
COMMERCIAL METALS COMPANY
Q3 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, the undistributed earnings of our non-U.S. subsidiaries, U.S. non-residential construction activity, international trade, the impact of Russia’s invasion of Ukraine, capital expenditures, 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 A, 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 potential impact of the Russian invasion of Ukraine on the global economy, energy supplies and raw materials, which is uncertain but may prove to negatively impact our business and operations; 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 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 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

Key Takeaways From Today's Call

Continued record-level financial performance
- High margins on steel products and raw materials
- End market activity remained strong across geographies

Positioned for resilience through the economic cycle
- Near-term leading indicators point toward market strength
- Structural trends expected to bolster U.S. construction activity
- CMC positioned to capitalize on upside; backlog and operational flexibility provide protection if markets weaken

Tensar acquisition creates an attractive growth platform
- Deepens reach into existing markets and expands access to new markets
- Meaningful commercial synergy opportunities

Secular trends emerging in Europe
- CMC Europe generated record earnings during Q3; steel market challenges indicate continued opportunity

Strong financial position
- Balance sheet strength and cash flow profile provide capital allocation flexibility

$484 million	**$320 million**
Q3 Core EBITDA[1]	Q3 Adjusted Earnings [1]
$2.61	**30%**
Q3 Adjusted EPS[1]	Q3 Annualized ROIC[1]

1 Core EBITDA, adjusted earnings, adjusted earnings per share, 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

A Clearly Sustainable Future – Proud of Our Progress

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

		CMC Performance	Industry Average	
GHG Emissions	Scope 1	0.197	0.82 MT CO_2e / MT	
	Scope 1-3	0.698	1.89 MT CO_2e / MT	63% lower than industry average
Energy Use	Energy Intensity	3.710	20.62 GJ / MT	82% lower than industry average
Water Use	Water Intake	1.241	28.60 m3 / MT	96% lower than industry average
Content	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] Baseline for progress on environmental goals is 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
- Strongest readings in CMC's key Southern and Western markets

Dodge Momentum Index

- Reached 14 year high in May
- Commercial and institutional non-residential starts showing strength

CMC Downstream Bid Activity

- Volumes and average pricing reached a new record in Q3 2022
- 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 early CY 2023

Non-res Investment Following Residential

- Single family housing construction has been extremely strong since early 2020, particularly in the Southern U.S.
- 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

Company Positioning

Upside Flexibility

Arizona 2 Startup (early CY 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 all-time high volume and average pricing levels

Working Capital Release

- CMC has invested roughly $900 million in working capital since mid-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.

Tensar: Strategically Aligned Acquisition That Builds-Out Our Core

- Transaction creates powerful global provider of diverse early phase reinforcement solutions
- Extends CMC's growth runway
  - Under-penetrated markets with significant long-term product adoption potential
  - Platform for adjacent growth
  - Leverages CMC's commercial reach and brand awareness
  - Adds profitable geographies and end-use markets
- Aligned with core strengths
  - Customer relationship-focused commercial culture
  - Value creation through innovation – product and processes
  - Expertise in reinforcing technologies
  - Operational excellence
- Enhances sustainability profile
  - Tensar reduces CO2 emissions compared to conventional processes
  - Consistent with CMC's commitment to environmental stewardship

Expands into complementary reinforcing products and technologies

Leverages CMC's core strengths

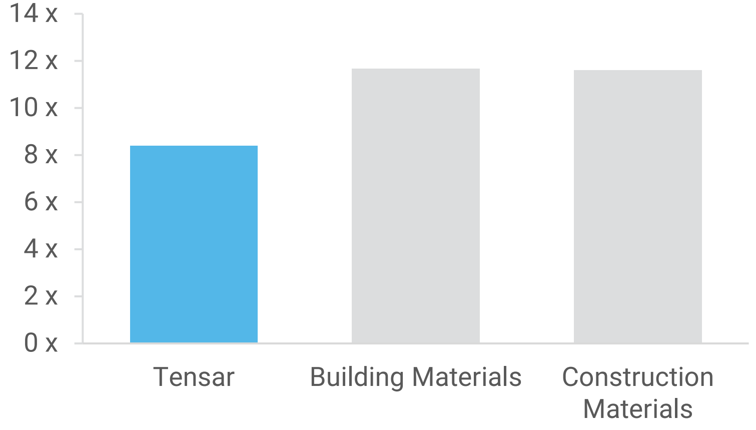
Creates platform for further growth

Broadens and deepens exposure to infrastructure

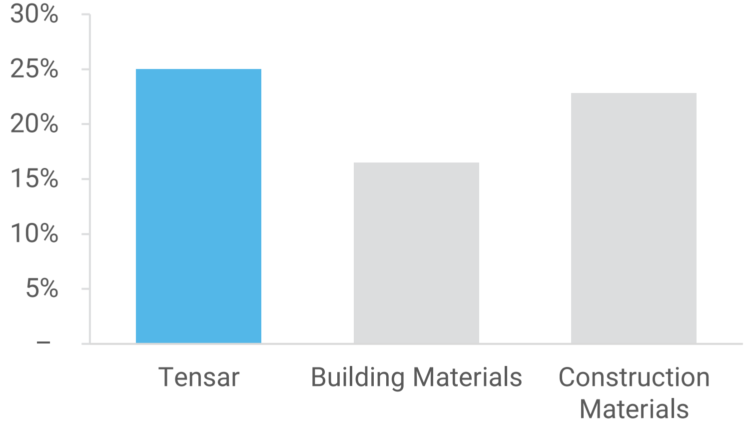
Financially Attractive Transaction

Transaction Valuation and Margin Comparisons

EV / FY '21 EBITDA

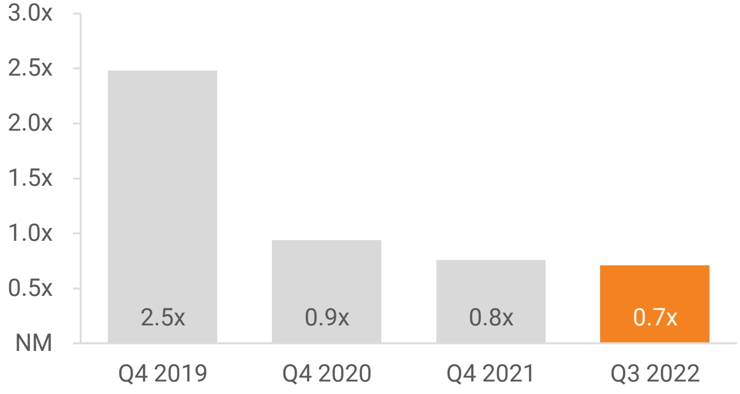


EBITDA Margins



Impact on CMC Net Leverage

Net Debt to Trailing 12-Month Adjusted EBITDA



Earnings Profile

- Stable EBITDA Margins
  - 5-year average: 25.3%
  - 5-year low: 24.3%
  - 5-year high: 27.5%
  - GFC level: >20%

Earnings Outlook

- Meaningful commercial synergy opportunities
- Executing on pre-acquisition plan to achieve significant organic growth over next 5 years
  - Commercialization of existing and new products
  - Baseline growth of key end markets
  - Excludes impact of U.S. infrastructure package

Free Cash Flow Profile

- Far less capital intensive than legacy CMC
- Low capital expenditure requirements, even for new product line launches
- 75%+ free cash flow conversion of EBITDA

1 EBITDA multiple illustrated for Tensar includes cost synergies of $5 million

2 Net debt to EBITDA is a non-GAAP financial measure. For definitions and reconciliations of non-GAAP financial measures to the most directly comparable GAAP financial measures, see the appendix to this document

Secular Trends Emerging in Europe

Shifting Steel Long Product[1] Trade Flows Into Europe

Annual Long Product Volumes to Europe
(5-year average in short tons)

	Russia / Belarus	Turkey
To Poland	**205,627**	**2,765**
To Neighboring Countries	**726,745**	**115,553**
To Other E.U.	676,483	1,145,242
Total E.U.	1,608,856	1,263,560

Percent of Total Imported Long Products
(5-year average)

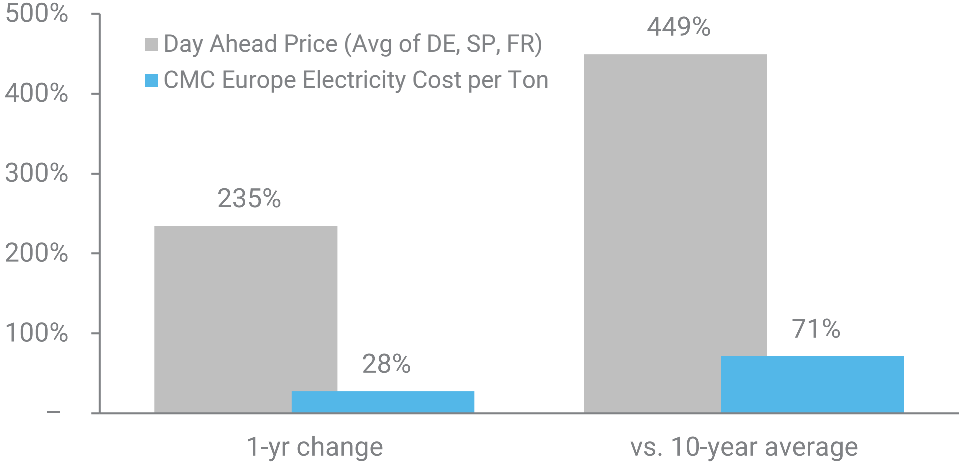
	Russia / Belarus	Turkey
To Poland	**53%**	**1%**
To Neighboring Countries	**33%**	**5%**
To Other E.U.	21%	35%
Total E.U.	27%	22%

Geopolitical events have caused a significant shift in steel trade flows into Europe

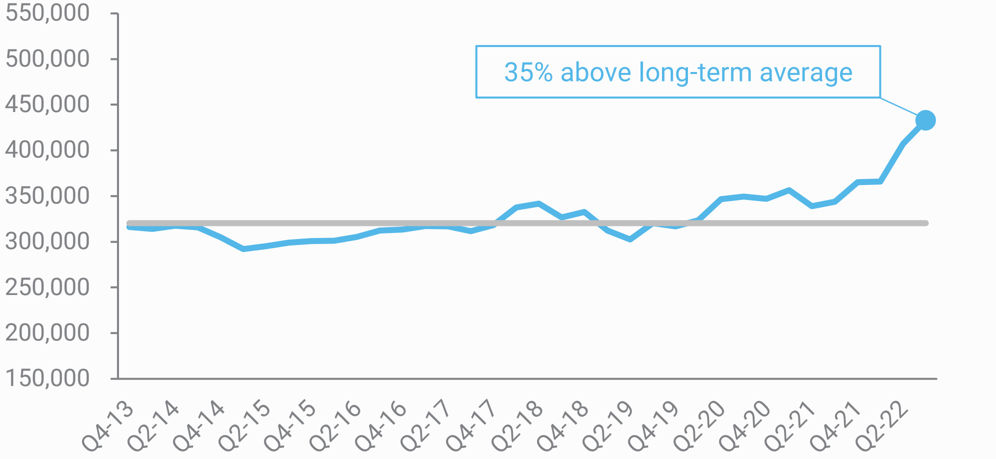
- Sanctions have resulted in an absence of Russian and Belarussian steel in the E.U. market.
- Turkey, as the natural alternative, is not geographically well-situated to supply Eastern Europe.

Geopolitical events and energy supply shortages have meaningfully impacted European long steel markets. The addition of a third rolling line has allowed CMC Europe to capitalize on these dislocations.

Q3 '22 Electricity Costs vs. Historical Periods – CMC Europe vs. European Spot Pricing



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



[1] Long product refers to rebar, merchant bar, and wire rod

Operational Update

Performance Drivers

- Significant increase in steel product margins over scrap in North America and Europe
  - Margins up $213 per ton y/y in North America, up $149 per ton y/y in Europe
- Margins on sales of raw materials reached $299 per ton compared to a seven-year average of $160
- Downstream average selling price increased $75 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 fourth consecutive quarter
- North America controllable costs per ton of finished steel were flat from the prior quarter, but up y/y on increased per unit purchase costs for freight, alloys, and energy
- Third rolling line in Poland running at high utilization, allowing CMC Europe to achieve record levels of finished goods shipments
- Energy costs in Europe segment increased from the third quarter of 2021, but were more than offset by strong market dynamics
  - Hedged position provided large cost offset
  - Electricity rates in the Polish market have experienced less volatility compared to Western European countries
- Major end markets in North America and Europe remained strong

Outlook

- Q4 financial results are expected to be strong
- Volumes in North America should be supported by a replenished downstream backlog, as well as broad end market strength
- Downstream backlog is expected to continue repricing higher
- Europe volumes should be supported by a robust construction market
- Fourth quarter FY 2022 finished steel shipments should follow a typical seasonal pattern – generally consistent with third quarter levels
- Margins in the fourth quarter FY 2022 are expected to be consistent with recent levels
- Import sanctions against Russia and Belarus are expected to tighten market supply of long steel products in Central and Eastern Europe

FY 2022 Core EBITDA is expected to achieve new record

Consolidated Operating Results

Performance Summary

Units in 000's except per ton amounts

	Q3 '21	Q4 '21	Q1 '22	Q2 '22	Q3 '22
External Finished Steel Tons Shipped[1]	1,601	1,646	1,464	1,429	**1,654**
Core EBITDA[2]	$230,464	$255,916	$326,806	$323,107	**$483,913**
Core EBITDA per Ton of Finished Steel Shipped[2]	$144	$155	$223	$226	**$293**
Adjusted Earnings[2]	$127,106	$154,240	$199,152	$187,553	**$320,244**

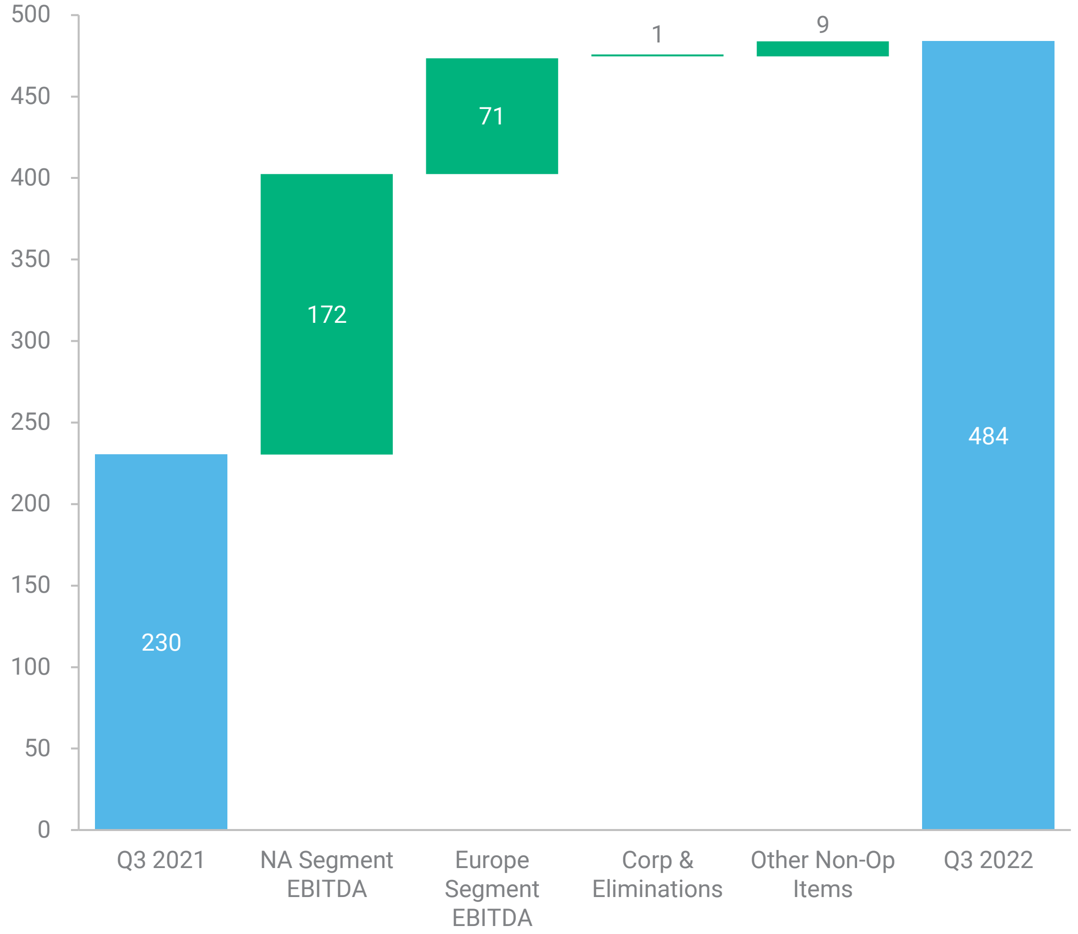
Non-Operating Charges (excluded from results above)

Figures are pre-tax for Q3 2022

- $4.5 million charge related to Tensar acquisition and integration
- $2.2 million charge for purchase accounting effect on inventory valuation

Core EBITDA Bridge – Q3 2021 to Q3 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.

North America

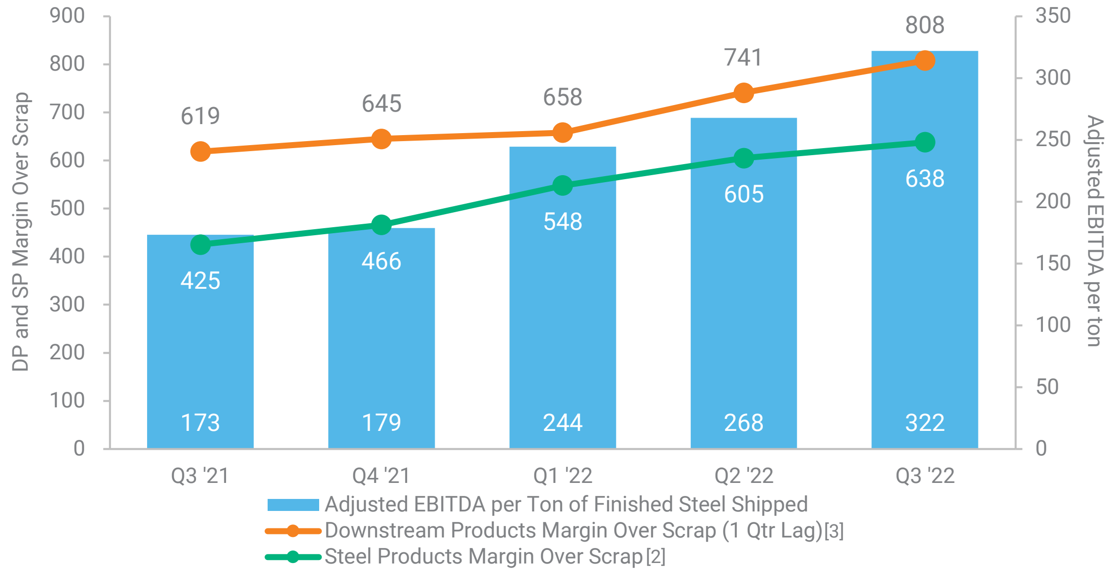
Performance Summary

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

	Q3 '21	Q4 '21	Q1 '22	Q2 '22	**Q3 '22**
External Finished Steel Tons Shipped[1]	1,197	1,186	1,099	979	**1,178**
Adjusted EBITDA	$207,330	$212,018	$268,524	$262,148	**$379,355**
Adjusted EBITDA per Ton of Finished Steel Shipped	$173	$179	$244	$268	**$322**
Adjusted EBITDA Margin	13.3%	12.8%	16.2%	16.2%	**18.7%**

North America – Key Margins

$ / ton (excludes California land sale)



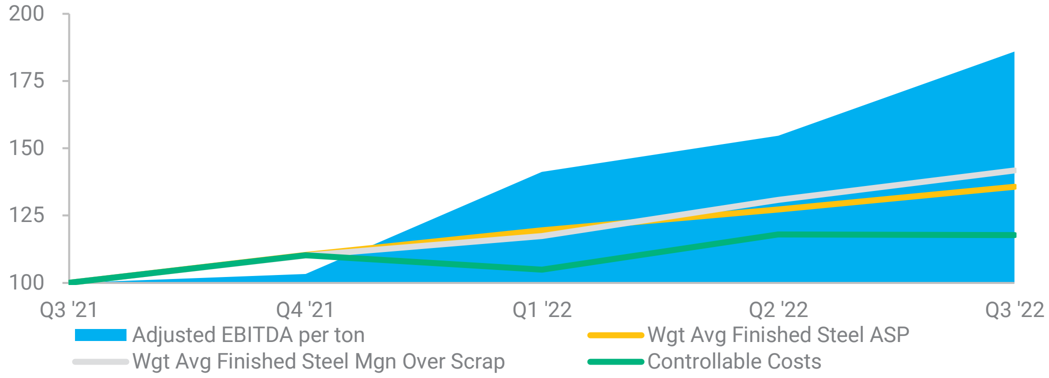
Key Performance Drivers

Q3 2022 vs Q3 2021

- Significant increase in steel product margins over scrap
  - Up $213 per ton y/y and $33 per ton sequentially
- Expanded margins on sales of raw materials
  - Spread of selling price over purchase cost increased $47 per ton on a y/y basis
- Expanded margins on sales of downstream products
  - Margin over scrap cost increased nearly $180 per ton y/y
  - Full value chain profitability on sales of downstream products above long-term average
- Controllable costs negatively impacted by planned maintenance, freight, energy, and alloys
  - CMC remains very competitively positioned in comparison to the broader industry

North America Indexed Margins and Controllable Costs

$ / 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
Tensar contributed $4 million, which includes a $1.4 million charge related to purchase accounting effects on inventory

Europe

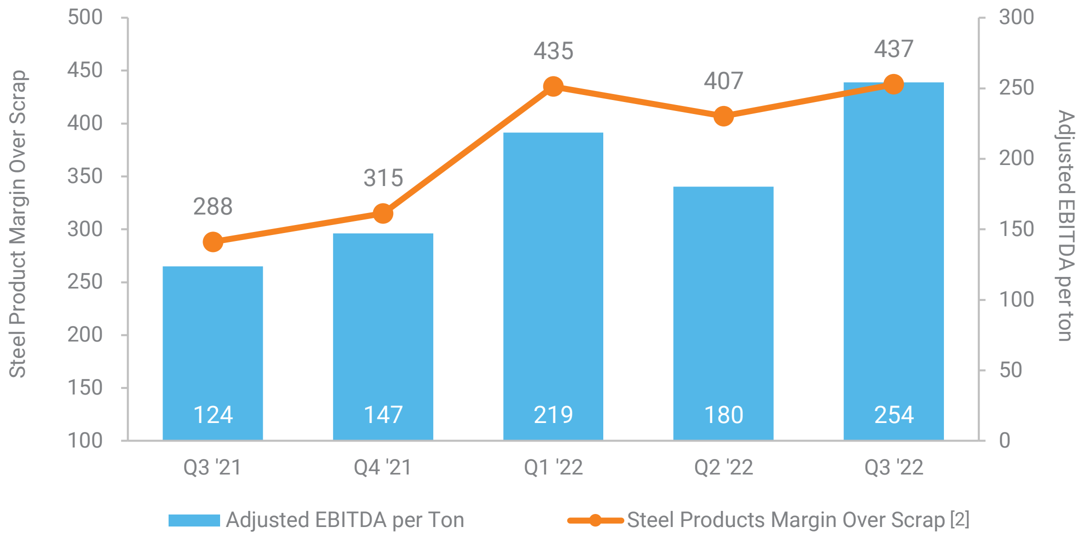
Performance Summary

Units in 000's except per ton amounts

	Q3 '21	Q4 '21	Q1 '22	Q2 '22	Q3 '22
External Finished Steel Tons Shipped[1]	404	460	365	450	**476**
Adjusted EBITDA	$50,005	$67,676	$79,832	$81,149	**$120,974**
Adjusted EBITDA per Ton of Finished Steel Shipped	$124	$147	$219	$180	**$254**
Adjusted EBITDA Margin	17.6%	18.4%	24.3%	20.5%	**25.0%**

Europe – Key Margins

$ / ton



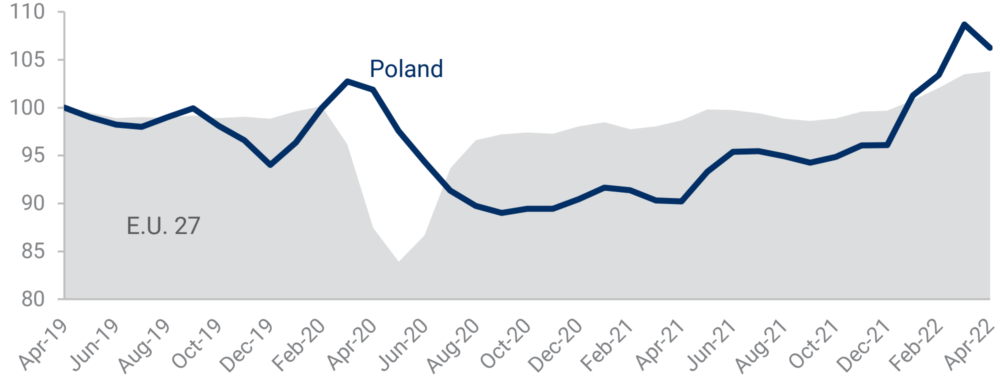
Key Performance Drivers

Q3 2022 vs Q3 2021

- Significant increase in margin over scrap
  - Up $149 per ton y/y
- Strong contribution from third rolling line
  - Allowed for increased sales of finished steel products into favorable market
  - Increased shipments y/y of rebar, merchant bar, and wire rod
- Strong steel market dynamics more than offset impact of significant increase in electricity costs
- Robust volumes and pricing on downstream mesh and wire products

Polish and E.U. Construction Activity Index

Average of trailing three months [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 Eurostat
Tensar contributed $1 million, which includes a $0.8 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

YTD 2022 Sources of Cash

- Operating cash flow
- Sale of southern California real estate ($313 million of gross proceeds)
- $600 million notes issuance
- $150 million tax-exempt bond[1]

Uses and Intended Uses

- Funding of Tensar acquisition
- Growth initiatives, including completion of Arizona 2 micro mill
- Share repurchases
- Opportunistic redemption of 2027 notes

Quarterly dividend of $0.14 per share
(increased 17% in Q4 2021)

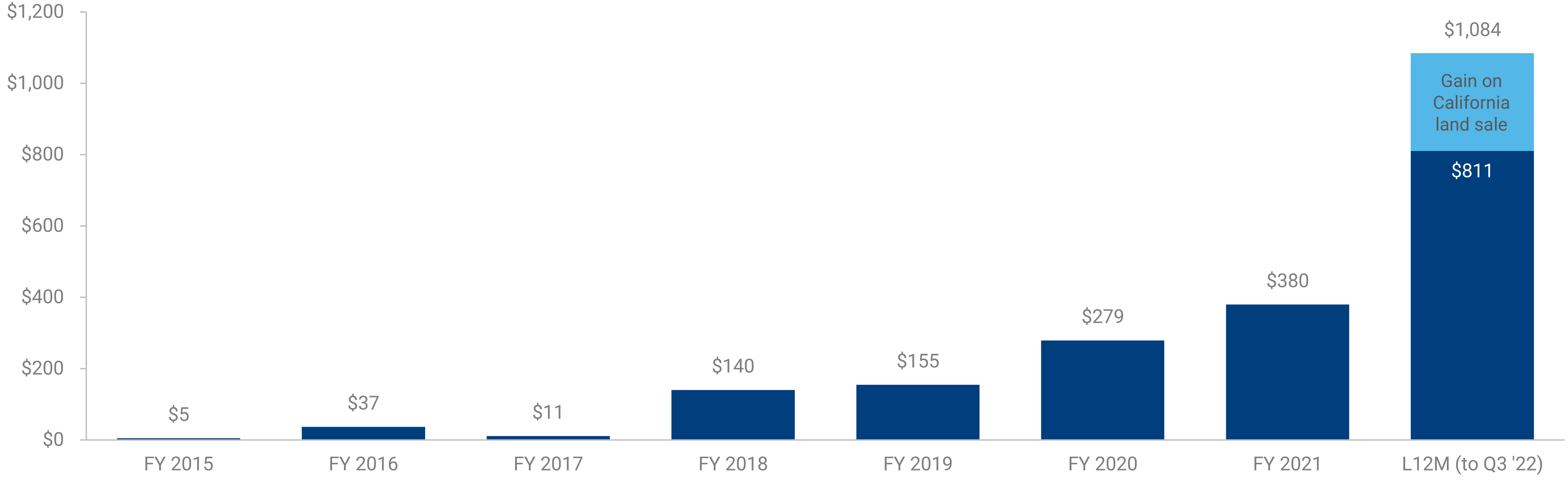
Shareholder Cash Distribution Programs in Place

$350 million share repurchase program in place

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 2022 capital expenditures expected in a range of $475 million to $500 million

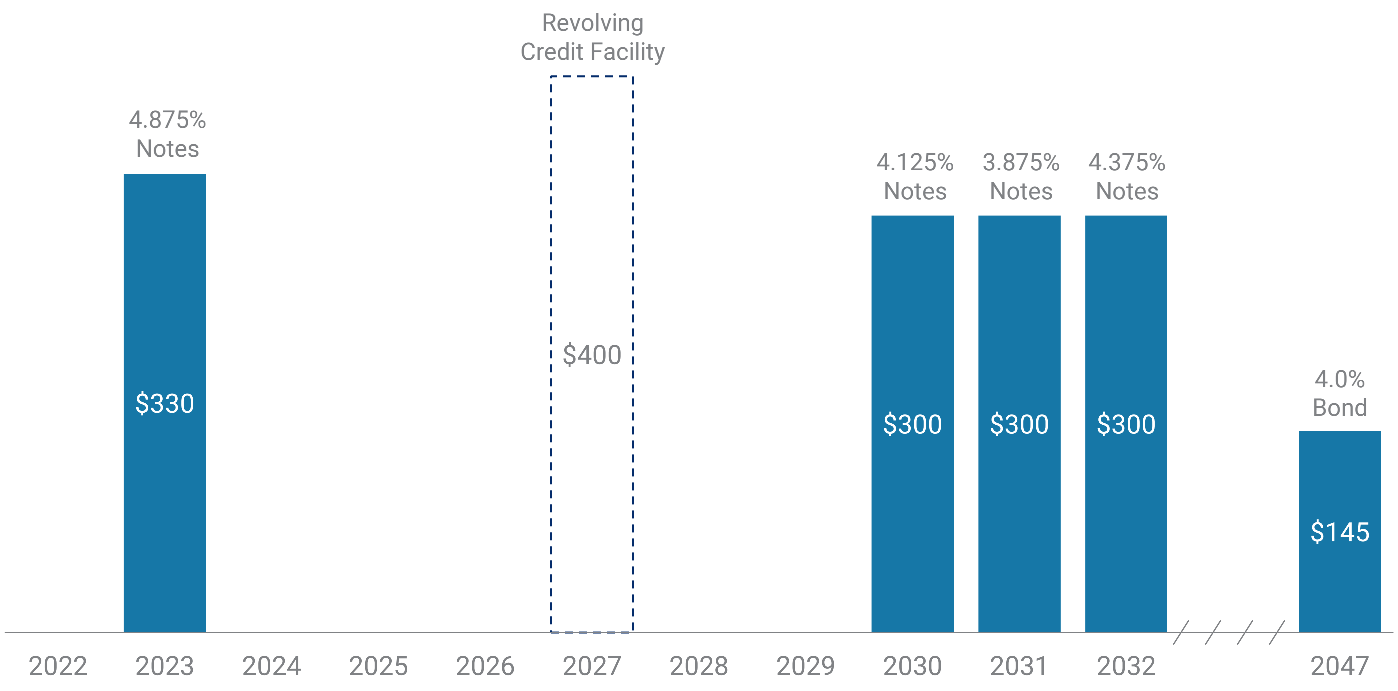
Source: Public filings, Internal data
[1] Adjusted EBITDA less Sustaining Capital Expenditures and Disbursements to Stakeholders is a non-GAAP financial measure. For a reconciliation of non-GAAP financial measures to the most directly comparable GAAP financial measures, see the appendix to this document.

Balance Sheet Strength

Debt maturity profile provides strategic flexibility

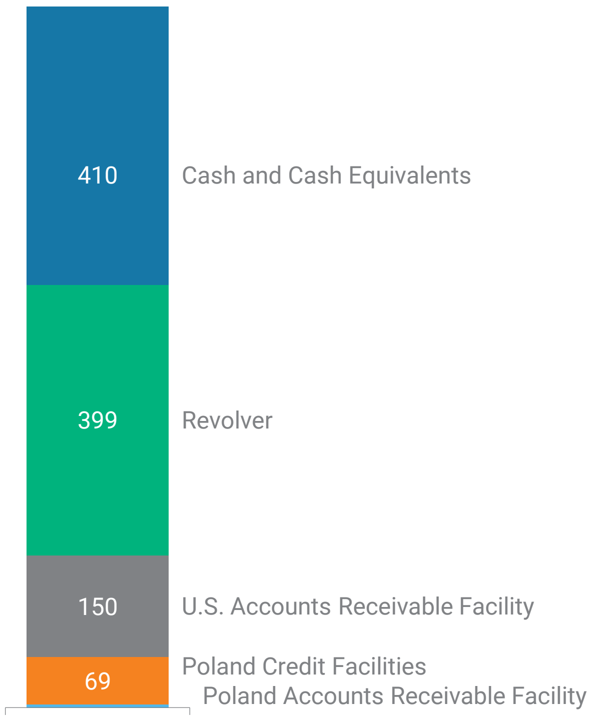
Debt Maturity Profile

(US$ in millions)



Q3 FY'22 Liquidity[2]

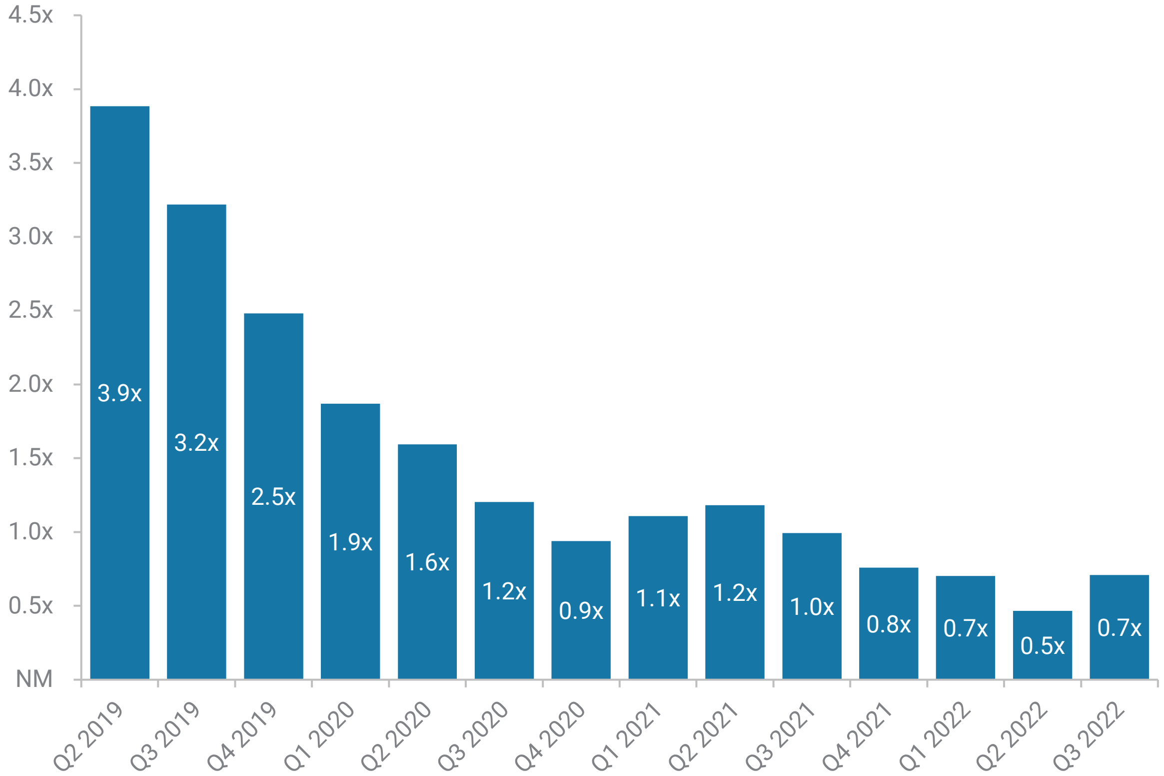
(US$ in millions)



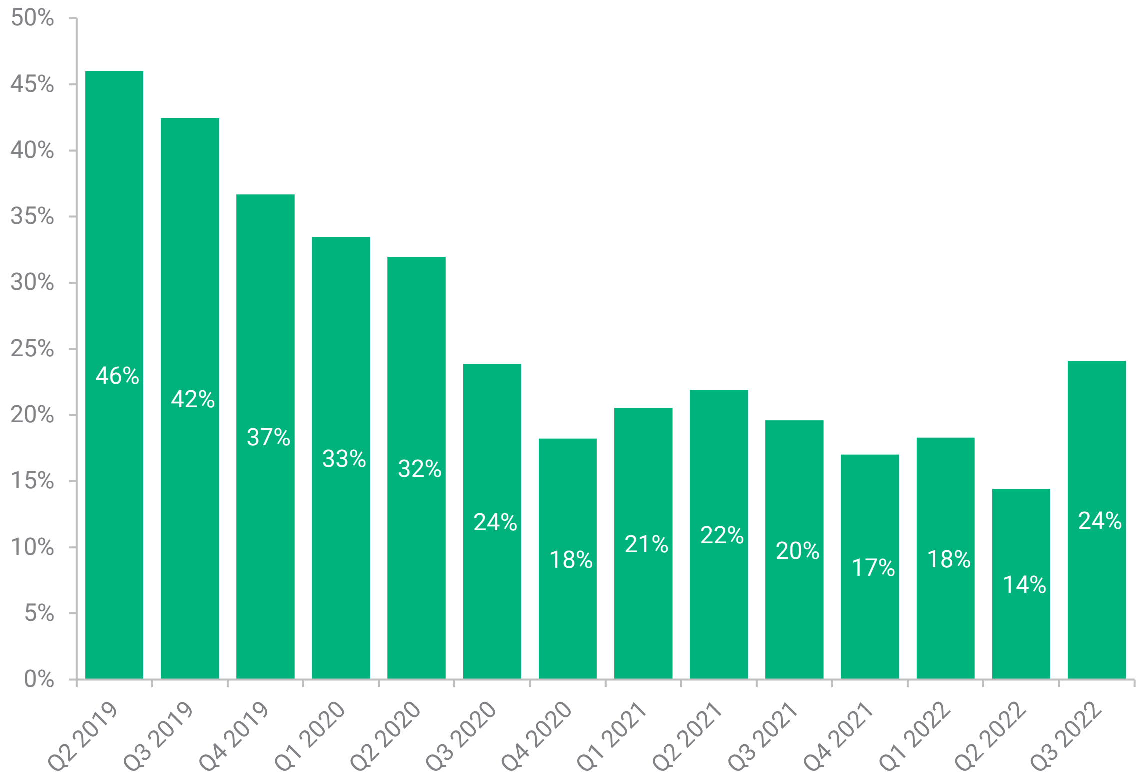
[1] 2047 tax-exempt bonds were priced to yield 3.5%; coupon rate is 4.0%
[2] Availability as of May 31, 2022 excludes proceeds related to 2047 tax-exempt bond as these funds are held as restricted cash
Source: Public filings

Leverage Profile

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



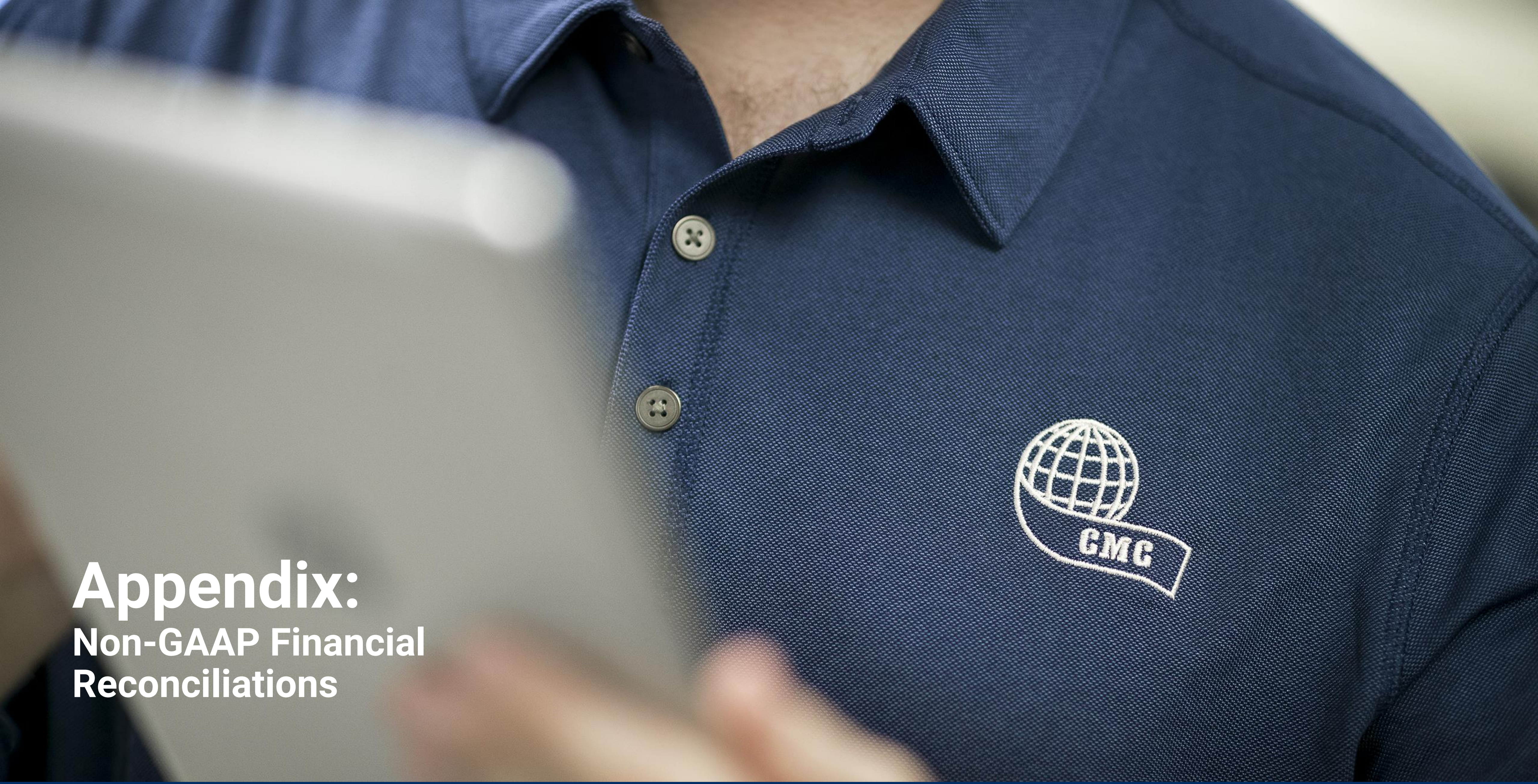
Net Debt-to-Capitalization[4]



- 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

Figures in thousand $	3 MONTHS ENDED				
	5/31/2022	2/28/2022	11/30/2021	8/31/2021	5/31/2021
Net earnings	$312,429	$383,314	$232,889	$152,313	$130,408
Interest expense	13,433	12,011	11,035	11,659	11,965
Income taxes	92,590	126,432	28,872	40,444	38,175
Depreciation and amortization	43,583	41,134	41,226	42,437	41,804
Amortization of acquired unfavorable contract backlog	–	–	–	(1,495)	(1,508)
Asset impairments	3,245	1,228	–	2,439	277
Adjusted EBITDA[1]	$465,280	$564,119	$314,022	$247,797	$221,121
Non-cash equity compensation	11,986	16,251	9,619	8,119	13,800
Loss on debt extinguishment	–	16,052	–	–	–
Gain on sale of assets	–	(273,315)	–	–	(4,457)
Facility closure	–	–	–	–	–
Acquisition and integration related costs and other	4,478	–	3,165	–	–
Purchase accounting effect on inventory	2,169	–	–	–	–
Core EBITDA[1]	$483,913	$323,107	$326,806	$255,916	$230,464
North America steel product shipments	779	652	699	771	789
North America downstream shipments	399	327	400	415	408
Europe steel product shipments	476	450	365	460	404
Total finished steel shipments	1,654	1,429	1,464	1,646	1,601
Core EBITDA per ton of finished steel shipped	293	226	223	155	144

[1] See page 24 for definitions of non-GAAP measures

Adjusted Earnings

Figures in thousand $	3 MONTHS ENDED				
	5/31/2022	2/28/2022	11/30/2021	8/31/2021	5/31/2021
Net earnings	$312,429	$383,314	$232,889	$152,313	$130,408
Gain on sale of assets	–	(273,315)	–	–	(4,457)
Loss on debt extinguishment	–	16,052	–	–	–
Facility closure	–	–	–	–	–
Asset impairments	3,245	1,228	–	2,439	277
Acquisition and integration related costs and other	4,478	–	3,165	–	–
Purchase accounting effect on inventory	2,169	–	–	–	–
Total adjustments (pre-tax)	$9,892	($256,035)	$3,165	$2,439	($4,180)
Tax impact					
International restructuring	–	–	(36,237)	–	–
Related tax effects on adjustments	(2,077)	60,274	(665)	(512)	878
Total tax impact	($2,077)	$60,274	($36,902)	($512)	$878
Adjusted earnings[1]	$320,244	$187,553	$199,152	$154,240	$127,106
Average diluted shares outstanding (thousands)	122,800	122,852	122,798	122,376	122,194
Adjusted earnings per diluted share	$2.61	$1.53	$1.62	$1.26	$1.04

[1] See page 24 for definitions of non-GAAP measures

Return on Invested Capital

Figures in thousand $	3 MOS ENDED 5/31/2022
Earnings before income taxes	$405,019
Plus: interest expense	13,433
Plus: acquisition and integration related costs	4,478
Plus: loss on extinguishment of debt	39
Plus: asset impairments	3,245
Plus: purchase accounting effect on inventory	2,169
Less: gain on sale of assets	(2,024)
Operating profit - adjusted	$426,359
Operating profit - adjusted	$426,359
Less: income tax at statutory rate[1]	101,473
Net operating profit after tax	$324,886
Assets	$6,103,702
Less: cash and cash equivalents	410,265
Less: accounts payable	492,947
Less: accrued expenses and other payables	474,653
Invested capital	$4,725,837
Annualized net operating profit after tax	$1,299,542
Invested capital (average of Q3 2022 and Q2 2022 ending amounts)	$4,292,354
Return on Invested Capital[2]	30.3%

[1] Federal statutory rate of 21% plus approximate impact of state level income tax
[2] See page 24 for definitions of non-GAAP measures

Adjusted EBITDA Less Sustaining Capital Expenditures and Disbursements to Stakeholders

Figures in thousand $	12 MONTHS ENDED 5/31/2022	8/31/2021	8/31/2020	8/31/2019	8/31/2018	8/31/2017	8/31/2016	8/31/2015	9 MONTHS ENDED 5/31/2022	5/31/2021
Net earnings	$1,080,945	$412,865	$278,302	$198,779	$135,237	$50,175	$62,001	$58,583	$928,632	$260,552
Interest expense	48,138	51,904	61,837	71,373	40,957	44,151	62,121	76,456	36,479	40,245
Income taxes	288,338	121,153	92,476	69,681	30,147	15,276	13,976	36,097	247,894	80,709
Depreciation and amortization	168,380	167,613	165,749	158,653	131,508	124,490	127,111	135,559	125,943	125,176
Asset impairments	6,912	6,784	7,611	384	14,372	1,730	40,028	2,573	4,473	4,345
Amortization of acquired unfavorable contract backlog	(1,495)	(6,035)	(29,367)	(74,784)	–	–	–	–	–	(4,540)
Adjusted EBITDA[1]	$1,591,218	$754,284	$576,608	$424,086	$352,221	$235,822	$305,237	$309,268	$1,343,421	$506,487
Sustaining capital expenditures and disbursements to stakeholders										
Sustaining capital expenditures (depreciation and amortization used as proxy)	168,380	167,613	165,749	158,653	131,508	124,490	127,111	135,559	125,943	125,176
Interest expense	48,138	51,904	61,837	71,373	40,957	44,151	62,121	76,456	36,479	40,245
Cash income taxes	271,400	140,950	44,499	7,977	7,198	30,963	50,201	61,000	189,491	59,041
Dividends	65,474	57,766	57,056	56,537	56,076	55,514	55,342	55,945	51,003	43,295
Less: Equity Compensation	(45,975)	(43,677)	(31,850)	(25,106)	(23,929)	(30,311)	(26,355)	(24,484)	(37,856)	(35,558)
Total capital expenditures and disbursements to stakeholders	$507,417	$374,556	$297,291	$269,434	$211,810	$224,807	$268,420	$304,476	$365,060	$232,199
Adjusted EBITDA less capital expenditures and disbursements to stakeholders[1]	$1,083,801	$379,728	$279,317	$154,652	$140,411	$11,015	$36,817	$4,792	$978,361	$274,288

[1] See page 24 for definitions of non-GAAP measures

Net Debt to Adjusted EBITDA and Net Debt to Capitalization

	3 MONTHS ENDED																
Figures in thousand $	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	$1,115,478	$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	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	$1,538,569	$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	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]	$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	$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	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	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	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	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]	$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	$1,591,218	$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	$1,538,569	$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	3,142,169	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	$4,680,738	$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	0.7x	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	24%	14%	18%	17%	20%	22%	21%	18%	24%	32%	33%	37%	42%	46%			

[1] See page 24 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 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

Thank You