period-to-period performance trends. Management uses adjusted earnings to evaluate our financial performance. Adjusted earnings may be inconsistent with similar measures presented by other companies. Adjusted earnings per diluted share (or adjusted EPS) is defined as adjusted earnings on a diluted per share basis.

CORE EBITDA

Core EBITDA is the sum of net earnings before interest expense and income taxes. It also excludes recurring non-cash charges for depreciation and amortization, asset impairments, and amortization of acquired unfavorable contract backlog. Core EBITDA also excludes debt extinguishment costs, settlement for New Market Tax Credit transactions, non-cash equity compensation, certain gains on sale of assets, certain facility closure costs, acquisition settlement costs, labor cost government refunds, acquisition and integration related costs, mill operational start-up costs, CMC Steel Oklahoma incentives, severance, and purchase accounting effect on inventory. Core EBITDA should not be considered an alternative to earnings (loss) from continuing operations or net earnings (loss), or as a better measure of liquidity than net cash flows from operating activities, as determined by GAAP. However, we believe that Core EBITDA provides relevant and useful information, which is often used by analysts, creditors and other interested parties in our industry as it allows: (i) comparison of our earnings to those of our competitors; (ii) a supplemental measure of our ongoing core performance; and (iii) the assessment of period-to-period performance trends. Additionally, Core EBITDA is the target benchmark for our annual and long-term cash incentive performance plans for management. Core EBITDA may be inconsistent with similar measures presented by other companies.

ADJUSTED EBITDA

Adjusted EBITDA is a non-GAAP financial measure. Adjusted EBITDA is the sum of the Company's net earnings before interest expense, income taxes, depreciation and amortization expense, asset impairments, settlement for New Market Tax Credit transactions, and amortization of acquired unfavorable contract backlog. Adjusted EBITDA should not be considered as an alternative to net earnings, or any other performance measure derived in accordance with GAAP. However, we believe that adjusted EBITDA provides relevant and useful information to investors as it allows: (i) a supplemental measure of our ongoing performance and (ii) the assessment of period-to-period performance trends. Management uses adjusted EBITDA to evaluate our financial performance. Adjusted EBITDA may be inconsistent with similar measures presented by other companies.

ADJUSTED EBITDA LESS SUSTAINING CAPITAL EXPENDITURES AND DISBURSEMENTS TO STAKEHOLDERS

Adjusted EBITDA less sustaining capital expenditures and disbursements to shareholders is defined as Adjusted EBITDA less depreciation and amortization (used as a proxy for sustaining capital expenditures) less interest expense, less cash income taxes less dividend payments plus stock-based compensation.

NET DEBT

Net debt is defined as total debt less cash and cash equivalents.

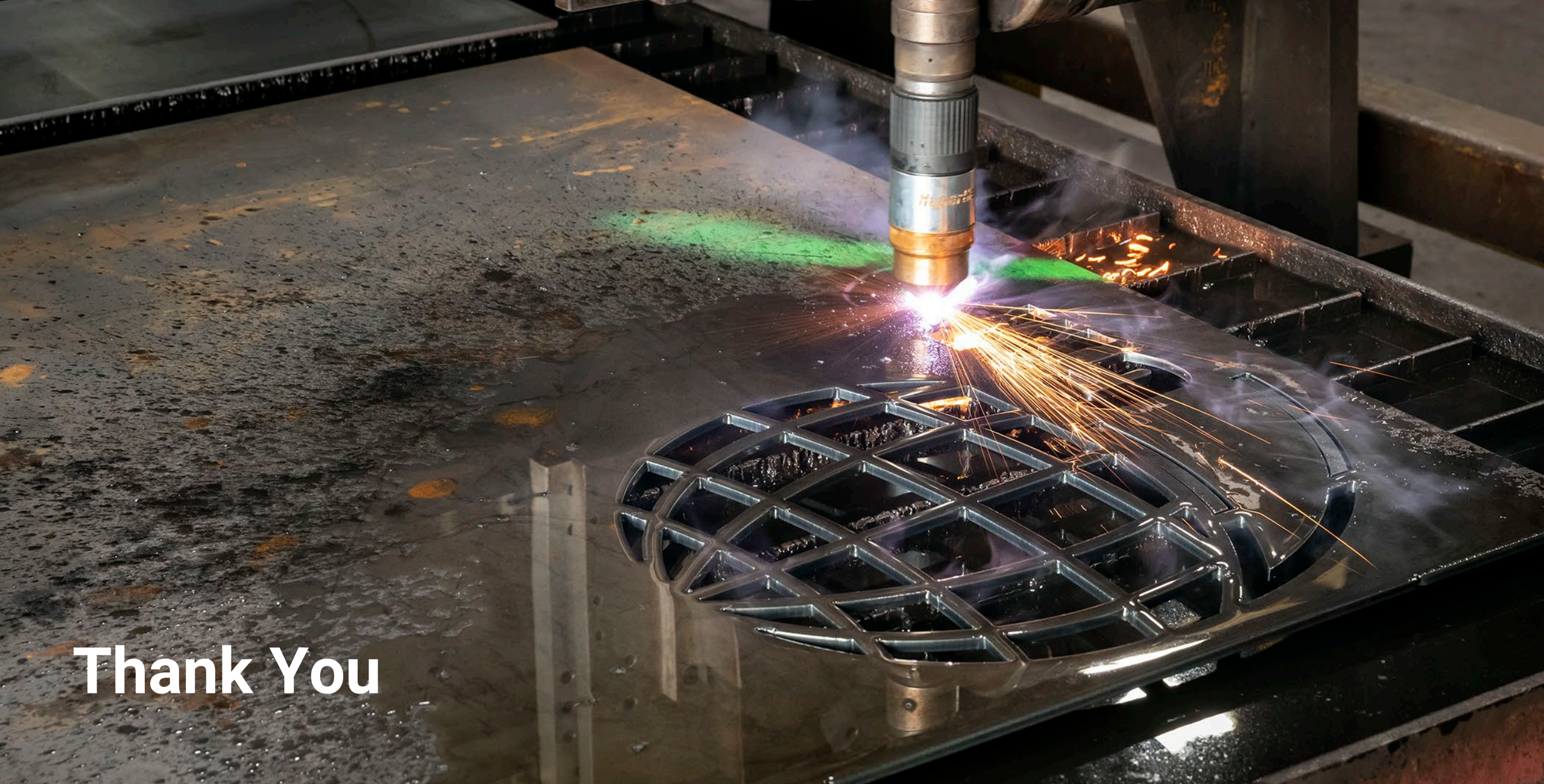
RETURN ON INVESTED CAPITAL

Return on Invested Capital is defined as: 1) after-tax operating profit divided by 2) total assets less cash & cash equivalents less non-interest-bearing liabilities. For annual measures, trailing 5-quarter averages are used for balance sheet figures.

FREE CASH FLOW

Free cash flow is defined as cash from operations less capital expenditures.





Thank You