
COMMERCIAL METALS COMPANY
Q4 FY'22 Supplemental Slides
RESULTS
RECYCLING
REBAR
REINFORCE
REVOLUTIONIZE
RESPONSIBLE
REAL

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, 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 Russia's 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 Part I, Item 1A, Risk Factors, of our annual report on Form 10-K for the fiscal year ended August 31, 2021, and Part II, Item 1A, Risk Factors, of our subsequent quarterly reports on Form 10-Q, 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 COVID-19 on the economy, demand for our products, global supply chain and on our operations, including the responses of governmental authorities to contain COVID-19 and the impact of various COVID-19 vaccines; 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; 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; 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; 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.

A Clear Path to Value Creation

- ✓ **Leading positions** in core product and geographical markets
- ✓ **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

CMC

Key Takeaways From Today's Call

- **Fiscal 2022 was a record year**
  - Solid execution enables CMC to capitalize on very strong market environment
- **North America segment entering FY 2023 from a position of strength**
  - Internal and external near-term leading indicators point toward resilience
  - Anticipate that enlarged federal infrastructure package will impact construction activity starting in 2023
  - Addition of Tensar, and spring 2023 startup of Arizona 2, positions CMC to capitalize on favorable market trends
- **Europe production assets built to navigate economic volatility**
  - Advantageous energy cost position with strong operational flexibility
- **Continued commitment to enhanced shareholder distributions**
  - Recently increased quarterly dividend by 14%; completed nearly one-third of share repurchase authorization during fourth quarter
- **Strong financial position**
  - Balance sheet strength and cash flow profile provide capital allocation flexibility

$1.55 billion
FY 2022 Core EBITDA[1]

$1.22 billion
FY 2022 Net Earnings

$9.95
FY 2022 EPS

26%
FY 2022 ROIC[1]

1 Core EBITDA and return on invested capital 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

Fiscal Year 2022 Accomplishments

- **Record Core EBITDA of $1.55 billion; up approximately 90% from previous best**
- **On-the-ground humanitarian assistance to Ukrainian refugees**
  - CMC's team in Poland provided logistics, food, shelter, and comfort to hundreds of refugees; opened their homes and made Company facilities available
- **Significant progress executing CMC's strategic growth plan**
  - Completed Tensar acquisition, adding a meaningful new growth platform
  - Timing of Arizona 2 commissioning is on-track; startup expected in spring 2023
  - Announced fourth micro mill to be located in the Eastern U.S.; finalizing site selection
- **Shareholder distributions were nearly 4x the level of FY 2021, driven by a combination of share repurchases and enhanced dividend payments**
- **Launched carbon-neutral line of long steel products – RebarZero**
  - Provides construction industry with a net-zero solution, from mill to the job-site
- **CMC Europe generated record financial performance, despite disruptions related to the Ukraine war, the ongoing European energy crisis, and global supply chain challenges**

Adding Another Year To A Track Record of Success

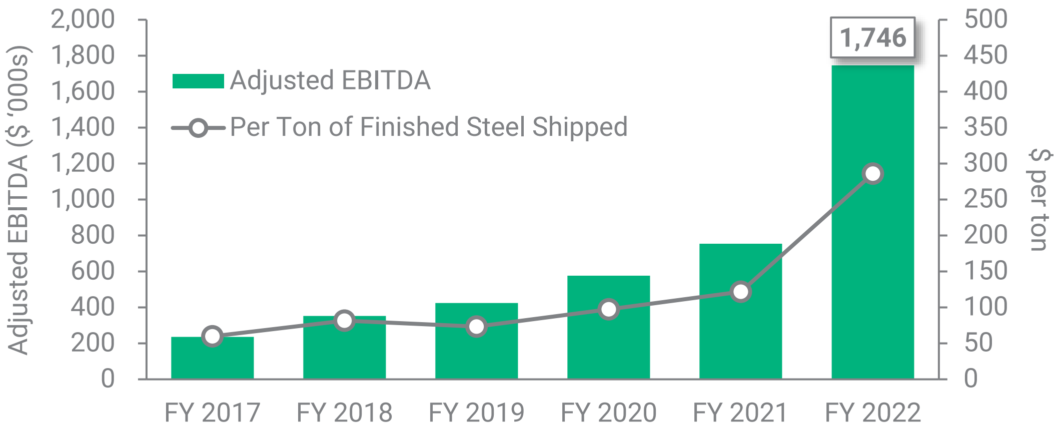
Return on Invested Capital

25.5%
FY '22

3.8%
FY '17

5 consecutive years of y/y improvement

Annual Consolidated Adjusted EBITDA



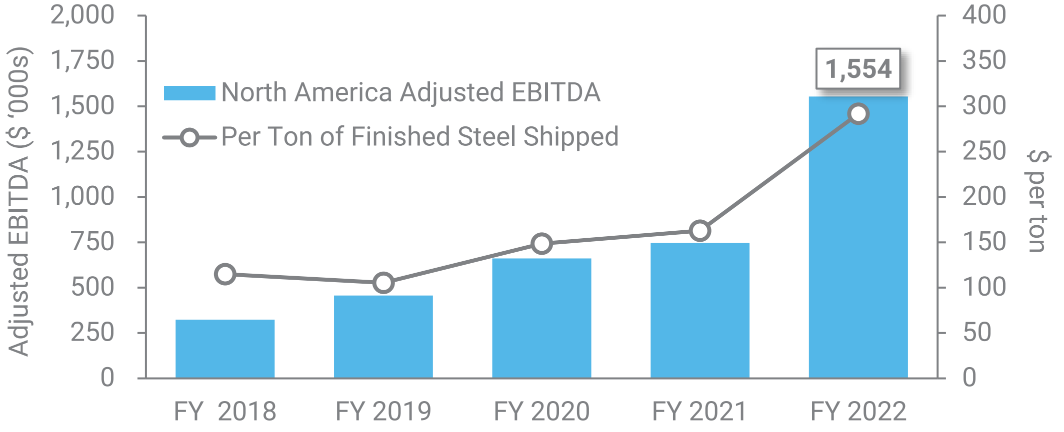
Total Shareholder Equity per Share[1]

$27.97
FY '22

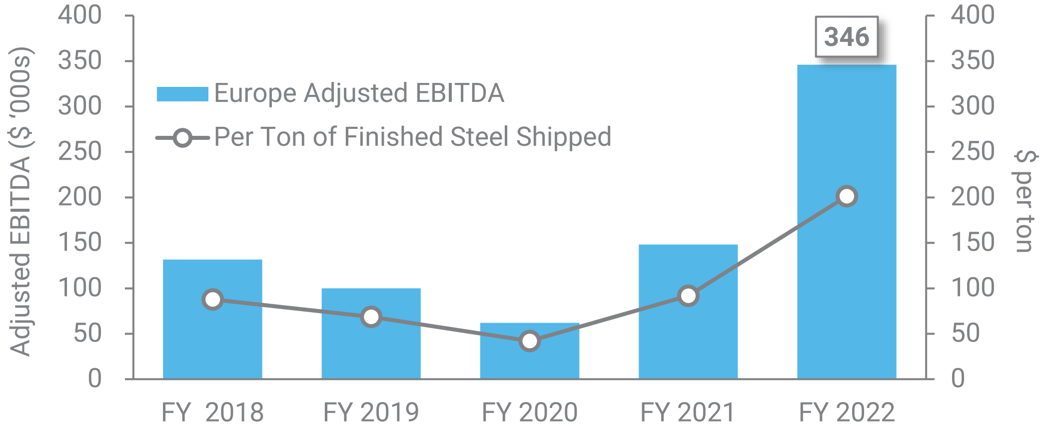
$12.10
FY '17

132% increase in equity per common share

Annual North America Segment Adjusted EBITDA



Annual Europe Segment Adjusted EBITDA



[1] Total shareholder equity per share defined as year-end total stockholder equity divided by year-end common shares outstanding as reported on the Company's balance sheet

A Clearly Sustainable Future – Proud of Our Progress

With GHG emissions intensity already below the 2040 Paris Climate Agreement industry target, CMC has set lower emissions targets

GHG Emissions

	CMC Performance	Industry Average
Scope 1	0.197	0.82 MT CO2e / MT
Scope 1-3	0.698	1.89 MT CO2e / MT

63% lower than industry average

Energy Use

	CMC Performance	Industry Average
Energy Intensity	3.710	20.62 GJ / MT

82% lower than industry average

Water Use

	CMC Performance	Industry Average
Water Intake	1.241	28.60 m3 / MT

96% lower than industry average

Content

	CMC Performance	Industry Average
Virgin Material	2.0%	69.5% of content

67.5 percentage points lower than industry average

2030 Goals[1]	Progress on 2030 Goals[1]
Reduce our Scope 1 and 2 GHG emissions intensity by 20%	↓6.2% currently
Increase our renewable energy usage by 12% points	Renewables ↑2.7% currently
Reduce our energy consumption intensity by 5%	Energy Intensity ↓7.8% achieved
Reduce our water withdrawal intensity by 8%	↑7.8% currently

RESPECT FOR OUR ENVIRONMENT

At CMC, good business always aligns with good environmental practices:

- Environmental Stewardship
- Product Stewardship
- Reducing and managing our environmental impact

[1] Represents progress on environmental goals as of fiscal year 2021, compared to fiscal year 2019

Sources: CMC 2021 Sustainability Report; scope 1 emissions based on direct emissions reported to the U.S. Environmental Protection Agency; virgin material content for industry based on data from Bureau of International Recycling; all other industry data sourced from the World Steel Association

Resilient Markets, Resilient Company

Construction Market Indicators and Trends

Construction Leading Indicators

Architectural Billings Index
- Points to expansion in non-residential spending over next 9 to 12 months
- 19 consecutive months of expansionary readings; Southern U.S. is the strongest region

Dodge Momentum Index
- August reading was second highest in 14 years
- Commercial and institutional non-residential starts showing strength

CMC Downstream Bid Activity
- Average pricing reached a new record in 4Q 2022; volumes second highest ever
- Good activity across sectors and geographies

Structural Trends

Federal Infrastructure Package
- 65% increase in funding for surface transportation compared to prior federal package
- Expected to add 1.5 million tons of incremental annual rebar consumption
- Related projects expected to enter pipeline in CY 2023

Non-res Investment Following Residential
- Local infrastructure and non-residential investments to support newly formed residential communities (generally trails residential by 12 to 18 months)

Reshoring of Critical Industries
- Several massive projects already underway
- Continued emergence of new global supply chain rebalancing likely to add more target industries
- Ukraine war revealed vulnerabilities of key industrial commodities to unexpected events

Company Positioning

Upside Flexibility

Arizona 2 Startup (spring 2023)
- Expected to add 500,000 tons of low-cost production with ability to flex between rebar and merchant bar

Tensar Acquisition
- Increases CMC's exposure to infrastructure
- Customer value proposition enhanced by environment of labor and material shortages
- Extends CMC's market reach into new markets such as asphalt and rail

Downside Protection

Record Downstream Backlog
- Currently at historically high volume and average pricing levels

Working Capital Release
- CMC has invested roughly $900 million in working capital since end of FY 2020

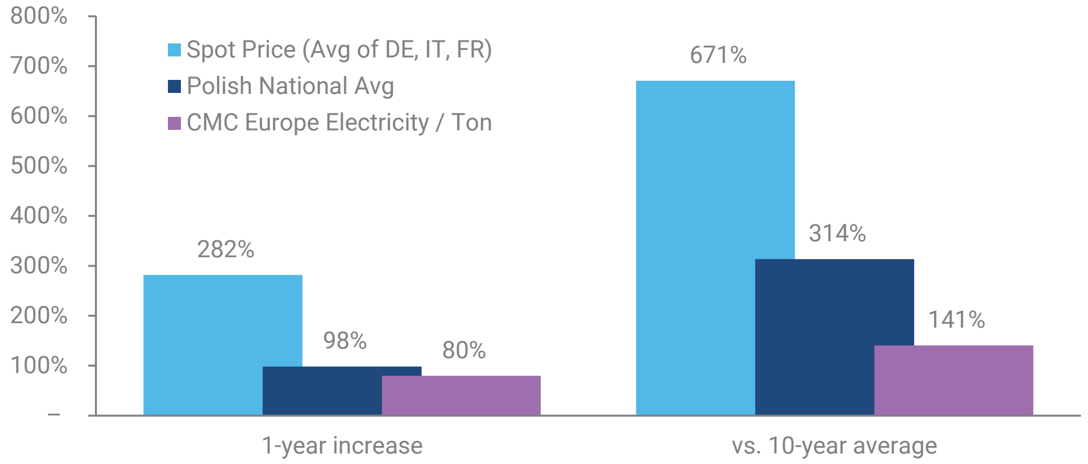
Highly Flexible Operations Network
- Ability to optimize production across facilities and products in various demand scenarios

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.

Favorably Positioned in Europe

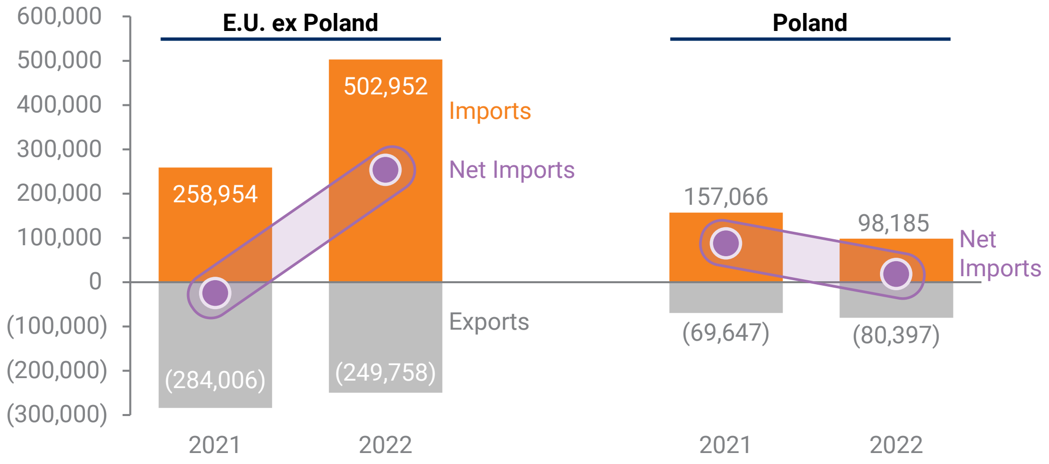
Q4 ‘22 Electricity Costs vs. Historical Periods

CMC Europe vs. European Spot Pricing



E.U. (ex Poland) and Poland Net Rebar Imports[1]

(May to July 2021 vs. May to July 2022; see footnote for explanation)



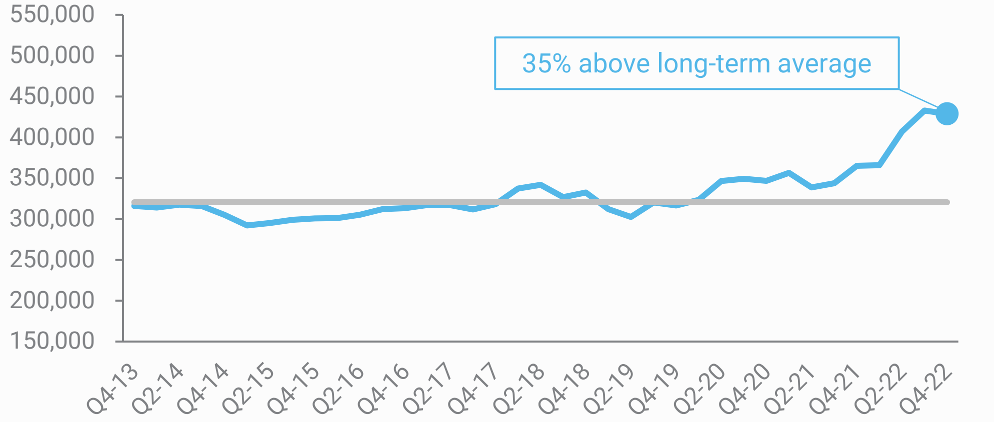
Trade patterns have shifted meaningfully as a result of the Ukraine war and ongoing energy crisis. Net imports of rebar into the Polish market have declined, while at the same time, flows into the rest of Europe have increased significantly. Poland has benefited from the absence of Russian and Belarussian material and its favorable energy cost position relative to the broader E.U. The loss of sanctioned import material has been more than replaced by new entrants into the Western European market.

Imports from Outside the E.U.

Change from May, June, July 2021 to 2022)

	Import Destination	
Import Origin	**EU ex. Poland**	**Poland**
Sanctioned Countries	**(92,822)**	**(30,689)**
All Others	**+330,896**	**(2,699)**
Total Imports	**+238,074**	**(33,388)**

CMC Europe Finished Goods Shipments (trailing 4-quarter basis)



Sources: Bloomberg, Nord Pool, TGE, Eurofer, Eurostat

[1] Analysis separates the E.U. into Poland and the rest of the E.U. excluding Poland. Trade balances are calculated for and between these two regions.

Q4 Operational Update

Performance Drivers

- Significant increase in steel product margins over scrap in North America and Europe
  - Margins up $251 per ton y/y in North America, up $138 per ton y/y in Europe
- Margins on sales of raw materials declined on both a sequential and y/y basis, but remained above the historical average
- Downstream average selling price increased $104 per ton from the prior quarter, a reflection of ongoing repricing of CMC's backlog driven by higher priced new contracts
- Downstream backlog volume grew on a year-over-year basis for fifth consecutive quarter
- North America controllable costs per ton of finished steel were up both sequentially and y/y on increased per unit purchase costs for freight, alloys, and energy
- Energy costs in Europe segment increased from the fourth quarter of FY 2021, but were more than offset by favorable market dynamics
  - Hedged position provided large cost offset
  - Electricity rates in the Polish market have experienced less volatility compared to Western European countries
- Q4 results in Europe dampened by impact of selling higher cost inventory into a declining price environment, and a weakening Polish Zloty
- Supply chain destocking activity negatively impacted Q4 volumes in Europe, but rebounded late in the quarter and may signal an end to the inventory adjustment cycle

Outlook

- Q1 financial results are expected to be strong
- Finished steel shipments should follow a normal seasonal pattern; historically down modestly from Q4
- Volumes in North America should be supported by a robust downstream backlog, as well as end market strength
- Europe demand outlook is uncertain; however, Polish construction activity is expected to remain a source of stability and CMC's Europe segment should benefit from a strong cost position relative to competitors
- Margins over scrap in both North America and Europe are likely to decline from fourth quarter levels, driven by maintaining pricing for steel products competitive with increased volumes of lower priced imports of long steel products

Q4 Consolidated Operating Results

Performance Summary

Units in 000's except per ton amounts

	Q4 '21	Q1 '22	Q2 '22	Q3 '22	**Q4 '22**
External Finished Steel Tons Shipped[1]	1,646	1,464	1,429	1,654	**1,560**
Core EBITDA[2]	$255,916	$326,806	$323,107	$483,913	**$419,021**
Core EBITDA per Ton of Finished Steel Shipped[2]	$155	$223	$226	$293	**$269**
Adjusted Earnings[2]	$154,240	$199,152	$187,553	$320,244	**$294,924**

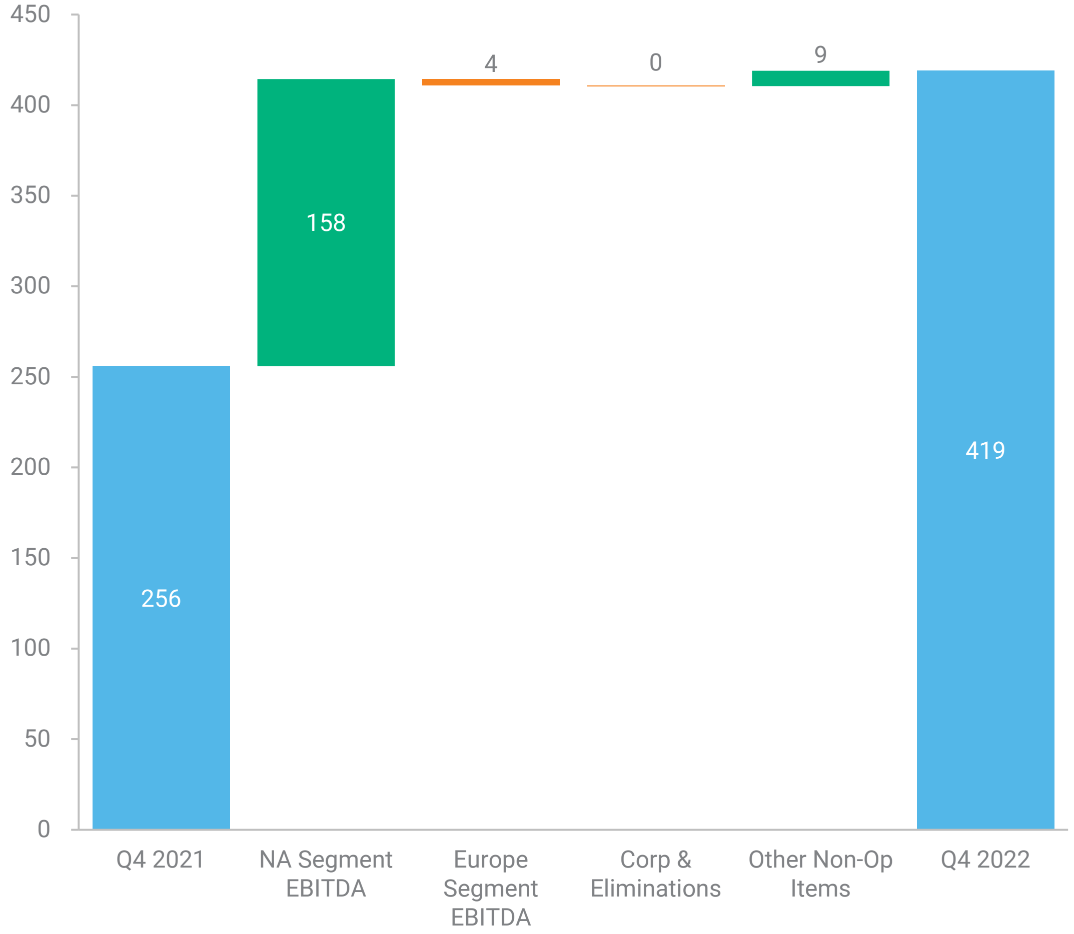
Non-Operating Charges (excluded from results above)

Figures are pre-tax for Q4 2022

- $1.0 million charge related to Tensar acquisition and integration
- $6.5 million charge for purchase accounting effect on inventory valuation
- $0.5 million related to asset impairments

Core EBITDA Bridge – Q4 2021 to Q4 2022

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

Q4 North America

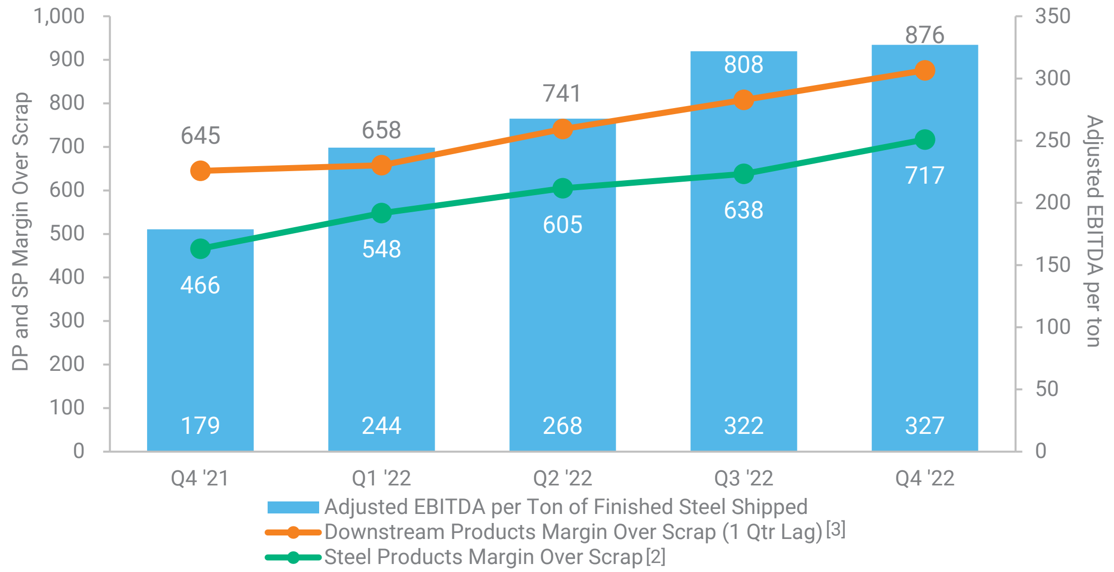
Performance Summary

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

	Q4 '21	Q1 '22	Q2 '22	Q3 '22	**Q4 '22**
External Finished Steel Tons Shipped[1]	1,186	1,099	979	1,178	**1,132**
Adjusted EBITDA	$212,018	$268,524	$262,148	$379,355	**$370,516**
Adjusted EBITDA per Ton of Finished Steel Shipped	$179	$244	$268	$322	**$327**
Adjusted EBITDA Margin	12.8%	16.2%	16.2%	18.7%	**18.5%**

North America – Key Margins

$ / ton (excludes California land sale)



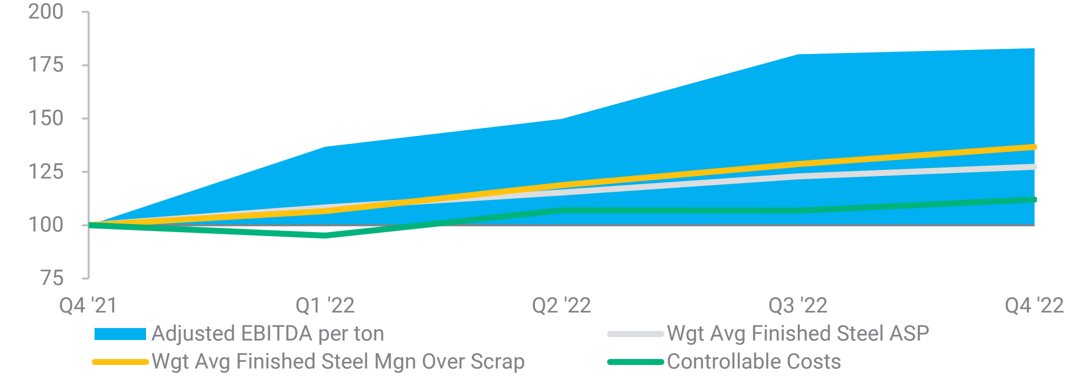
Key Performance Drivers

Q4 2022 vs Q4 2021

- Significant increase in steel product margins over scrap
  - Up $251 per ton y/y and $79 per ton sequentially
- Expanded margins on sales of downstream products
  - Margin over scrap cost increased $231 per ton y/y
  - Full value chain profitability on sales of downstream products above long-term average
- Positive contribution from Tensar
  - $9.6 million of adjusted EBITDA including $4.1 million charge related to purchase accounting effects on inventory
- Controllable costs negatively impacted by freight, energy, and alloys
  - CMC remains very competitively positioned in comparison to the broader industry

North America Indexed Margins and Controllable Costs

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



Notes:
[1] External Finished Steel Tons Shipped equal to shipments of Steel Products plus Downstream Products
[2] Steel Products Margin Over Scrap equals Average Selling Price minus Cost of ferrous scrap utilized
[3] Downstream Products Margin Over Scrap equals Average Selling Price minus prior quarter cost of ferrous scrap utilized

Q4 Europe

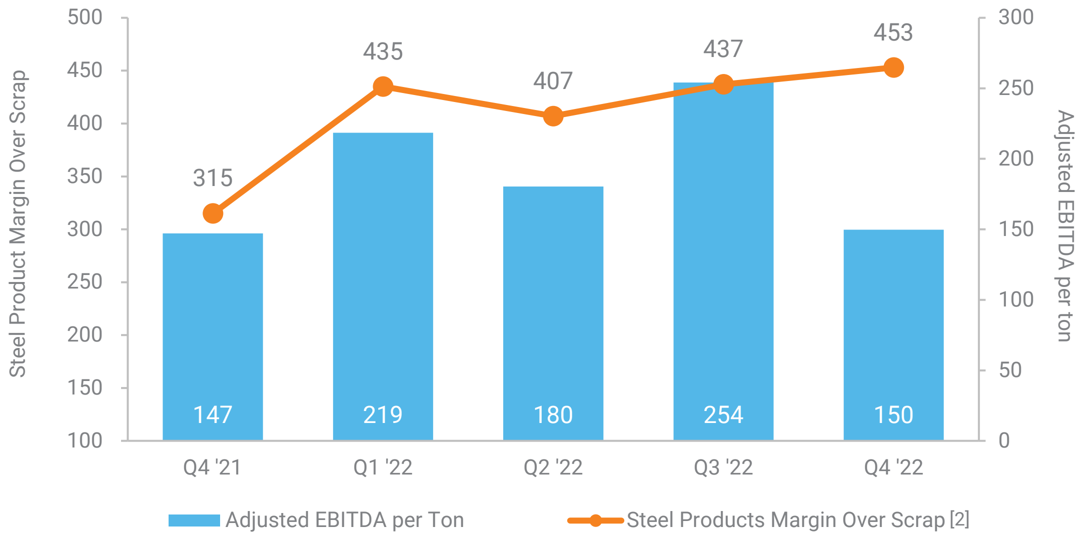
Performance Summary

Units in 000's except per ton amounts

	Q4 '21	Q1 '22	Q2 '22	Q3 '22	Q4 '22
External Finished Steel Tons Shipped[1]	460	365	450	476	**428**
Adjusted EBITDA	$67,676	$79,832	$81,149	$120,974	**$64,096**
Adjusted EBITDA per Ton of Finished Steel Shipped	$147	$219	$180	$254	**$150**
Adjusted EBITDA Margin	18.4%	24.3%	20.5%	25.0%	**15.5%**

Europe – Key Margins

$ / ton



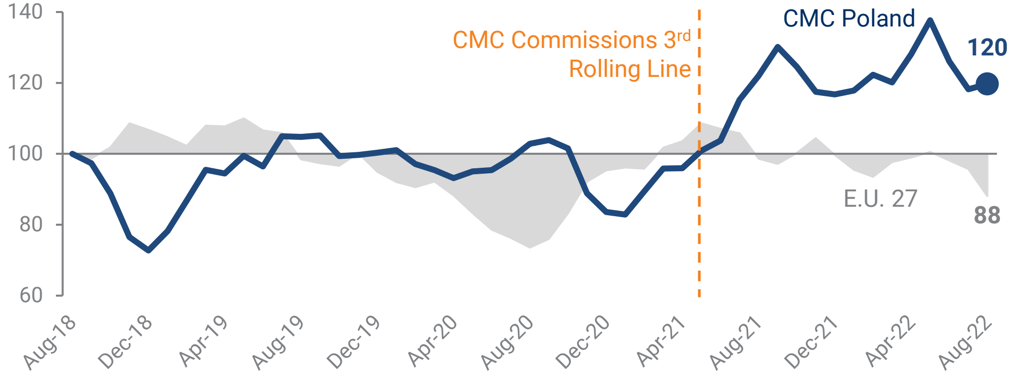
Key Performance Drivers

Q4 2022 vs Q4 2021

- Significant increase in margin over scrap
  - Up $138 per ton y/y
  - A portion of the beneficial impact was eroded by selling higher cost inventory within a declining steel price environment
- Supply chain destocking negatively impacted volumes during the first two months of the quarter
  - Shipments rebounded late in the quarter; potentially signaling an end to the destocking cycle for long steel
- Increased energy costs and a weakening Polish Zloty

E.U. Crude Steel Production vs. CMC Europe Finished Steel Production

Average of trailing three months indexed to Q4 FY 2018 [3]



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 Worldsteel Association
[4] Tensar contributed $0.5 million of adjusted EBITDA, which includes a $2.4 million charge related to purchase accounting effects on inventory

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

2022 Sources of Cash

- Operating cash flow
- Sale of southern California real estate ($313 million of gross proceeds)
- $600 million notes issuance
- $145 million tax-exempt bond[1]

2022 Uses of Cash

- Funding of Tensar acquisition
- Growth initiatives, investment in Arizona 2 micro mill
- Share repurchases ($162 million in FY 2022; $106 million in Q4)
- Opportunistic redemption of 2027 notes

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

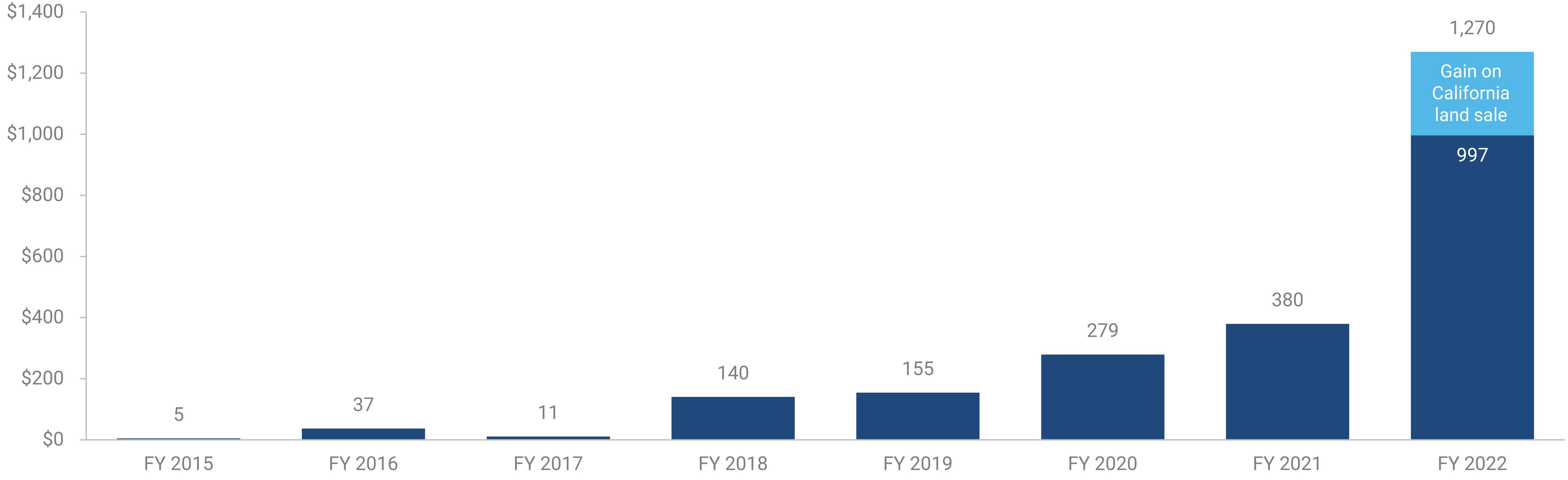
Shareholder Cash Distribution Programs in Place

$350 million share repurchase program ($188 million remaining)

Notes:
[1] Use of cash raised from offering of tax-exempt bond is limited to funding of Arizona 2 project

Cash Generation Profile

Adjusted EBITDA Less Sustaining Capital Expenditures and Disbursements to Stakeholders[1]
(in millions)



- CMC's cash flow capabilities have been greatly enhanced through our strategic transformation
- FY 2023 capital expenditures expected in a range of $450 million to $500 million

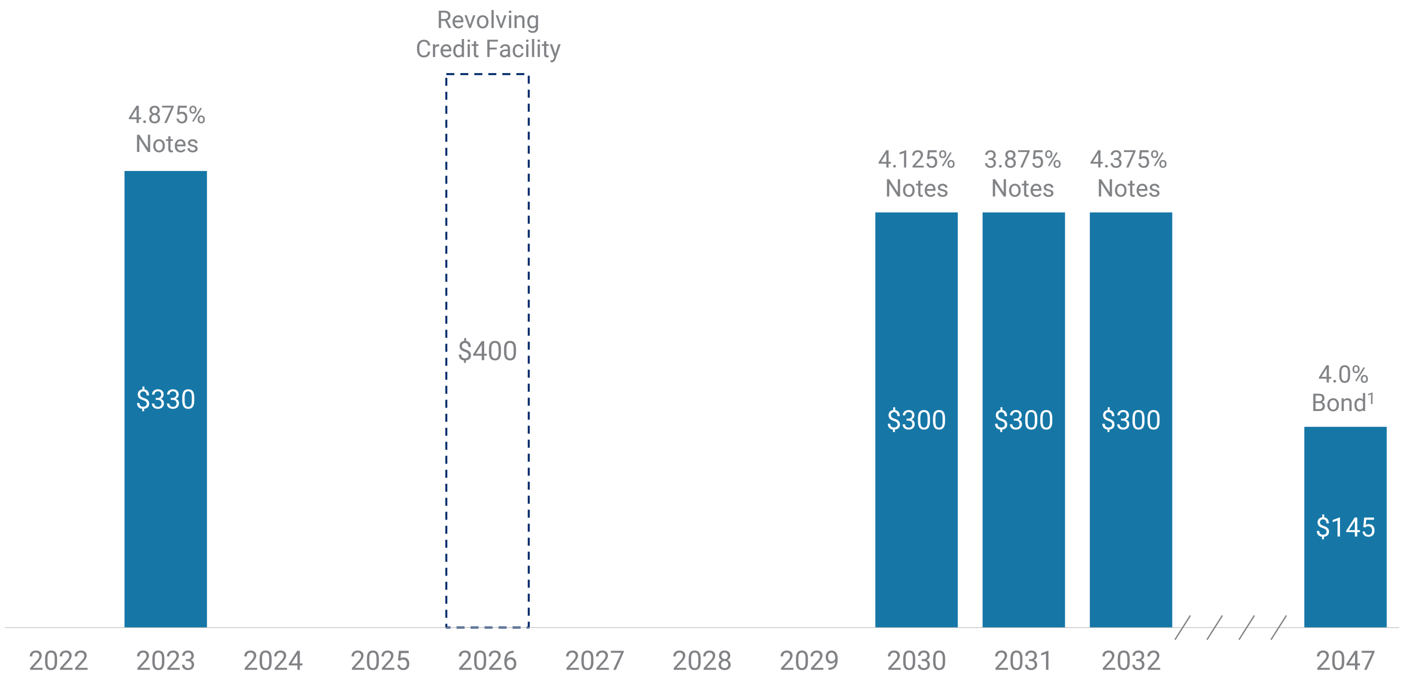
Source: Public filings, Internal data
[1] Adjusted EBITDA less Sustaining Capital Expenditures and Disbursements to Stakeholders is a non-GAAP financial measure. For a reconciliation of non-GAAP financial measures to the most directly comparable GAAP financial measures, see the appendix to this document.

Balance Sheet Strength

Debt maturity profile provides strategic flexibility

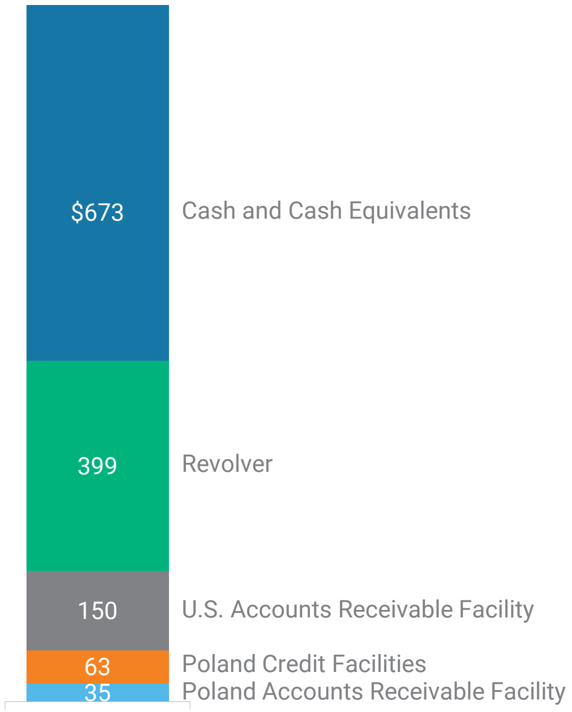
Debt Maturity Profile

(US$ in millions)



Q4 FY'22 Liquidity

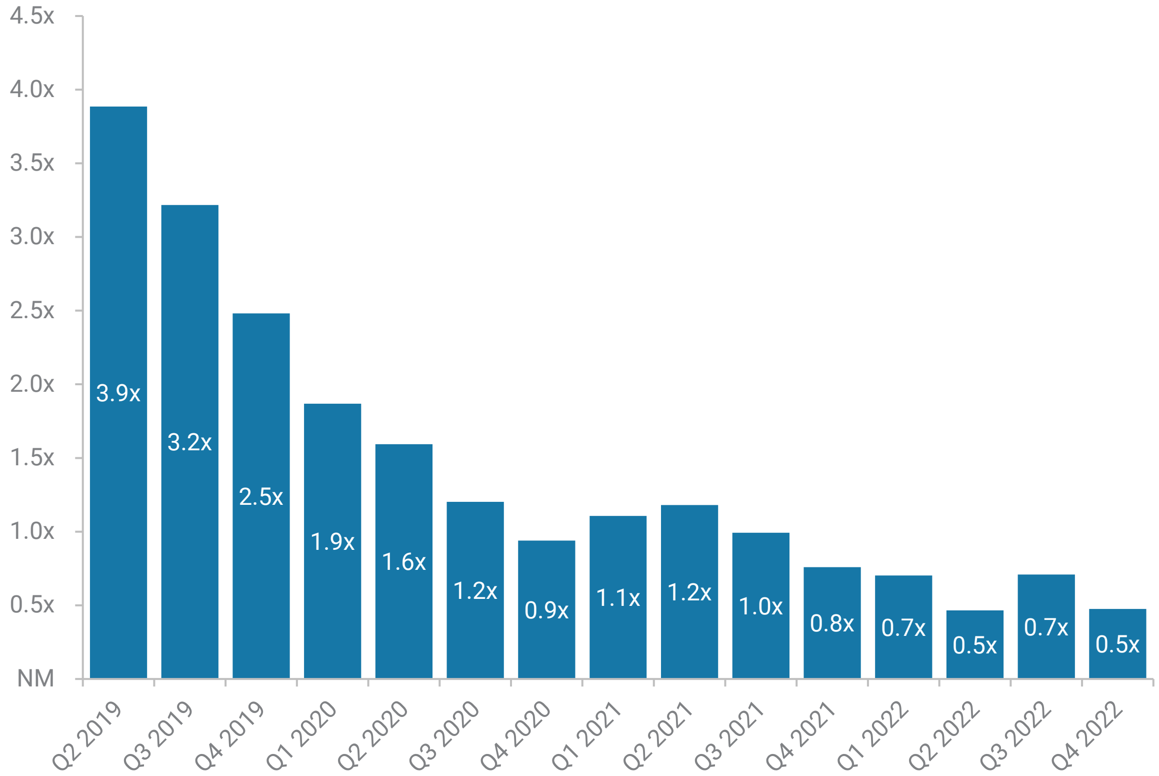
(US$ in millions)



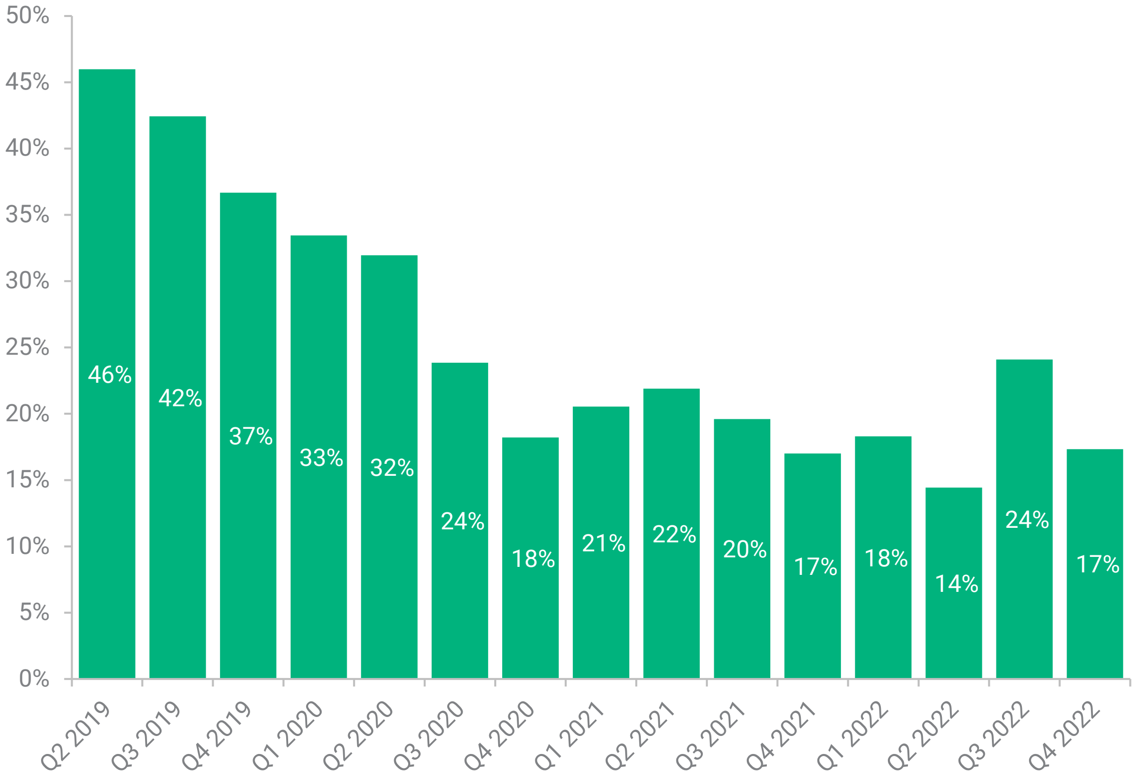
[1] 2047 tax-exempt bonds were priced to yield 3.5%; coupon rate is 4.0%
Source: Public filings

Leverage Profile

Net Debt[1,2] / EBITDA[3]



Net Debt-to-Capitalization[4]



- 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				
	8/31/2022	5/31/2022	2/28/2022	11/30/2021	8/31/2021
Net earnings	$288,630	$312,429	$383,314	$232,889	$152,313
Interest expense	14,230	13,433	12,011	11,035	11,659
Income taxes	49,991	92,590	126,432	28,872	40,444
Depreciation and amortization	49,081	43,583	41,134	41,226	42,437
Amortization of acquired unfavorable contract backlog	–	–	–	–	(1,495)
Asset impairments	453	3,245	1,228	–	2,439
Adjusted EBITDA[1]	$402,385	$465,280	$564,119	$314,022	$247,797
Non-cash equity compensation	9,122	11,986	16,251	9,619	8,119
Loss on debt extinguishment	–	–	16,052	–	–
Gain on sale of assets	–	–	(273,315)	–	–
Facility closure	–	–	–	–	–
Acquisition and integration related costs and other	1,008	4,478	–	3,165	–
Purchase accounting effect on inventory	6,506	2,169	–	–	–
Core EBITDA[1]	$419,021	$483,913	$323,107	$326,806	$255,916
North America steel product shipments	700	779	652	699	771
North America downstream shipments	432	399	327	400	415
Europe steel product shipments	428	476	450	365	460
Total finished steel shipments	1,560	1,654	1,429	1,464	1,646
Core EBITDA per ton of finished steel shipped	269	293	226	223	155

[1] See page 26 for definitions of non-GAAP measures

Adjusted Earnings

Figures in thousand $

	3 MONTHS ENDED					12 MONTHS ENDED
	8/31/2022	5/31/2022	2/28/2022	11/30/2021	8/31/2021	8/31/2022
Net earnings	$288,630	$312,429	$383,314	$232,889	$152,313	$1,217,262
Gain on sale of assets	–	–	(273,315)	–	–	(273,315)
Loss on debt extinguishment	–	–	16,052	–	–	16,052
Asset impairments	453	3,245	1,228	–	2,439	4,926
Acquisition and integration related costs and other	1,008	4,478	–	3,165	–	8,651
Purchase accounting effect on inventory	6,506	2,169	–	–	–	8,675
Total adjustments (pre-tax)	$7,967	$9,892	($256,035)	$3,165	$2,439	($235,011)
Tax impact						
International restructuring	–	–	–	(36,237)	–	(36,237)
Related tax effects on adjustments	(1,673)	(2,077)	60,274	(665)	(512)	55,859
Total tax impact	($1,673)	($2,077)	$60,274	($36,902)	($512)	$19,622
Adjusted earnings[1]	$294,924	$320,244	$187,553	$199,152	$154,240	$1,001,873
Average diluted shares outstanding (thousands)	120,457	122,780	122,852	122,798	122,376	122,372
Adjusted earnings per diluted share	$2.45	$2.61	$1.53	$1.62	$1.26	$8.19

[1] See page 26 for definitions of non-GAAP measures

Annualized Return on Invested Capital – Q4 2022

Figures in thousand $	3 MOS ENDED 8/31/2022
Earnings before income taxes	$338,621
Plus: interest expense	14,230
Plus: acquisition and integration related costs	1,008
Plus: loss on extinguishment of debt	–
Plus: asset impairments	453
Plus: purchase accounting effect on inventory	6,506
Less: gain on sale of assets	684
Operating profit - adjusted	$361,502
Operating profit - adjusted	$361,502
Less: income tax at statutory rate[1]	86,037
Net operating profit after tax	$275,465
Assets	$6,237,027
Less: cash and cash equivalents	672,596
Less: accounts payable	428,055
Less: accrued expenses and other payables	540,136
Invested capital	$4,596,240
Annualized net operating profit after tax	$1,101,858
Invested capital (Q4 2022 and Q3 2022 ending amounts)	$4,661,039
Return on Invested Capital[2]	23.6%

[1] Federal statutory rate of 21% plus approximate impact of state level income tax
[2] See page 26 for definitions of non-GAAP measures

Return on Invested Capital – FY 2022 & FY 2017

Figures in thousand $	12 MONTHS ENDED			FISCAL QUARTERS									FISCAL QUARTERS				
	8/31/2022	8/31/2021	8/31/2017	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020	Q4 2017	Q3 2017	Q2 2017	Q1 2017	Q4 2016
Earnings before income taxes	$1,515,147	$534,465	$55,611	$338,621	$405,019	$509,746	$261,761	$192,757	$168,583	$87,371	$85,754	$86,243	($45,551)	$51,898	$40,355	$8,909	($12,061)
Plus: interest expense	50,709	51,904	44,118	14,230	13,433	12,011	11,035	11,659	11,965	14,021	14,259	13,962	5,939	12,448	12,439	13,292	12,563
Plus: acquisition and integration related costs	8,651	–	–	1,008	4,478	–	3,165	–	–	–	–	32,123	–	–	–	–	–
Plus: loss on extinguishment of debt	16,052	16,841	22,672	–	–	16,052	–	–	–	16,841	–	1,778	22,672	–	–	–	–
Plus: asset impairments	4,926	6,784	8,238	453	3,245	1,228	–	2,439	277	474	3,594	1,098	7,616	69	91	462	39,952
Plus: purchase accounting effect on inventory	8,675	–	–	6,506	2,169	–	–	–	–	–	–	–	–	–	–	–	–
Less: gain on sale of assets	(274,439)	(10,334)	–	684	(2,024)	(273,099)	–	–	(4,457)	(5,877)	–	–	–	–	–	–	–
Operating profit - adjusted	$1,329,721	$599,660	$130,639	$361,502	$426,320	$265,938	$275,961	$206,855	$176,368	$112,830	$103,607	$135,204	($9,324)	$64,415	$52,885	$22,663	$40,454
Operating profit - adjusted	$1,329,721	$599,660	$130,639														
Less: income tax at statutory rate[1]	316,474	142,719	45,724														
Net operating profit after tax	$1,013,247	$456,941	$84,915														
Assets				$6,237,027	$6,103,702	$5,504,220	$4,725,258	$4,638,671	$4,391,075	$4,064,041	$4,016,668	$4,081,728	$2,975,131	$3,274,599	$3,131,833	$3,002,580	$3,130,869
Less: cash and cash equivalents				672,596	410,265	846,587	415,055	497,745	443,120	367,347	465,162	542,103	252,595	275,778	395,546	465,167	517,544
Less: accounts payable				428,055	492,947	414,025	424,919	450,723	340,238	309,413	252,953	266,102	226,456	345,974	307,488	224,395	243,532
Less: accrued expenses and other payables				540,136	474,653	383,622	410,305	475,384	456,394	341,903	339,545	454,977	274,972	258,288	220,433	202,847	264,112
Invested capital	$3,974,372	$3,037,815	$2,207,977	$4,596,240	$4,725,837	$3,859,986	$3,474,979	$3,214,819	$3,151,323	$3,045,378	$2,959,008	$2,818,546	$2,221,108	$2,394,559	$2,208,366	$2,110,171	$2,105,681
Annualized net operating profit after tax	$1,013,247	$456,941	$84,915														
Invested capital (average of 5 prior qtrs ending amounts)	$3,974,372	$3,037,815	$2,207,977														
Return on Invested Capital[2]	25.5%	15.0%	3.8%														

[1] Federal statutory rate of 21% plus approximate impact of state level income tax, for FY 2017 a statutory rate of 35% is used
[2] See page 26 for definitions of non-GAAP measures

Adjusted EBITDA and Core EBITDA – FY 2017 to FY 2022

Figures in thousand $	12 MONTHS ENDED 8/31/2022	8/31/2021	8/31/2020	8/31/2019	8/31/2018	8/31/2017
Net earnings	$1,217,262	$412,865	$278,302	$198,779	$135,237	$50,175
Interest expense	50,709	51,904	61,837	71,373	40,957	44,151
Income taxes	297,885	121,153	92,476	69,681	30,147	15,276
Depreciation and amortization	175,024	167,613	165,749	158,653	131,508	124,490
Amortization of acquired unfavorable contract backlog	–	(6,035)	(29,367)	(74,784)	–	–
Asset impairments	4,926	6,784	7,611	384	14,372	1,730
Adjusted EBITDA[1]	$1,745,806	$754,284	$576,608	$424,086	$352,221	$235,822
Non-cash equity compensation	46,978	43,677	31,850	25,106	24,038	21,469
Loss on debt extinguishment	16,052	16,841	1,778	–	–	22,672
Gain on sale of assets	(273,315)	(10,334)	–	–	–	–
Facility closure	–	10,908	11,105	–	–	–
Acquisition settlement	–	–	32,123	–	–	–
Labor cost government refund	–	(1,348)	(2,985)	–	–	–
Acquisition and integration related costs and other	8,651	–	–	41,958	25,507	–
Purchase accounting effect on inventory	8,675	–	–	10,315	–	–
Mill operational start-up costs[2]		–	–	–	13,471	–
CMC Steel Oklahoma incentives		–	–	–	(3,000)	–
Severance		–	–	–	–	8,129
Core EBITDA[1]	$1,552,847	$814,028	$650,479	$501,465	$412,237	$288,092
Shipments in thousand tons						
North America steel product shipments	2,830	3,050	2,816	2,699	1,708	1,466
North America downstream shipments	1,558	1,537	1,635	1,632	1,114	1,106
Europe steel product shipments	1,719	1,614	1,472	1,460	1,500	1,380
Total finished steel shipments	6,107	6,201	5,923	5,791	4,322	3,952
Adjusted EBITDA per ton of finished steel shipped	$286	$122	$97	$73	$81	$60
Core EBITDA per ton of finished steel shipped	$254	$131	$110	$87	$95	$73

	12 MONTHS ENDED 8/31/2022	8/31/2021	8/31/2020	8/31/2019	8/31/2018	8/31/2017
Total stockholders' equity	$3,286,429	$2,295,109	$1,889,413	$1,624,057	$1,493,583	$1,400,930
Common shares outstanding at year end	117,496	120,587	119,221	117,925	117,016	115,794
Shareholder equity per common share	$27.97	$19.03	$15.85	$13.77	$12.76	$12.10

[1] See page 26 for definitions of non-GAAP measures
[2] Net of interest, taxes, depreciation and amortization, impairments, and non-cash equity compensation

Adjusted EBITDA Less Sustaining Capital Expenditures and Disbursements to Stakeholders

Figures in thousand $	12 MONTHS ENDED							
	8/31/2022	8/31/2021	8/31/2020	8/31/2019	8/31/2018	8/31/2017	8/31/2016	8/31/2015
Net earnings	$1,217,262	$412,865	$278,302	$198,779	$135,237	$50,175	$62,001	$58,583
Interest expense	50,709	51,904	61,837	71,373	40,957	44,151	62,121	76,456
Income taxes	297,885	121,153	92,476	69,681	30,147	15,276	13,976	36,097
Depreciation and amortization	175,024	167,613	165,749	158,653	131,508	124,490	127,111	135,559
Asset impairments	4,926	6,784	7,611	384	14,372	1,730	40,028	2,573
Amortization of acquired unfavorable contract backlog	–	(6,035)	(29,367)	(74,784)	–	–	–	–
Adjusted EBITDA[1]	$1,745,806	$754,284	$576,608	$424,086	$352,221	$235,822	$305,237	$309,268
Sustaining capital expenditures and disbursements to stakeholders								
Sustaining capital expenditures (depreciation and amortization used as proxy)	175,024	167,613	165,749	158,653	131,508	124,490	127,111	135,559
Interest expense	50,709	51,904	61,837	71,373	40,957	44,151	62,121	76,456
Cash income taxes	229,316	140,950	44,499	7,977	7,198	30,963	50,201	61,000
Dividends	67,749	57,766	57,056	56,537	56,076	55,514	55,342	55,945
Less: Equity Compensation	(46,978)	(43,677)	(31,850)	(25,106)	(23,929)	(30,311)	(26,355)	(24,484)
Total capital expenditures and disbursements to stakeholders	$475,820	$374,556	$297,291	$269,434	$211,810	$224,807	$268,420	$304,476
Adjusted EBITDA less capital expenditures and disbursements to stakeholders[1]	$1,269,986	$379,728	$279,317	$154,652	$140,411	$11,015	$36,817	$4,792

[1] See page 26 for definitions of non-GAAP measures

Net Debt to Adjusted EBITDA and Net Debt to Capitalization

	3 MONTHS ENDED																	
Figures in thousand $	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	8/31/2018	5/31/2018
Long-term debt	$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	$1,138,619	$1,139,103
Current maturities of long-term debt and short-term borrowings	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	19,746	19,874
Total debt	$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	$1,158,365	$1,158,977
Less: Cash and cash equivalents	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	622,473	600,444
Net debt[1]	$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	$535,892	$558,533
Earnings from continuing operations	$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	$51,260	$42,325
Interest expense	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	15,654	11,511
Income taxes	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	6,682	13,312
Depreciation and amortization	49,081	43,583	41,134	41,226	42,437	41,804	41,573	41,799	41,654	41,765	41,389	40,941	41,051	41,181	41,245	35,176	32,610	32,949
Asset impairments	453	3,245	1,228	–	2,439	277	474	3,594	1,098	5,983	–	530	369	15	–	–	840	935
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]	$402,385	$465,280	$564,119	$314,022	$247,797	$221,121	$141,733	$143,633	$132,300	$146,782	$137,721	$159,805	$145,246	$143,971	$69,333	$65,536	$107,046	$101,032
Trailing 12 month adjusted EBITDA from continuing operations	$1,745,806	$1,591,218	$1,347,059	$924,673	$754,284	$638,787	$564,448	$560,436	$576,608	$589,554	$586,743	$518,355	$424,086	$385,886	$342,947			
Total debt	$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	$1,158,365	$1,158,977
Total stockholders' equity	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	1,493,583	1,452,902
Total capitalization	$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	$2,651,948	$2,611,879
Net debt to trailing 12 month adjusted EBITDA from continuing operations	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	3.2x	3.9x			
Net debt to capitalization	17%	24%	14%	18%	17%	20%	22%	21%	18%	24%	32%	33%	37%	42%	46%			

[1] See page 26 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, certain gains on sale of assets, certain facility closure costs, asset impairments, purchase accounting effect on inventory and acquisition settlements, 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 and asset impairments. Core EBITDA also excludes debt extinguishment costs, non-cash equity compensation, certain gains on sale of assets, certain facility closure costs, acquisition settlement costs 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, impairment expense, 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 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

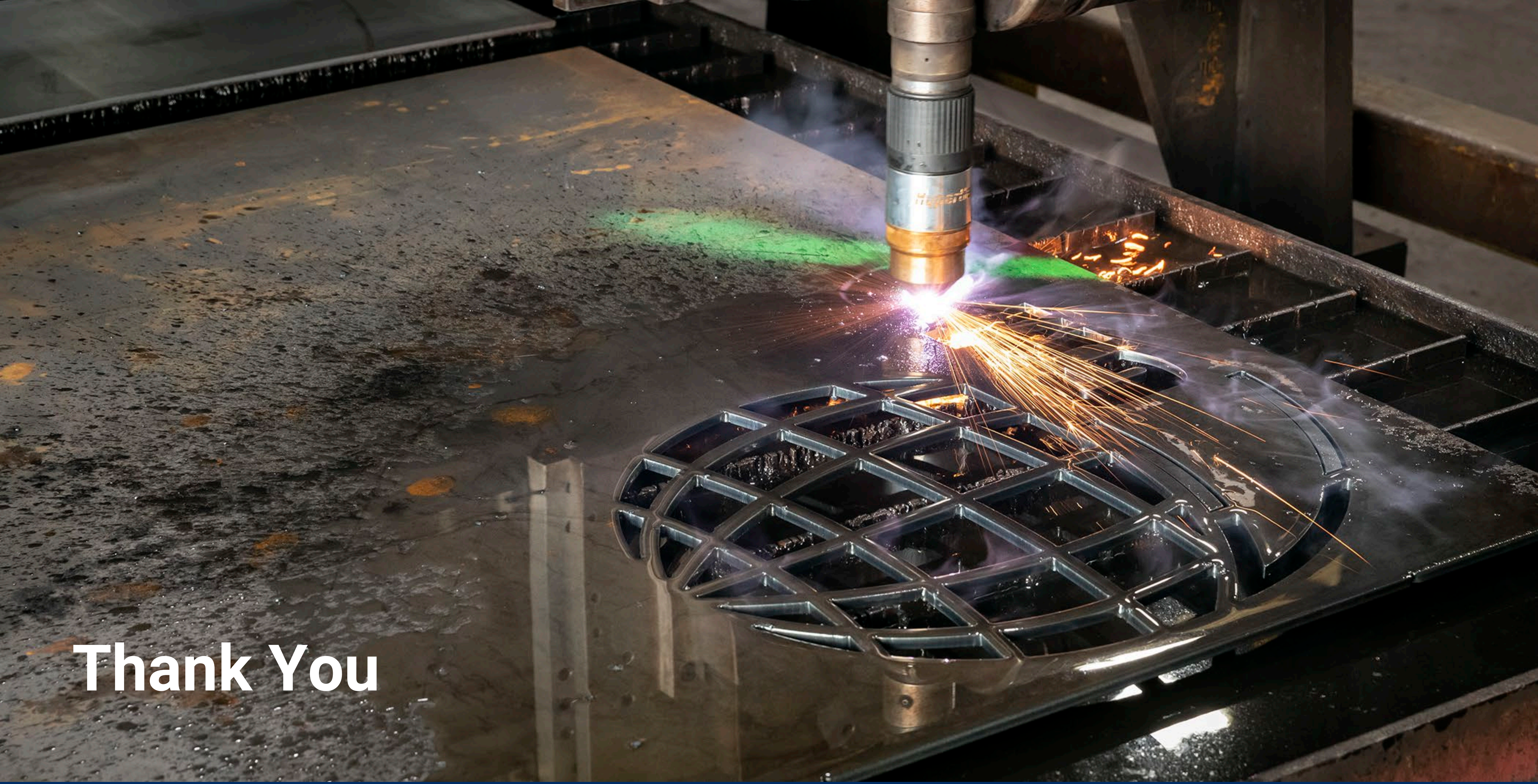
Net debt is defined as total debt less cash and cash equivalents.

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