

An aerial photograph of a coastal landscape. A two-lane road curves along a rocky, green coastline. A bridge crosses a narrow body of water, with a car visible on it. To the right, a large waterfall cascades over dark rocks into a pool of water. The sky is not visible, and the water is a deep blue-green.

COMMERCIAL METALS COMPANY

Q2 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, the proposed Tensar acquisition and the timing thereof, 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, 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 and competitive strengths
- ✓ **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

- All-time high margins achieved on steel products and raw materials
- Current rate of earnings made possible by past strategic actions

✓ Progress made on key growth projects

- Tensar acquisition expected to close in fiscal Q3
- Arizona 2 construction on schedule; expected startup in early calendar 2023
- Details on announced fourth micro mill to be shared in coming months

✓ CMC's financial position has further strengthened

- Funds received from California land sale and opportunistic debt offering provides CMC with additional capital allocation flexibility

✓ Strong FY 2022 financial outlook

- Market conditions are robust; good demand and margin levels expected to persist through end of fiscal year

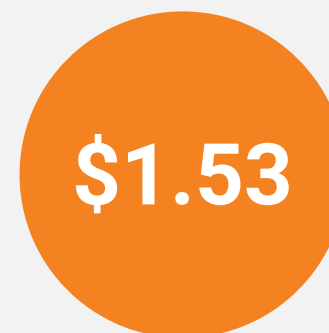
✓ No disruptions to workforce, operations, or demand to-date related to Ukraine crisis



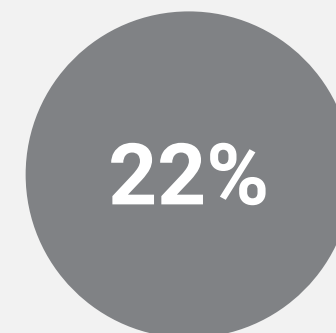
Q2 Core EBITDA⁽¹⁾



Q2 Adjusted Earnings
from Continuing
Operations⁽¹⁾



Q2 Adjusted EPS⁽¹⁾



Q2 Annualized ROIC⁽¹⁾



¹ Core EBITDA, adjusted earnings from continuing operations, 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



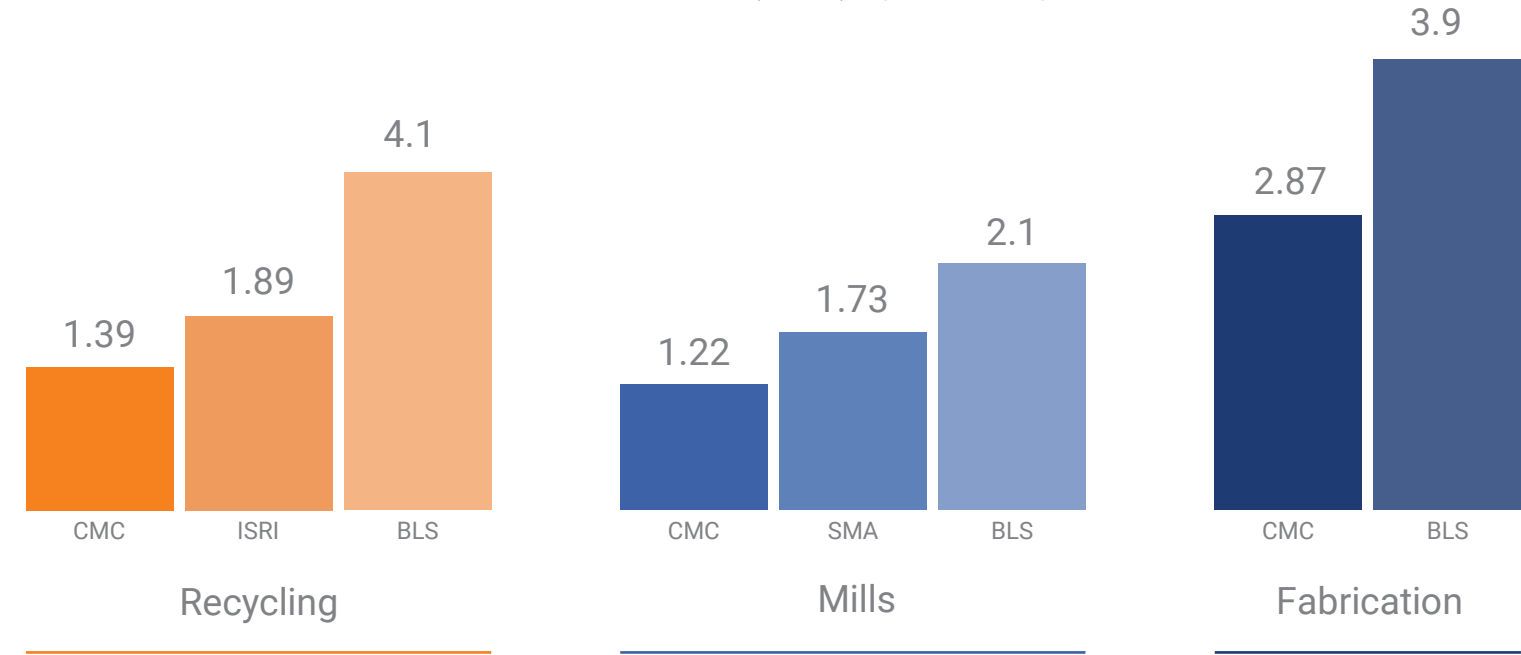
[1] Baseline for progress on environmental goals is fiscal year 2019

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

Our People Are Our #1 Asset

CMC’s mission is to ensure our team members leave each workday in the same condition in which they started. We strive to not only create a safety focused work environment, but a culture of shared accountability that carries that mission to the shop floor.

CMC FY 2021 Total Recordable Incident Rate (TRIR) by Category



Teamwork and accountability driving results

1st half FY 2022 incident rate improved from 1st half of prior year



Source: CMC 2021 Sustainability Report
Note: BLS refers to the U.S. Bureau of Labor Statistics; ISRI refers to the Institute of Scrap Recycling Industries; SMA refers to Steel Manufacturers Association

Building for the Future – Executing on a Disciplined Growth Plan



CMC is targeting significant growth through a disciplined approach of 1) expanding in markets we know well; 2) growing with a customer base we know well; and 3) adding complementary solutions for applications we know well



Operational Update

Performance Drivers

- Significant increase in steel product margins over scrap in North America and Europe
 - Margins up \$254 per ton y/y in North America, up \$203 per ton in Europe
- Margins on sales of raw materials reached \$269 per ton compared to a longer-term average of \$160
- Downstream average selling price increased \$77 per ton from the prior quarter, a reflection of ongoing repricing of CMC's backlog driven by higher priced new contracts
- Downstream backlog grew on a year-over-year basis for third consecutive quarter
- North America controllable costs per ton of finished steel increased from the prior quarter, driven primarily by maintenance, freight, and alloys
- New third rolling line in Poland running at high utilization, is consuming previous melt shop excess capacity that was formerly sold as third-party billets
- Energy costs in Europe segment increased from the second 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

- Based on CMC's current view of the marketplace, FY 2022 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 reprice higher throughout fiscal 2022
- Europe volumes should be supported by a robust residential construction market and continued growth in industrial activity
- Third quarter FY 2022 finished steel shipments should follow a typical seasonal pattern – increasing sequentially from Q2
- Margins in the third quarter FY 2022 are expected to be consistent with recent levels
- Crisis in Ukraine expected to tighten market supply of long steel products in Central and Eastern Europe

FY 2022 Core EBITDA poised to exceed FY 2021 record



Consolidated Operating Results

Performance Summary

Units in 000's except per ton amounts

	Q2 '21	Q3 '21	Q4 '21	Q1 '22	Q2 '22
External Finished Steel Tons Shipped ¹	1,436	1,601	1,646	1,464	1,429
Core EBITDA ²	\$171,087	\$230,464	\$255,916	\$326,806	\$323,107
Core EBITDA per Ton of Finished Steel Shipped ²	\$119	\$144	\$155	\$223	\$226
Adjusted Earnings from Continuing Operations	\$79,767	\$127,106	\$154,240	\$199,152	\$187,553

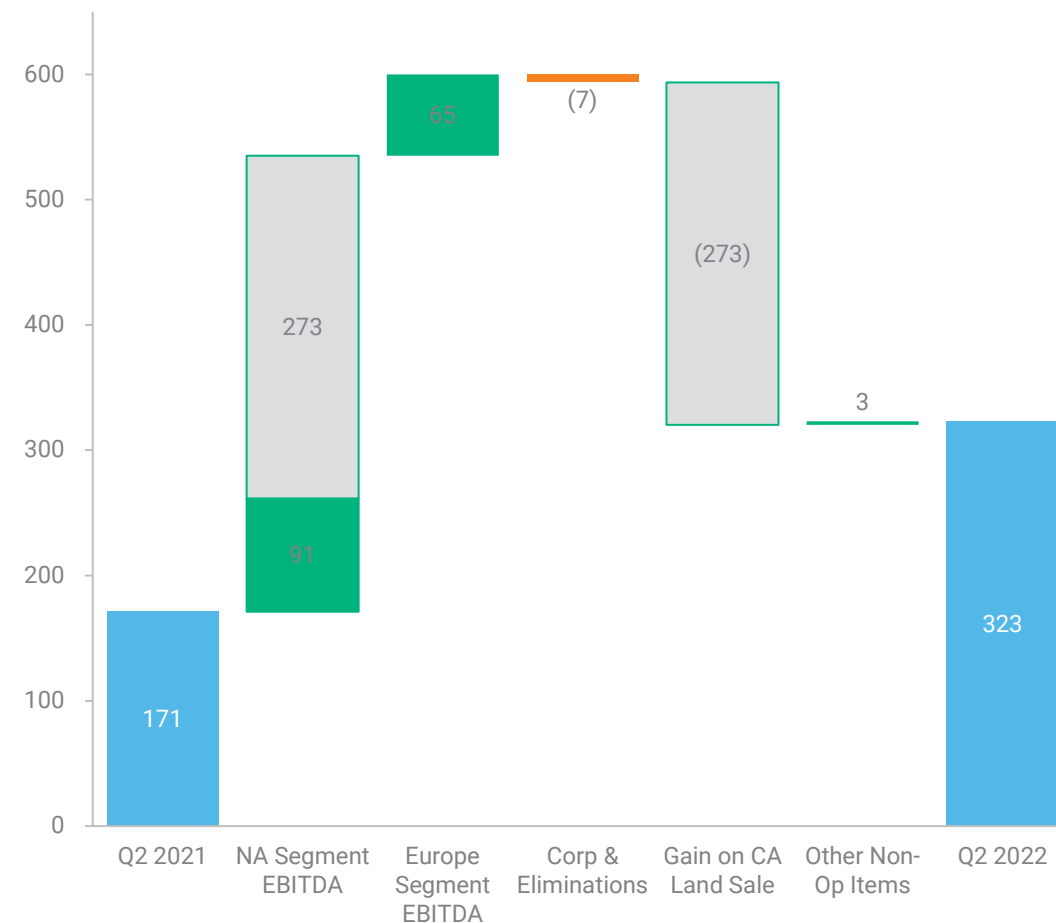
Non-Operating Charges / Benefits (excluded from results above)

Figures are pre-tax for Q2 2022

- \$273.3 million gain on the sale of real estate in Southern California
- \$16.1 million loss on extinguishment of debt related to the redemption of \$300 million in senior notes due 2027

Core EBITDA Bridge – Q2 2021 to Q2 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 from continuing operations 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)

	Q2 '21	Q3 '21	Q4 '21	Q1 '22	Q2 '22
External Finished Steel Tons Shipped ¹	1,083	1,197	1,186	1,099	979
Adjusted EBITDA	\$171,612	\$207,330	\$212,018	\$268,524	\$262,148
Adjusted EBITDA per Ton of Finished Steel Shipped	\$158	\$173	\$179	\$244	\$268
Adjusted EBITDA Margin	13.6%	13.3%	12.8%	16.2%	16.2%

Key Performance Drivers

Q2 2022 vs Q2 2021

- Significant increase in steel product margins over scrap
 - Up \$254 per ton y/y and \$57 per ton sequentially
- Expanded margins on sales of raw materials
 - Spread of selling price over purchase cost increased \$52 per ton on a y/y basis
- Expanded margins on sales of downstream products
 - Margin over scrap cost increased nearly \$150 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

Notes:

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

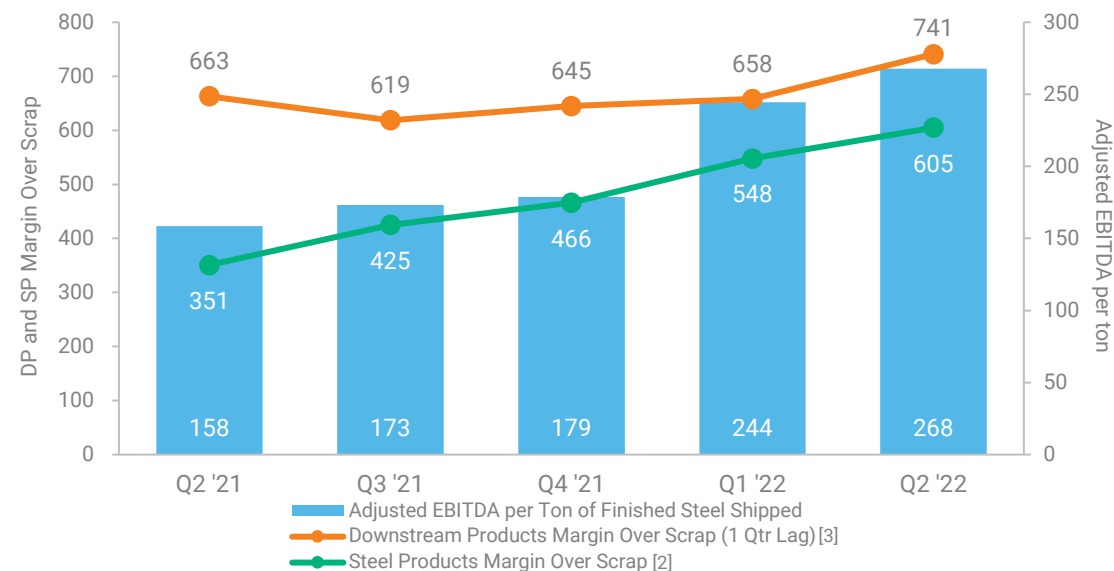
[2] Steel Products Margin Over Scrap equals Average Selling Price minus Cost of ferrous scrap utilized

[3] Downstream Products Margin Over Scrap equals Average Selling Price minus prior quarter cost of ferrous scrap utilized



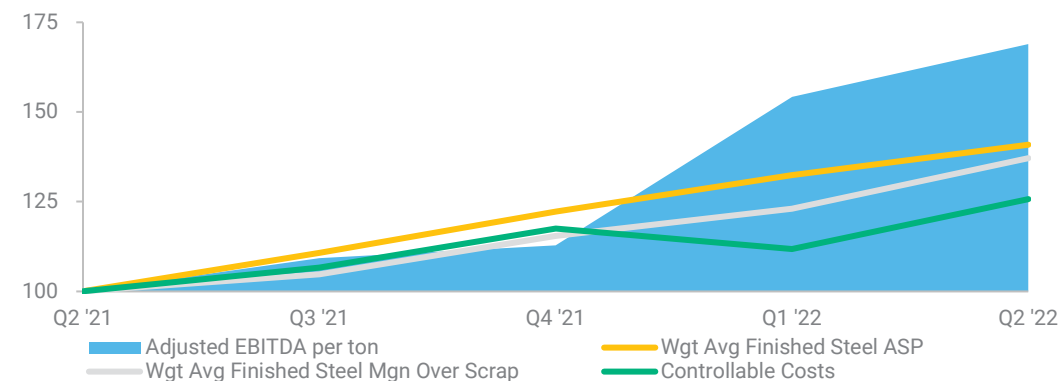
North America – Key Margins

\$ / ton (excludes California land sale)



North America Indexed Margins and Controllable Cost

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



Europe

Performance Summary

Units in 000's except per ton amounts

	Q2 '21	Q3 '21	Q4 '21	Q1 '22	Q2 '22
External Finished Steel Tons Shipped ¹	353	404	460	365	450
Adjusted EBITDA	\$16,107	\$50,005	\$67,676	\$79,832	\$81,149
Adjusted EBITDA per Ton of Finished Steel Shipped	\$46	\$124	\$147	\$219	\$180
Adjusted EBITDA Margin	8.0%	17.6%	18.4%	24.3%	20.5%

Key Performance Drivers

Q2 2022 vs Q2 2021

- Significant increase in margin over scrap
 - Up \$203 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
- Absence of major maintenance program undertaken in year ago period

Notes:

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

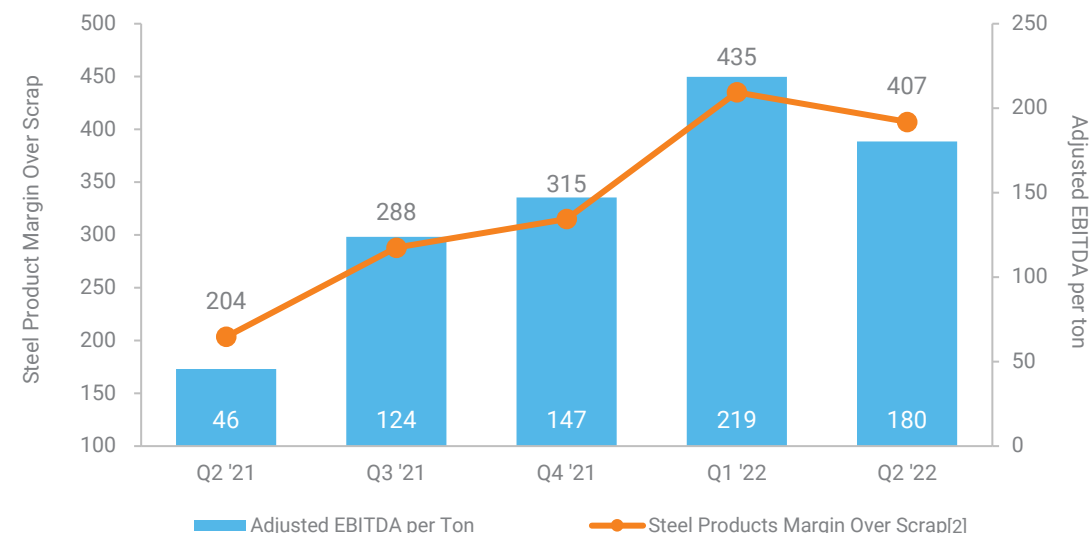
[2] Steel Products Margin Over Scrap equals Average Selling Price minus Cost of ferrous scrap utilized

[3] Data sourced from Eurofer



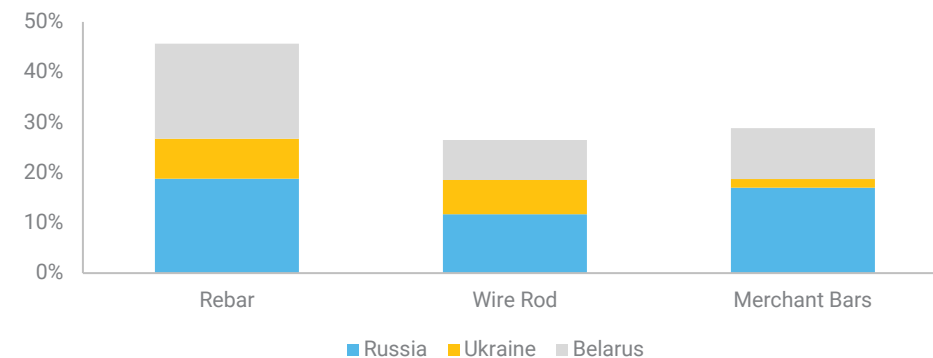
Europe – Key Margins

\$ / ton



Percent of E.U. Long Product Imports from Russia, Ukraine, and Belarus

% of total imports by product³



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

1st Half Fiscal 2022 Sources of Cash

- Operating cash flow
- Sale of southern California real estate
- \$600 million notes issuance
- \$150 million tax-exempt bond¹

Uses and Intended Uses

- Funding of pending Tensar Acquisition
- Completion of Arizona 2 micro mill
- Increased shareholder distributions, to include Q3 and Q4 FY 2022 acceleration of 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**



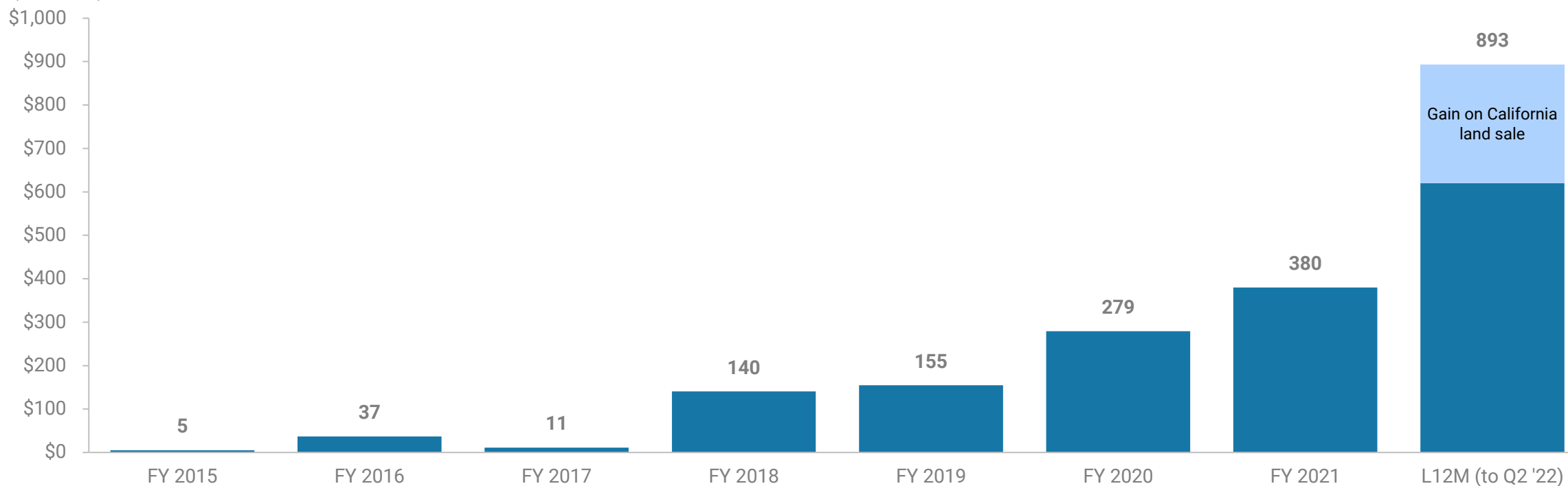
Notes:

[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 Stakeholders¹

(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 \$525 million



Source: Public filings, Internal data

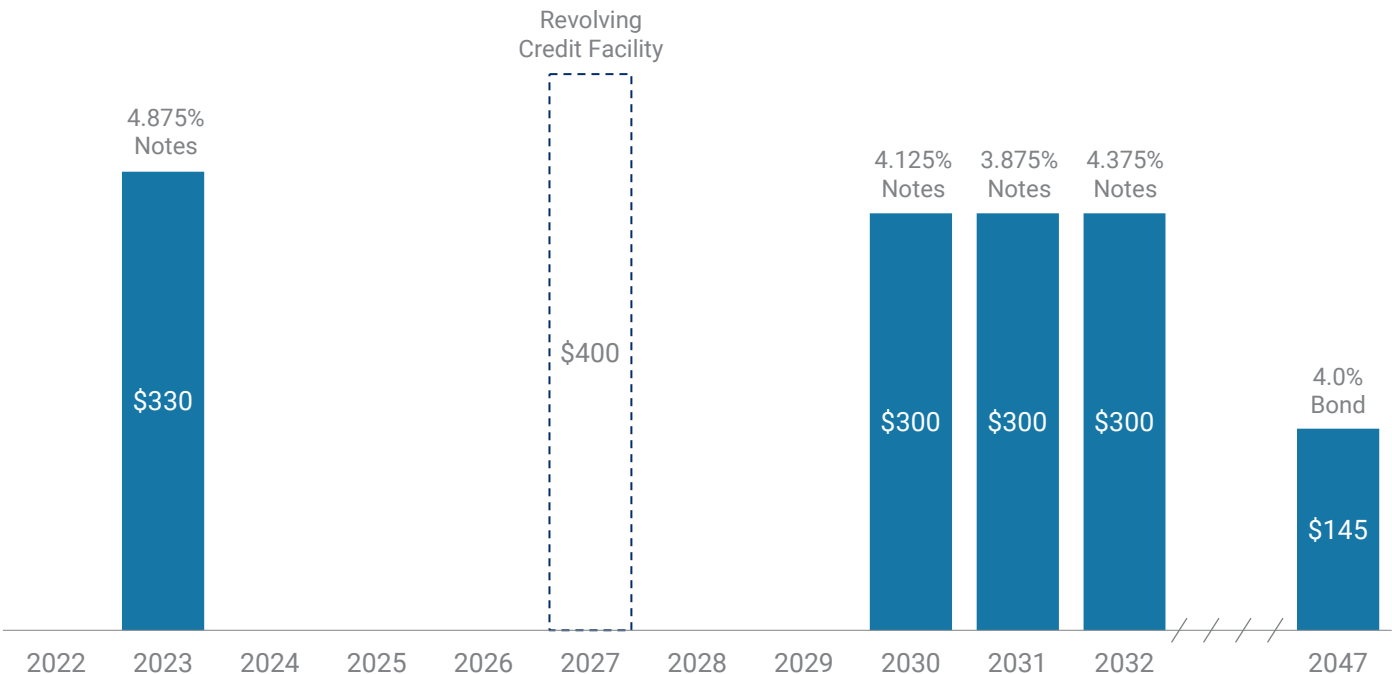
[1] Adjusted EBITDA less Sustaining Capital Expenditures and Disbursements to Stakeholders is a non-GAAP financial measure. For a reconciliation of non-GAAP financial measures to the most directly comparable GAAP financial measures, see the appendix to this document.

Balance Sheet Strength

Debt maturity profile provides strategic flexibility

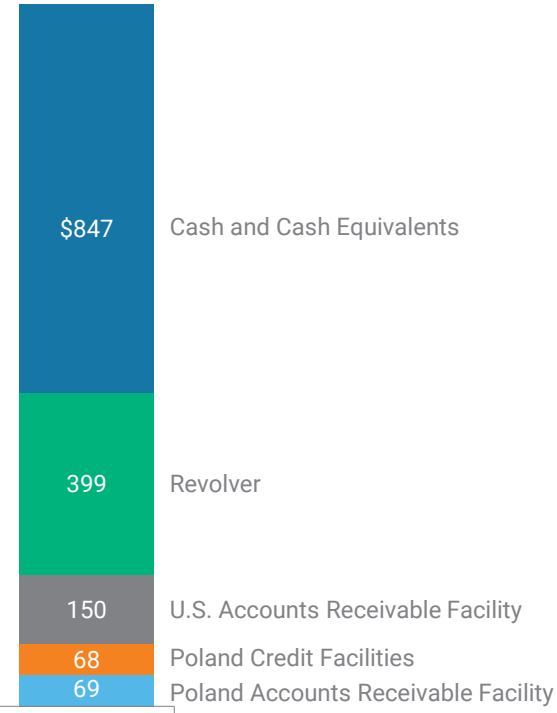
Debt Maturity Profile

(US\$ in millions)



Q2 FY'22 Liquidity²

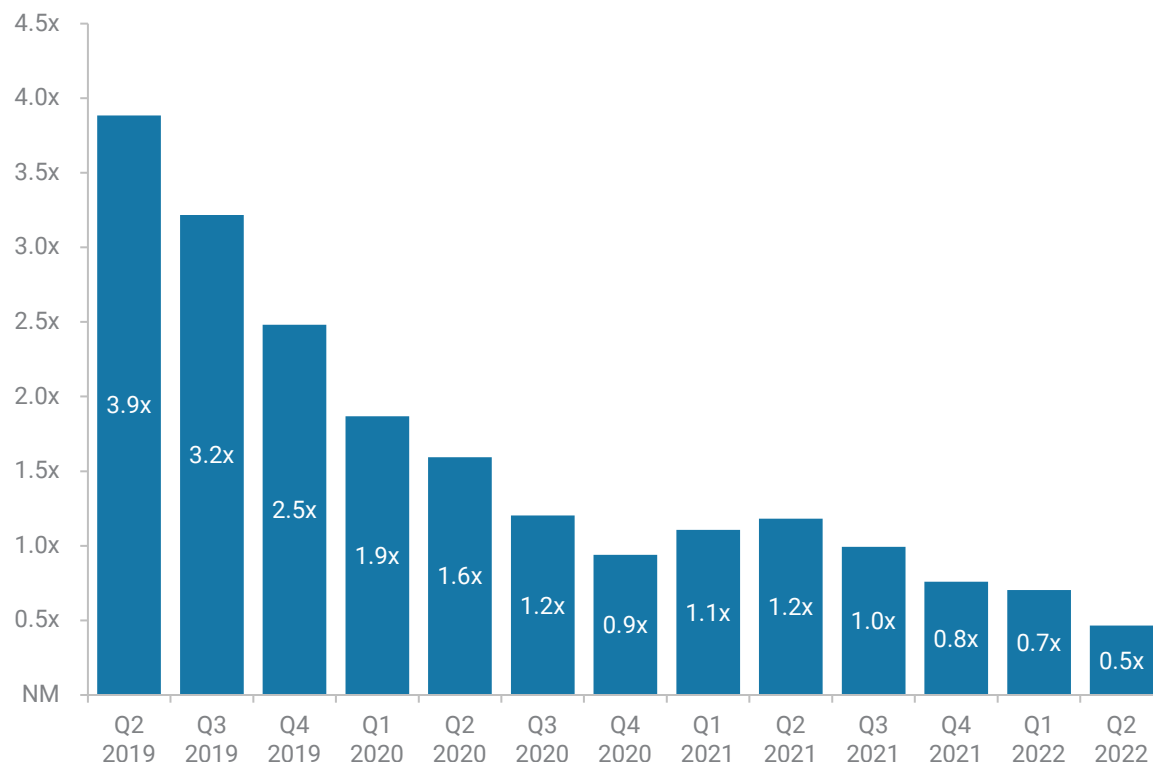
(US\$ in millions)



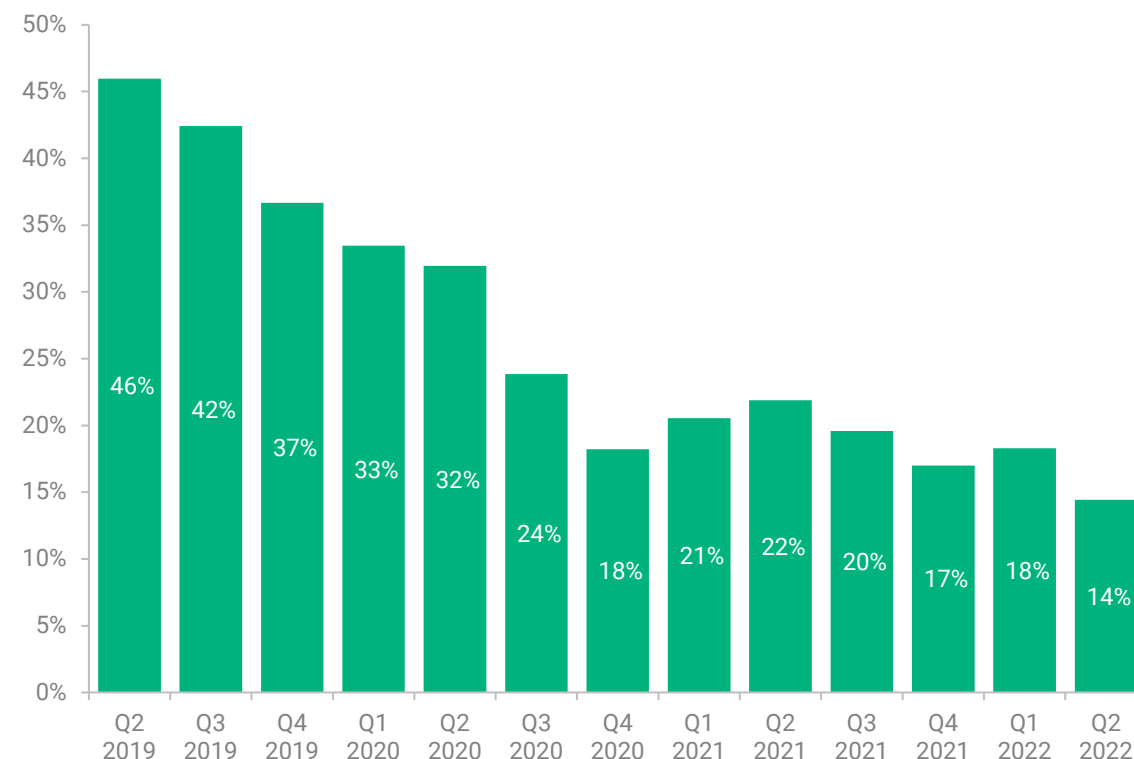
[1] 2047 tax-exempt bonds were priced to yield 3.5%; coupon rate is 4.0%
[2] Availability as of February 28, 2022 excludes proceeds related to 2047 tax-exempt bond as these funds are held as restricted cash
Source: Public filings

Leverage Profile

Net Debt^{1,2} / 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

Figures in thousand \$	3 MONTHS ENDED				
	2/28/2022	11/30/2021	8/31/2021	5/31/2021	2/28/2021
Earnings from continuing operations	\$383,314	\$232,889	\$152,313	\$130,408	\$66,233
Interest expense	12,011	11,035	11,659	11,965	14,021
Income taxes	126,432	28,872	40,444	38,175	20,941
Depreciation and amortization	41,134	41,226	42,437	41,804	41,573
Amortization of acquired unfavorable contract backlog	–	–	(1,495)	(1,508)	(1,509)
Asset impairments	1,228	–	2,439	277	474
Adjusted EBITDA from continuing operations¹	\$564,119	\$314,022	\$247,797	\$221,121	\$141,733
Non-cash equity compensation	16,251	9,619	8,119	13,800	12,696
Loss on debt extinguishment	16,052	–	–	–	16,841
Gain on sale of assets	(273,315)	–	–	(4,457)	(5,877)
Facility closure	–	–	–	–	5,694
Acquisition and integration related costs and other	–	3,165	–	–	–
Core EBITDA from continuing operations¹	\$323,107	\$326,806	\$255,916	\$230,464	\$171,087
North America steel product shipments	652	699	771	789	740
North America downstream shipments	327	400	415	408	343
Europe steel product shipments	450	365	460	404	353
Total finished steel shipments	1,429	1,464	1,646	1,601	1,436
Core EBITDA per ton of finished steel shipped	226	223	155	144	119



[1] See page 22 for definitions of non-GAAP measures

Adjusted Earnings from Continuing Operations

Figures in thousand \$	3 MONTHS ENDED				
	2/28/2022	11/30/2021	8/31/2021	5/31/2021	2/28/2021
Earnings from continuing operations	\$383,314	\$232,889	\$152,313	\$130,408	\$66,233
Gain on sale of assets	(273,315)	–	–	(4,457)	(5,877)
Loss on debt extinguishment	16,052	–	–	–	16,841
Facility closure	–	–	–	–	5,694
Asset impairments	1,228	–	2,439	277	474
Acquisition and integration related costs and other	–	3,165	–	–	–
Total adjustments (pre-tax)	(\$256,035)	\$3,165	\$2,439	(\$4,180)	\$17,132
Tax impact					
International restructuring	–	(36,237)	–	–	–
Related tax effects on adjustments	60,274	(665)	(512)	878	(3,598)
Total tax impact	\$60,274	(\$36,902)	(\$512)	\$878	(\$3,598)
Adjusted earnings from continuing operations¹	\$187,553	\$199,152	\$154,240	\$127,106	\$79,767
Average diluted shares outstanding (thousands)	122,852	122,798	122,376	122,194	121,752
Adjusted earnings from continuing operations per diluted share	\$1.53	\$1.62	\$1.26	\$1.04	\$0.66



[1] See page 22 for definitions of non-GAAP measures

Return on Invested Capital

Figures in thousand \$		3 MOS ENDED 2/28/2022
Earnings from continuing operations before income taxes		\$509,746
Plus: interest expense		12,011
Plus: acquisition and integration related costs		–
Plus: loss on extinguishment of debt		16,052
Plus: asset impairments		1,228
Less: gain on sale of assets		(273,099)
Operating profit - adjusted		\$265,938
Operating profit - adjusted		\$265,938
Less: income tax at statutory rate ¹		63,293
Net operating profit after tax		\$202,645
Assets		\$5,504,220
Less: cash and cash equivalents		846,587
Less: accounts payable		414,025
Less: accrued expenses and other payables		383,622
Invested capital		\$3,859,986
Annualized net operating profit after tax		\$810,579
Invested capital (average of Q2 2022 and Q1 2022 ending amounts)		\$3,667,483
Return on Invested Capital ²		22.1%



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

[2] See page 22 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	
	2/28/2022	8/31/2021	8/31/2020	8/31/2019	8/31/2018	8/31/2017	8/31/2016	8/31/2015	2/28/2022	2/28/2021
Earnings from continuing operations	\$898,924	\$412,865	\$278,302	\$198,779	\$135,237	\$50,175	\$62,001	\$58,583	\$616,203	\$130,144
Interest expense	46,670	51,904	61,837	71,373	40,957	44,151	62,121	76,456	23,046	28,280
Income taxes	233,923	121,153	92,476	69,681	30,147	15,276	13,976	36,097	155,304	42,534
Depreciation and amortization	166,601	167,613	165,749	158,653	131,508	124,490	127,111	135,559	82,360	83,372
Asset impairments	3,944	6,784	7,611	384	14,372	1,730	40,028	2,573	1,228	4,068
Amortization of acquired unfavorable contract backlog	(3,003)	(6,035)	(29,367)	(74,784)	–	–	–	–	–	(3,032)
Adjusted EBITDA from continuing operations¹	\$1,347,059	\$754,284	\$576,608	\$424,086	\$352,221	\$235,822	\$305,237	\$309,268	\$878,141	\$285,366
Sustaining capital expenditures and disbursements to stakeholders										
Sustaining capital expenditures (depreciation and amortization used as proxy)	166,601	167,613	165,749	158,653	131,508	124,490	127,111	135,559	82,360	83,372
Interest expense	46,670	51,904	61,837	71,373	40,957	44,151	62,121	76,456	23,046	28,280
Cash income taxes	225,387	140,950	44,499	7,977	7,198	30,963	50,201	61,000	133,194	48,757
Dividends	62,944	57,766	57,056	56,537	56,076	55,514	55,342	55,945	34,011	28,833
Less: Equity Compensation	(47,789)	(43,677)	(31,850)	(25,106)	(23,929)	(30,311)	(26,355)	(24,484)	(25,870)	(21,758)
Total capital expenditures and disbursements to stakeholders	\$453,813	\$374,556	\$297,291	\$269,434	\$211,810	\$224,807	\$268,420	\$304,476	\$246,741	\$167,484
Adjusted EBITDA less capital expenditures and disbursements to stakeholders¹	\$893,246	\$379,728	\$279,317	\$154,652	\$140,411	\$11,015	\$36,817	\$4,792	\$631,400	\$117,882



[1] See page 22 for definitions of non-GAAP measures

Net Debt to Adjusted EBITDA and Net Debt to Capitalization

Figures in thousand \$	3 MONTHS ENDED															
	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	\$1,445,755	\$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	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	\$1,473,309	\$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	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 debt¹	\$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	\$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	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	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	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	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	\$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	\$1,347,059	\$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	\$1,473,309	\$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	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	\$4,343,256	\$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	0.8x	1.0x	1.2x	1.1x	0.9x	1.2x	1.6x	1.9x	2.5x	3.2x	3.9x			
Net debt to capitalization	14%	18%	17%	20%	22%	21%	18%	24%	32%	33%	37%	42%	46%			



[1] See page 22 for definitions of non-GAAP measures

Definitions for non-GAAP financial measures

ADJUSTED EARNINGS FROM CONTINUING OPERATIONS

Adjusted earnings from continuing operations is a non-GAAP financial measure that is equal to earnings from continuing operations before debt extinguishment costs, certain gains on sale of assets, certain facility closure costs, asset impairments, labor cost government refunds and acquisition settlements, including the estimated income tax effects thereof. Adjusted earnings from continuing operations should not be considered as an alternative to earnings from continuing operations or any other performance measure derived in accordance with GAAP. However, we believe that adjusted earnings from continuing operations 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 from continuing operations to evaluate our financial performance. Adjusted earnings from continuing operations may be inconsistent with similar measures presented by other companies. Adjusted earnings from continuing operations per diluted share is defined as adjusted earnings from continuing operations on a diluted per share basis.

CORE EBITDA FROM CONTINUING OPERATIONS

Core EBITDA from continuing operations is the sum of earnings from continuing operations before interest expense and income taxes. It also excludes recurring non-cash charges for depreciation and amortization and asset impairments. Core EBITDA from continuing operations also excludes debt extinguishment costs, non-cash equity compensation, certain gains on sale of assets, certain facility closure costs, acquisition settlement costs and labor cost government refunds. Core EBITDA from continuing operations 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 from continuing operations 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 from continuing operations is the target benchmark for our annual and long-term cash incentive performance plans for management. Core EBITDA from continuing operations may be inconsistent with similar measures presented by other companies.

ADJUSTED EBITDA FROM CONTINUING OPERATIONS

Adjusted EBITDA from Continuing Operations is a non-GAAP financial measure. Adjusted EBITDA is the sum of the Company's earnings from continuing operations before interest expense, income taxes, depreciation and amortization expense, impairment expense, and amortization of acquired unfavorable contract backlog. Adjusted EBITDA from continuing operations should not be considered as an alternative to earnings from continuing operations or any other performance measure derived in accordance with GAAP. However, we believe that adjusted EBITDA from continuing operations 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 from continuing operations to evaluate our financial performance. Adjusted EBITDA from continuing operations 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