

26 January 2023

# Investor Call Presentation

## *Fourth Quarter and Full Year 2022*



*Health and Safety*  
*Entrepreneurial Culture*  
*Customer Commitment*  
*Strategic Growth*  
*Innovation*  
*Financial Strength*



# Forward Looking Statements and Non-GAAP Financial Measures

## Forward-Looking Statements

This presentation contains some predictive statements about future events, including statements related to conditions in domestic or global economies, conditions in steel, aluminum, and recycled metals market places, Steel Dynamics' revenues, costs of purchased materials, future profitability and earnings, and the operation of new, existing or planned facilities. These statements, which we generally precede or accompany by such typical conditional words as "anticipate", "intend", "believe", "estimate", "plan", "seek", "project", or "expect", or by the words "may", "will", or "should", are intended to be made as "forward-looking", subject to many risks and uncertainties, within the safe harbor protections of the Private Securities Litigation Reform Act of 1995. These statements speak only as of this date and are based upon information and assumptions, which we consider reasonable as of this date, concerning our businesses and the environments in which they operate. Such predictive statements are not guarantees of future performance, and we undertake no duty to update or revise any such statements. Some factors that could cause such forward-looking statements to turn out differently than anticipated include: (1) domestic and global economic factors; (2) global steelmaking overcapacity and imports of steel and North American aluminum flat rolled supply deficit, together with increased scrap prices; (3) pandemics, epidemics, widespread illness or other health issues, such as the COVID-19 pandemic; (4) the cyclical nature of the steel industry and the industries we serve; (5) volatility and major fluctuations in prices and availability of scrap metal, scrap substitutes, and our potential inability to pass higher costs on to our customers; (6) cost and availability of electricity, natural gas, oil, or other energy resources are subject to volatile market conditions; (7) increased environmental, greenhouse gas emissions and sustainability considerations or regulations; (8) compliance with and changes in environmental and remediation requirements; (9) significant price and other forms of competition from other steel and aluminum producers, scrap processors and alternative materials; (10) availability of an adequate source of supply of scrap for our metals recycling operations; (11) cybersecurity threats and risks to the security of our sensitive data and information technology; (12) the implementation of our growth strategy; (13) litigation and legal compliance; (14) unexpected equipment downtime or shutdowns; (15) governmental agencies may refuse to grant or renew some of our licenses and permits; (16) our senior unsecured credit facility contains, and any future financing agreements may contain, restrictive covenants that may limit our flexibility; (17) the

impacts of impairment charges; (18) unanticipated difficulties in integrating or starting up new assets; and (19) risks and uncertainties involving product and/or technology development.

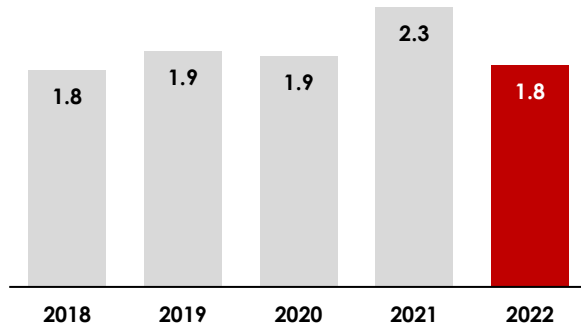
More specifically, refer to Steel Dynamics' more detailed explanation of these and other factors and risks that may cause such predictive statements to turn out differently, as set forth in our most recent Annual Report on Form 10-K under the headings Special Note Regarding Forward-Looking Statements and Risk Factors, in our quarterly reports on Form 10-Q, or in other reports which we file with the Securities and Exchange Commission. These are available publicly on the Securities and Exchange Commission website, [www.sec.gov](http://www.sec.gov), and on the Steel Dynamics website, [www.steeldynamics.com](http://www.steeldynamics.com) under "Investors — SEC Filings".

## Note Regarding Non-GAAP Financial Measures

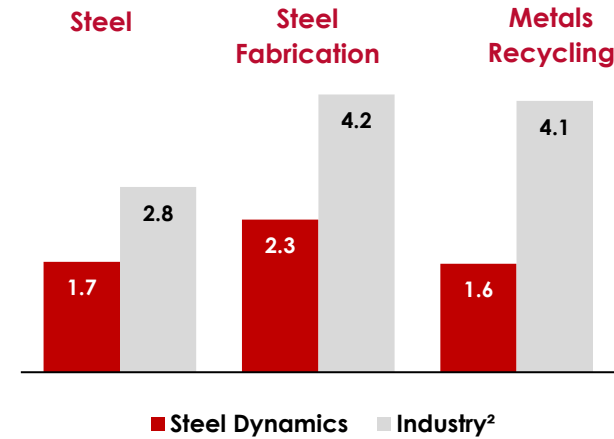
Steel Dynamics reports its financial results in accordance with U.S. generally accepted accounting principles (GAAP). Management believes that EBITDA, Adjusted EBITDA, Adjusted Operating Income, Free Cash Flow, and Adjusted Free Cash Flow non-GAAP financial measures, provide additional meaningful information regarding Steel Dynamic's performance and financial strength. Non-GAAP financial measures should be viewed in addition to, and not as an alternative for, Steel Dynamics' reported results prepared in accordance with GAAP. In addition, because not all companies use identical calculations, EBITDA, Adjusted EBITDA, Adjusted Operating Income, Free Cash Flow and Adjusted Free Cash Flow included in this presentation may not be comparable to similarly titled measures of other companies. The reconciliations of these non-GAAP measures to their most comparable GAAP measures are contained in the appendix at the end of this presentation.

# Safety is Our Number One Value

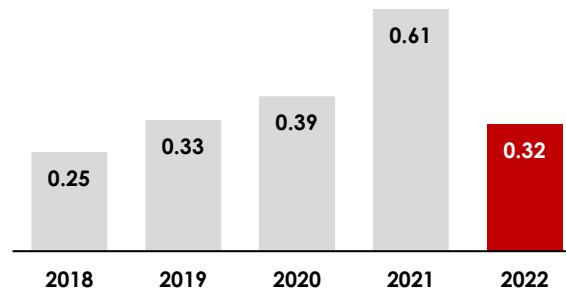
Total Recordable Injury Rate<sup>1</sup>



Total 2022 Recordable Injury Rate<sup>1</sup> By Platform



Lost Time Injury Rate<sup>1</sup>



<sup>1</sup> Total Recordable Injury Rate is defined as OSHA recordable incidents x 200,000 / hours worked and Lost Time Injury Rate is defined as OSHA days away from work cases x 200,000 / hours worked.

<sup>2</sup> Source: 2021 U.S. DOL Bureau of Labor Statistics

# Solid Fourth Quarter 2022 Performance

## Key highlights

Historically strong revenue at \$4.8 billion

**\$4.8 billion**  
Revenue

Net Income of \$635 million

**\$635 million**  
Net income

Adjusted EBITDA<sup>1</sup> of \$906 million, a 19% margin

**\$906 million**  
Adjusted EBITDA<sup>1</sup>

EPS/Adjusted EPS<sup>2</sup>

**\$3.61/\$4.37**  
EPS/Adjusted EPS<sup>2</sup>

Record Steel Fabrication operating income

**\$682 million**  
Operating income

Repurchased 2.4% of our shares outstanding

**\$413 million**  
Share repurchases

<sup>1</sup> The adjusted EBITDA reconciliation to GAAP net income is provided in the appendix to this presentation.

<sup>2</sup> The adjusted net income reconciliation is provided in the appendix to this presentation.

# Solid Fourth Quarter 2022 Performance

Strong results reflect execution on our long-term strategy, and our differentiated circular business model

<i>Dollars in millions, except per share data</i>	<b>Q4 2022</b>	<b>Q3 2022</b>	<b>Q4 2021</b>	<b>% Sequential Change</b>	<b>% Prior Year Change</b>
<b>Net Sales</b>	<b>\$4,826</b>	<b>\$5,652</b>	<b>\$5,311</b>	<b>(15)</b>	<b>(9)</b>
<b>Operating Income</b>	<b>759</b>	<b>1,220</b>	<b>1,429</b>	<b>(38)</b>	<b>(47)</b>
<b>Net Income attributable to Steel Dynamics, Inc.</b>	<b>635</b>	<b>914</b>	<b>1,091</b>	<b>(31)</b>	<b>(42)</b>
<b>Diluted Earnings per Share</b>	<b>3.61</b>	<b>5.03</b>	<b>5.49</b>	<b>(28)</b>	<b>(34)</b>
<b>Adjusted Diluted Earnings per Share<sup>1</sup></b>	<b>4.37</b>	<b>5.46</b>	<b>5.78</b>	<b>(20)</b>	<b>(24)</b>
<b>Adjusted EBITDA<sup>2</sup></b>	<b>906</b>	<b>1,346</b>	<b>1,527</b>	<b>(33)</b>	<b>(41)</b>
<b>Operating Income</b>					
<b>Steel Operations</b>	<b>178</b>	<b>658</b>	<b>1,367</b>	<b>(73)</b>	<b>(87)</b>
<b>Steel Fabrication Operations</b>	<b>682</b>	<b>677</b>	<b>238</b>	<b>1</b>	<b>187</b>
<b>Metals Recycling Operations</b>	<b>14</b>	<b>10</b>	<b>44</b>	<b>40</b>	<b>(67)</b>

<sup>1</sup> The adjusted net income reconciliation is provided in the appendix to this presentation.

<sup>2</sup> The adjusted EBITDA reconciliation to GAAP net income is provided in the appendix to this presentation.

Note: Calculations may not tie due to rounding

# Fourth Quarter 2022 Operating Performance

Strong steel fabrication pricing and shipments

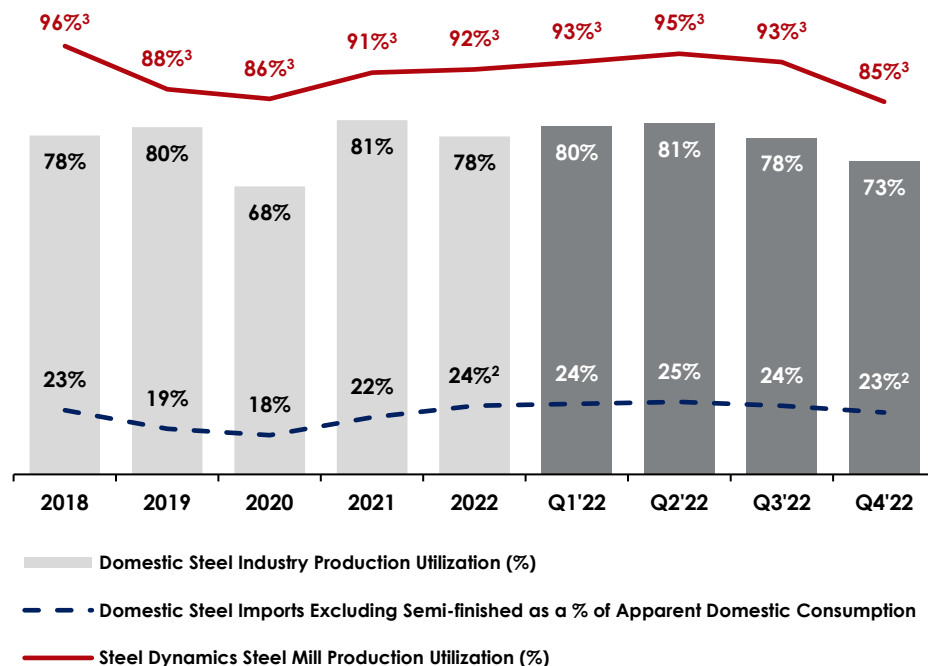
Quarterly Segment Highlights	Q4 2022	Q3 2022	Q4 2021	% Sequential Change	% Prior Year Change
Steel Average External Sales Price per ton	\$1,124	\$1,381	\$1,662	(19)	(32)
Steel Average Ferrous Cost per ton	414	472	490	(12)	(16)
Steel Fabrication Average Sales Price per ton	5,222	5,245	3,325	-	57
<b>Shipments</b> (thousands of tons)					
Total Steel	2,994	3,155	2,701	(5)	11
Flat Roll Steel	2,166	2,192	1,822	(1)	19
Long Products Steel	828	963	879	(14)	(6)
Steel Fabrication Shipments (thousands of tons)	209	218	204	(4)	2
<b>Metals Recycling Shipments</b>					
Ferrous (thousands of gross tons)	1,358	1,320	1,275	3	6
Nonferrous (millions of pounds)	268	258	274	4	(2)

<sup>1</sup> The adjusted net income reconciliation is provided in the appendix to this presentation.

<sup>2</sup> The adjusted EBITDA reconciliation to GAAP net income is provided in the appendix to this presentation.

## Differentiated Business Model Results in Higher Through Cycle Utilization

We achieve consistently higher through-cycle steel utilization, driven by our low-cost, circularly connected business model, and diversified value-added steel product portfolio and supply-chain solutions



### 2022

#### Est. Annual SDI Steel Mill Production Capacity

(Thousands of Tons)

Flat Roll Group - Butler	3,200
- Columbus	3,200
- Sinton	3,000
Long Products Group	
Structural & Rail	2,200
Engineered Bar	950
Roanoke Bar	720
Steel of West Virginia	580
<b>Total<sup>1</sup></b>	<b>13,850</b>
Q4 2022 Steel Mill Production	2,682
2022 Steel Mill Production	10,720

Source: AISI, U.S. Department of Commerce, Accenture

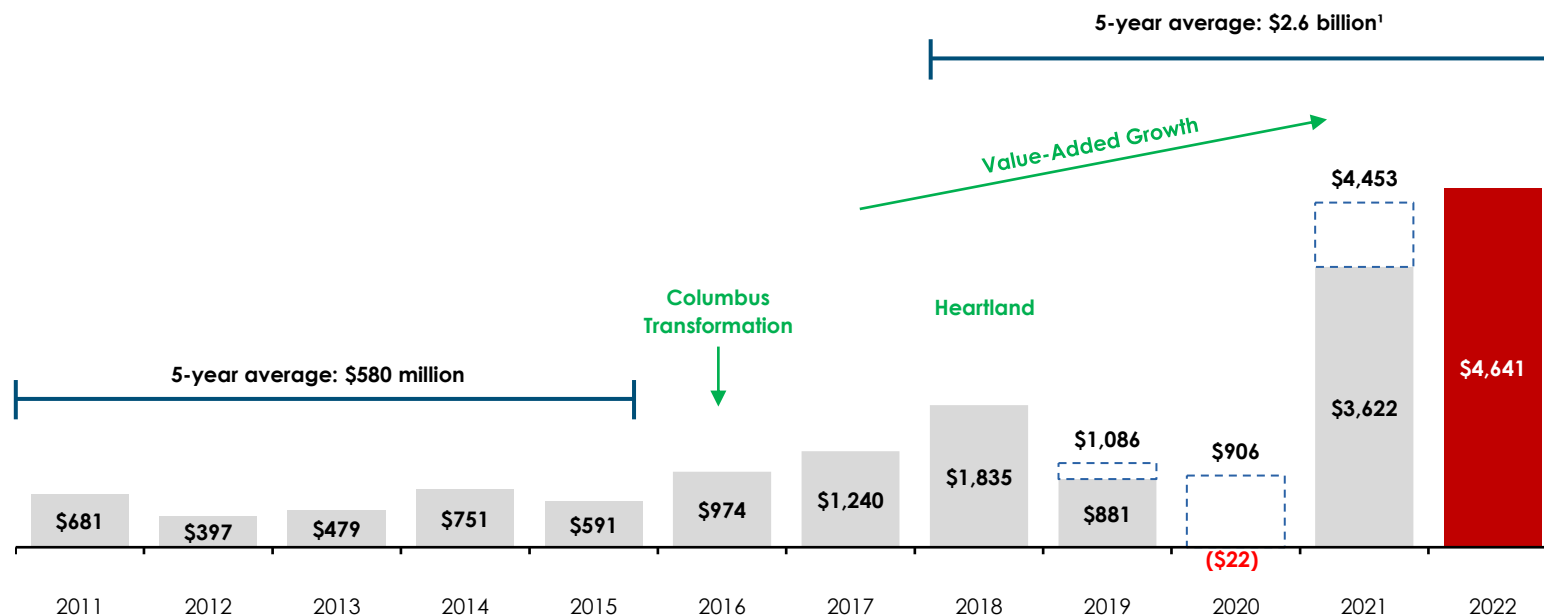
<sup>1</sup> Excludes our steel processing divisions capacity of approximately 2.0 million tons annually and Q4 2022 shipments of 404 thousand tons.

<sup>2</sup> Domestic Steel Imports Excluding Semi-finished as a % of Apparent Domestic Consumption for the fourth quarter 2022 is through November 2022.

<sup>3</sup> Excludes Sinton During Start Up

# Differentiated Business Model, Proven Cash Generation

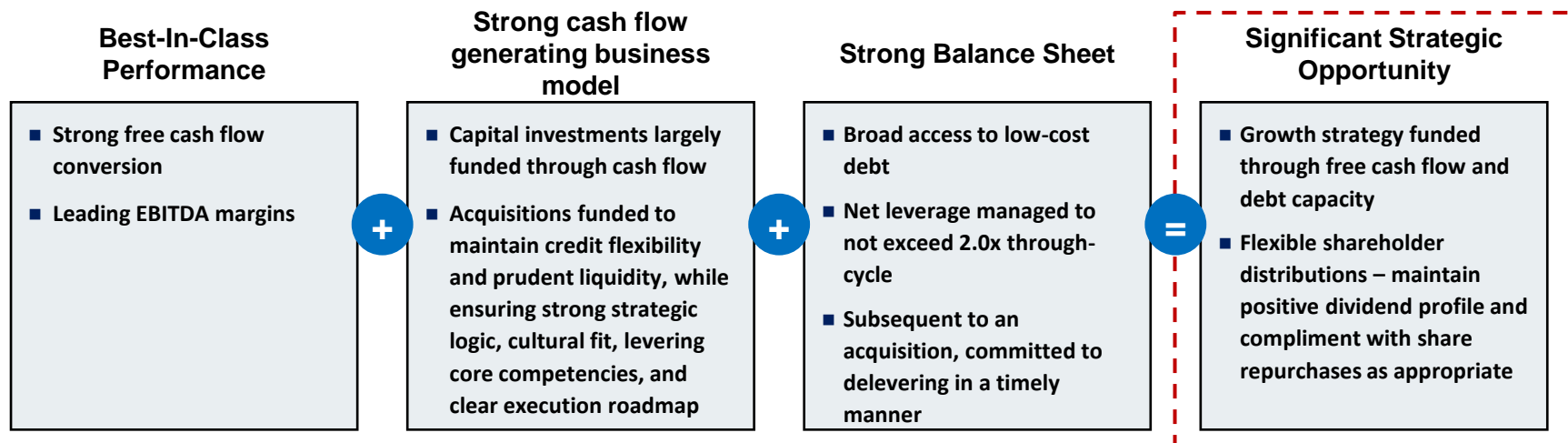
More Than Tripled Average Annual Free Cash Flow<sup>1</sup> since the acquisition of our Columbus Flat Roll Division  
(dollars in millions)



<sup>1</sup> Free Cash Flow is defined as Adjusted EBITDA less Capital Investments. Adjusted Free Cash Flow is defined as Adjusted EBITDA less Capital Investments, excluding funding for our new Sinton Texas flat roll steel mill. See the appendix for the reconciliation.



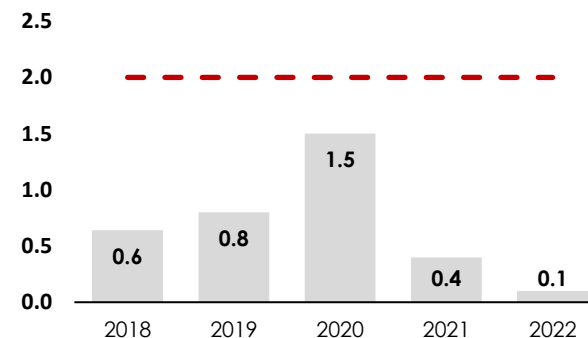
# Capital Allocation Framework, Committed to Growth, Shareholder Returns and Investment Grade Ratings



## Balanced Capital Allocation - \$10.5 billion Cash Flow from Operations over the Last Five Years<sup>1</sup>



## Conservative Net Leverage While Growing and Returnina Capital to Shareholders



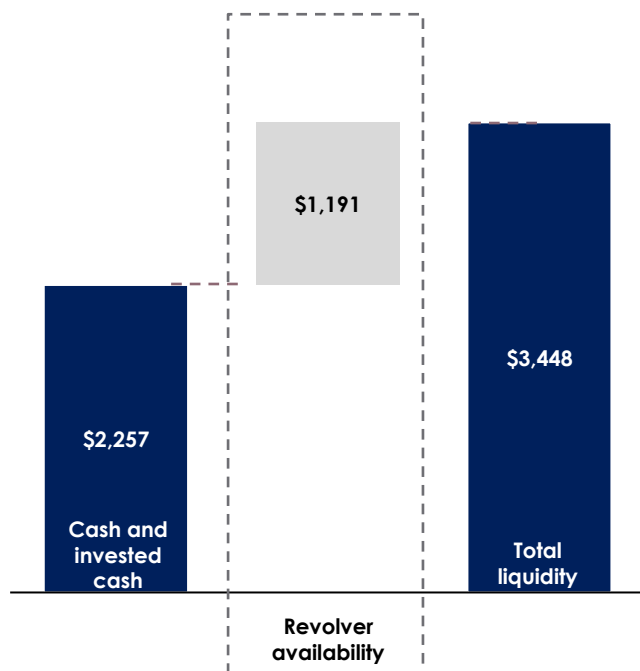
<sup>1</sup> Period ended December 31, 2022

# Strong Liquidity and Credit Metrics

## Strong Balance Sheet to Deliver Profitable Growth

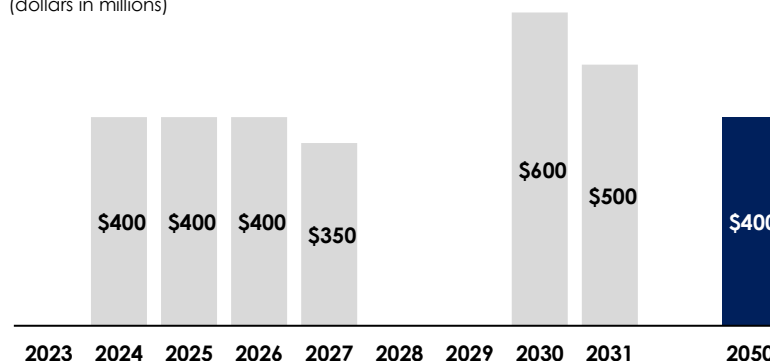
### Strong Liquidity

(dollars in millions) – As of December 31, 2022



### Staggered debt maturity profile<sup>2</sup>

(dollars in millions)



### Low Leverage, Low-Cost Debt

(dollars in millions)

	December 31, 2022	x Adjusted EBITDA <sup>1</sup>
Cash and invested cash	\$2,257	
2.800% senior notes, 2024	\$400	0.1x
2.400% senior notes, 2025	400	0.1x
5.000% senior notes, 2026	400	0.1x
1.650% senior notes, 2027	350	0.1x
3.450% senior notes, 2030	600	0.1x
3.250% senior notes, 2031	500	0.1x
3.250% senior notes, 2050	400	0.1x
Other obligations	64	0.0x
<b>Total debt</b>	<b>\$3,114</b>	<b>0.6x</b>
<b>Net debt</b>	<b>\$857</b>	<b>0.2x</b>
<b>Adjusted TTM EBITDA<sup>1</sup></b>	<b>\$5,550</b>	

<sup>1</sup> December 31, 2022 Adjusted EBITDA. The reconciliation to GAAP net income is provided in the appendix to this presentation.

<sup>2</sup> Excludes other debt obligations of \$64 million.

# Strategic High-Return Growth, Driving Increasing Sustainable Value


Investing to deliver our next phase of transformational growth

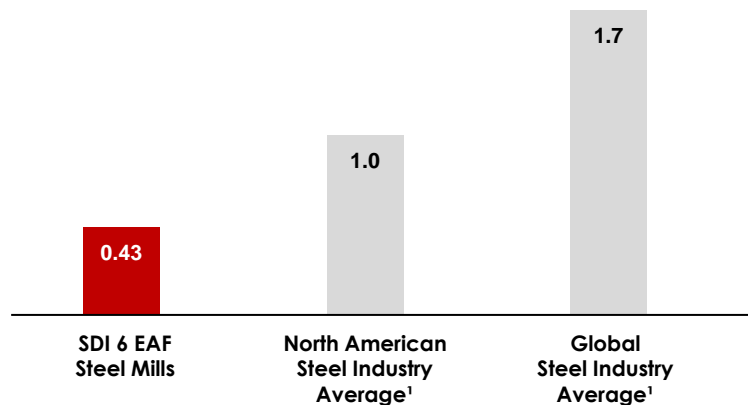
- **Ramping operations on our new state-of-the art Sinton, Texas flat roll steel mill**
  - \$1.9 billion greenfield investment, started Q1 2022
  - 3.0-million-ton “Next Generation” EAF flat roll steel mill, with two value-added coating lines
  - Two additional value-added coating lines to start 2H 2023
- **Continuing to grow and diversify premium, value-added flat roll steel product capabilities, while optimizing existing operations**
  - \$600 million greenfield investment, planned to start 2H 2023
  - Four new flat roll steel finishing lines, comprised of two paint lines and two galvanizing lines, with one set to be located in Sinton, Texas and one set to be located in Terre Haute, Indiana at our Heartland Division
  - Each set will include a 300,000-ton galvanizing line with Galvalume® coating capability and a 240,000-ton paint line
- **Investing in undersupplied North American aluminum flat roll market**
  - \$2.5 billion greenfield investment, planned start 1H 2025
  - 650,000-tonne state-of-the-art aluminum flat roll mill, and two satellite recycled aluminum slab centers
  - Received near-term state incentives of \$250 million and meaningful additional tax benefits occurring over the next 15 years
- **Investing in innovative decarbonization technology**
  - \$200 million greenfield investment, planned start Q1 2024
  - Increased capacity from 160,000 metric tons to 228,000 metric tons biocarbon production facility to reduce Scope 1 emissions in our steel mills by as much as 35%

# We are Committed to Sustainability and Starting from a Position of Strength

From our founding over 25 years ago, we have been intentional in managing our resources sustainably for the benefit of our teams, communities, and the environment

## Our Electric Arc Furnace Steel Mills Impact at a Glance

 **2020 Scope 1 and Scope 2 combined GHG Emissions Intensity**  
Metric tons of CO2 equivalent emissions/cast steel metric ton



Our steelmaking operations **already meet the 2050 intensity targets** under the Paris Agreement and its 2°C scenario.<sup>2</sup>



We are aligned with the Science Based Targets Initiative (SBTi) as we plan for **our steel mills to meet the SBTi “well below 2°C” scenario target** for combined Scope 1 and 2 emissions intensity **by at least 2030**.<sup>3</sup>

<sup>1</sup>Source: BHP analysis, Worldsteel, Exane BNP Paribas Estimates

<sup>2</sup>Based on International Energy Agency recommendations for the steel sector

<sup>3</sup>Based on the Iron & Steel Sectoral Decarbonization Approach

## Operating Efficiently and Sustainably

We are a steel industry leader in sustainability, operating exclusively with EAF technology, a circular manufacturing model, and innovative teams creating solutions to increase efficiencies, reduce raw material usage, reuse secondary materials, and promote material conservation and recycling

### By the Numbers

In 2021, SDI reintroduced:

**12 MILLION**  
TONS

of recycled ferrous scrap into the manufacturing life cycle

**1.1 BILLION**  
POUNDS

of recycled nonferrous scrap into the manufacturing life cycle

Our own steel consuming businesses purchased

**1.7 MILLION**  
TONS

of steel from our own steel mills — representing

**15% of our total**  
2021 steel shipments



We reuse approximately **250 million pounds** of scrap aluminum and **150 million pounds** of scrap copper each year to produce certified aluminum alloys, copper rod and copper wire

### Spotlight on EAF

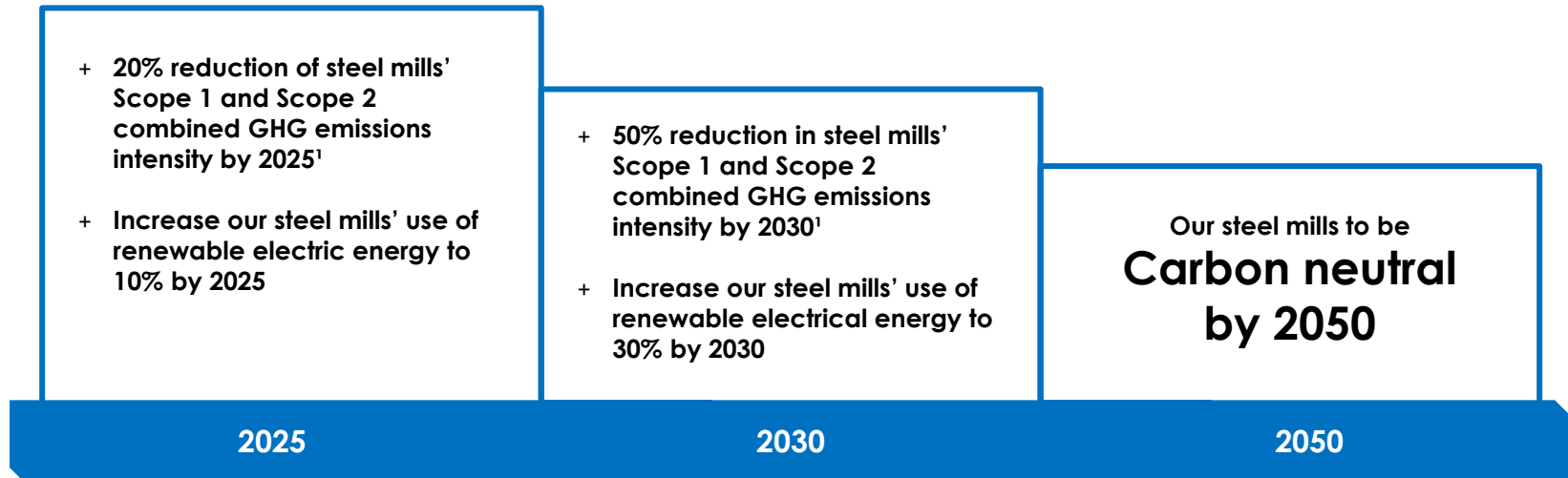
- Steel Dynamics is a truly circular manufacturing model, invested entirely in EAF technology, which **primarily uses recycled scrap** to produce new steel
- **84% of the material** used in our furnaces to produce steel at our six EAF steel mills was **recycled ferrous scrap** and internally generated iron substitutes
- Our steel mills Scope 1 GHG emissions are **88% lower** per metric ton compared to average U.S. blast furnaces<sup>1</sup>
- Our steel mills energy usage per metric ton is **75% less** than world steel averages<sup>2</sup>
- **100%** of the water withdrawn from our steel mills was recycled and reused

<sup>1</sup>Based on Scope 1 CO<sub>2</sub> equivalent emissions reported to the U.S. EPA.

<sup>2</sup>World Steel Association

## Building on Our Commitment to Reach Carbon Neutral by 2050

Our journey continues, we are committed to the reduction of our environmental footprint with our recently announced 2025, 2030, and 2050 goals



To achieve carbon neutrality at our steel mills by 2050, we plan to:

**+ Identify & Implement**

Emission reduction projects

**SDI Biocarbon Solutions**

**+ Improve**

Energy management to reduce emissions and enhance operational efficiency

**+ Increase**

The use of renewable energy, including partnering with our utilities

**+ Research & Develop**

Innovative technologies

<sup>1</sup> Compared to our 2018 baseline

# **We are a Leading North American Steel Producer with a Differentiated and Proven Business Model**

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**Consistent best-in-class performance**



**Differentiated business model delivering strong profitability and cash flow**



**Smart growth — Gaining market share and growing with customers**



**100% of steel produced with electric-arc-furnace technology**



**Strong balance sheet provides strategic flexibility for current operations and prudent growth**



**Sustainable shareholder value creation and distribution growth**

# Appendix



*Health and Safety*  
*Entrepreneurial Culture*  
*Customer Commitment*  
*Strategic Growth*  
*Innovation*  
*Financial Strength*



# Aluminum Flat Rolled Mill Investment Overview

<b>Capital Commitment</b>	<ul style="list-style-type: none"> <li>■ Estimated \$2.5 billion investment to build a state-of-the-art low-carbon, recycled aluminum flat rolled mill, and two satellite recycled aluminum slab centers</li> <li>■ Received near-term state incentives of \$250 million and meaningful additional tax benefits occurring over the next 15 years</li> <li>■ Including various value-added finishing lines</li> </ul>
<b>Capacity</b>	<ul style="list-style-type: none"> <li>■ 650,000-tonne aluminum flat rolled mill to be built in the Southeastern U.S.</li> <li>■ 900,000 tonnes of recycled aluminum slabs are required, with onsite capacity supplying 70% and the remainder supplied by two satellite recycled aluminum slab centers to be located in Northcentral Mexico and the Southwestern U.S.</li> </ul>
<b>End Markets</b>	<ul style="list-style-type: none"> <li>■ Products serving the sustainable beverage packaging, automotive, and common alloy industrial markets</li> </ul>
<b>Sustainability</b>	<ul style="list-style-type: none"> <li>■ New lower-carbon facility provides an energy efficient, lower environmental impact alternative to existing production facilities</li> <li>■ Recycled aluminum will be the primary raw material and will be supplied through SDI's recycling platform, OmniSource, which is the largest nonferrous metals recycler in North America</li> </ul>
<b>Financial Impact</b>	<ul style="list-style-type: none"> <li>■ 100% of the investment will be funded with available cash and cash flow from operations</li> <li>■ Expected to add \$650-700 million<sup>1</sup> in "through-cycle" consolidated annual EBITDA</li> <li>■ Adds margin enhancing growth, with a 5-year payback period</li> </ul>
<b>Startup Timing</b>	<ul style="list-style-type: none"> <li>■ The aluminum flat rolled mill is expected to start in Q1 2025</li> <li>■ The Mexico recycled aluminum slab center is expected to start in 2024, and the Southwestern U.S. location is expected to start by the end of 2025</li> </ul>

<sup>1</sup> Based on analysis of historical pricing and margins from 2017 to 2021 obtained from public sources and industry advisors and consultants, coupled with anticipated production capacity, product mix and estimated synergies and other cost savings

## Key Commentary

- A vast majority of our existing carbon steel customers also consume or process aluminum flat rolled products for automotive, appliance, construction, and other applications
- This investment provides our customers with a new high-quality, domestic, lower-carbon aluminum supply-chain
- Offers value-added products supported by CASH lines (Continuous Annealing Solutions Heat Treating), continuous coating line, and various slitting and packaging operations
- We plan to invite customers to locate facilities onsite with the aluminum flat rolled mill to enhance cost efficiencies, providing a “closed loop” aluminum coil-to-scrap sourcing opportunity

## Product Mix

### Can Sheet 45% of shipments



- Increasing demand, and expanding domestic can production capacity
- Lack of domestic supply
- Sustainable alternative to glass or plastic

### Automotive 35% of shipments



- Limited aluminum automotive sheet supply
- Aluminum flat rolled automotive products production utilization is nearly 100%<sup>1</sup>
- Electric vehicles require ~40% more aluminum than traditional vehicles<sup>1</sup>

### Common Alloy / Industrials 20% of shipments



- Growth driven by construction and transportation, as well as truck-trailers
- Gains from growth in single-family homes and remodeling market

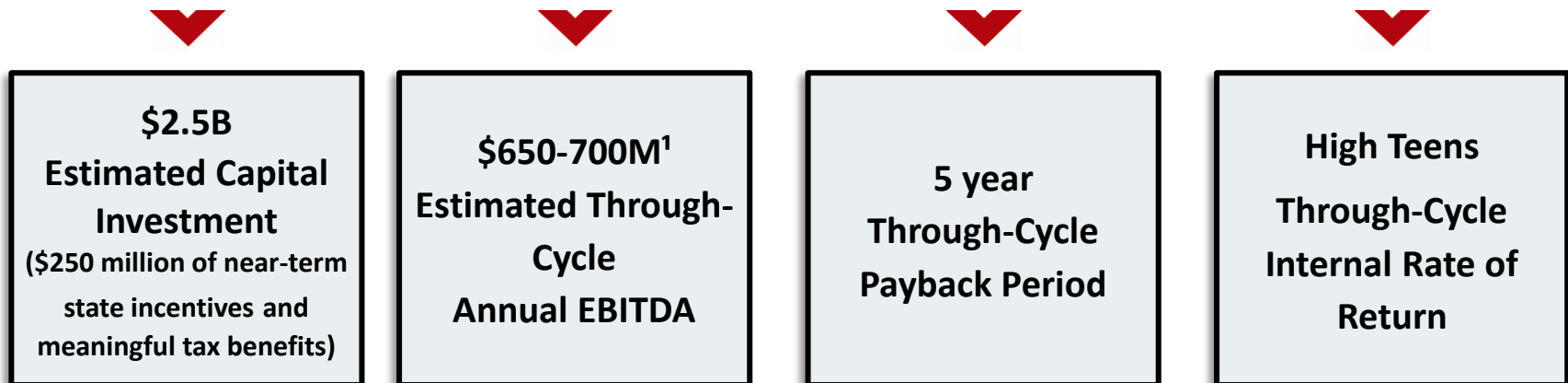
<sup>1</sup> Source: Equity research

## Attractive Financial Returns

### Key Commentary

- Estimated \$2.5 billion investment, including the aluminum flat rolled mill and 2 satellite recycled aluminum slab centers, to be funded with available cash and cash flow from operations
- Received near-term state incentives of \$250 million and meaningful additional tax benefits occurring over the next 15 years
- Provides further value-added, high-margin product diversification in a growing market within a familiar metal
- 100% of aluminum scrap will be supplied by SDI's metals recycling operations, with expected additional annual EBITDA of ~\$40 million (not included in the stated through-cycle EBITDA or return metrics below)
- The project is expected to enhance SDI's consolidated "through-cycle" annual EBITDA by \$650-700 million<sup>1</sup> and has an expected payback of 5 years

### Anticipated Financial Returns



<sup>1</sup> Based on analysis of historical pricing and margins from 2017 to 2021 obtained from public sources and industry advisors and consultants, coupled with anticipated production capacity, product mix and estimated synergies and other cost savings

# Transformational Growth — New Texas EAF Flat Roll Steel Mill

Represents transformative strategic growth with “next generation” steelmaking capabilities



**3M**  
Tons

Estimated  
Production



Max Coil Weight  
52.5 Tons



Thickness  
0.047" - 1.00"



Width  
38" - 84"

## Transformational Strategic Growth

- Expands our annual steel production capacity to almost 14 million tons (over 25% growth), with approximately 16 millions tons of shipping capability
- “Next Generation” electric-arc-furnace flat roll steel mill, including a higher-margin, value-added galvanizing line (550k tons) and paint line (250k tons)
- Investing in two additional new flat roll steel coating lines on-site to support the steel mill, including a value-added galvanizing line (300k tons) and paint line (240k tons)
- Targeting underserved markets reliant on imports with long lead times and inferior product quality
- Once fully operational with access to four value added coating lines, estimated through-cycle EBITDA of \$475-525 million based on historical metal spreads

## Next Generation Capabilities

- “Next Generation” capabilities that go beyond existing EAF-based production capabilities
- Leveraging expertise to create next generation sustainable EAF production capabilities, with meaningful customer and supply-chain benefits while gaining market share from disadvantaged, high-cost competitors and imports
- Latest generation of advanced high strength steel grades, including automotive and energy grades
- Diversified, higher-quality, value-added product mix

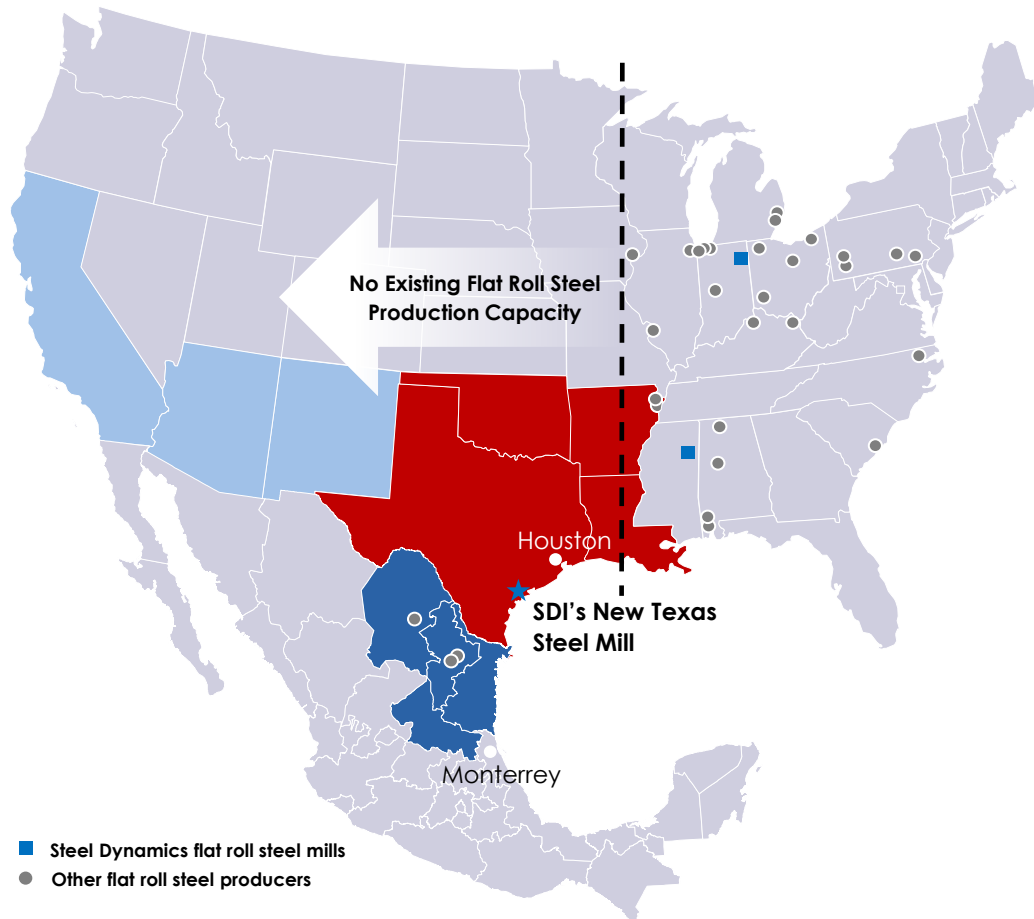
# Competitively Advantaged Location

## Estimated 27 million tons in Targeted Regional Markets

**Western U.S.**  
4 Million Tons

**Southern U.S.**  
7 Million Tons

**Mexico**  
16 Million Tons  
45%-50% Imported

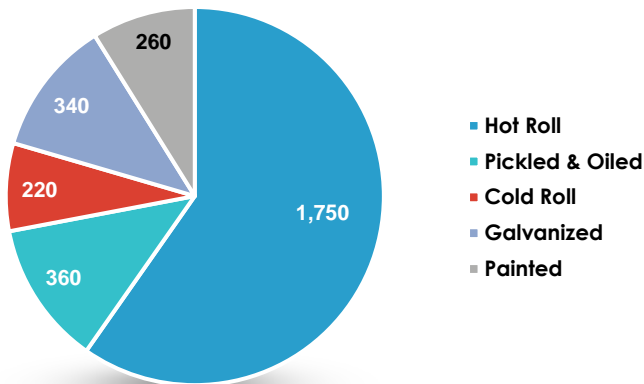


## Location Benefits

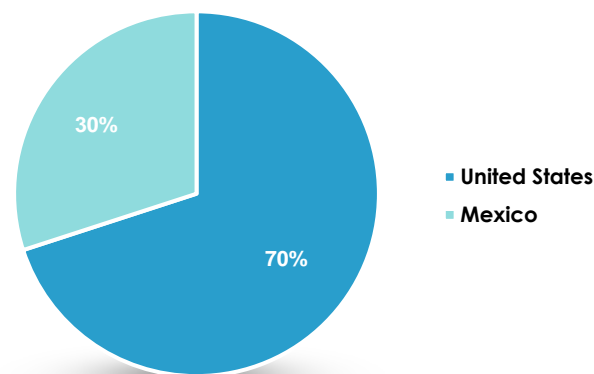
- Customer-centric logistics, providing shorter lead times and working capital savings
- Central to the largest domestic consumption of flat roll Galvalume® and construction painted products, with the ability to effectively compete with excessive imports
- Customers locating on-site, providing logistic savings and steel mill volume base-loading opportunities, representing 1.8M annual tons of local steel processing and consumption capability
- Excellent logistics provided by on-site access to two class I railroads, proximity to a major U.S. highway system, and access to the deep-water port of Corpus Christi
- Proximity to prime ferrous scrap generation via the four-state Texas region and Mexico through our existing metals recycling platform and our August 2020 and October 2022 acquisitions of Mexican metals recycling companies
- Cost-effective access to pig iron through the deep-water port of Corpus Christi, as well as other alternative iron units located nearby

# Value-added Product Diversification

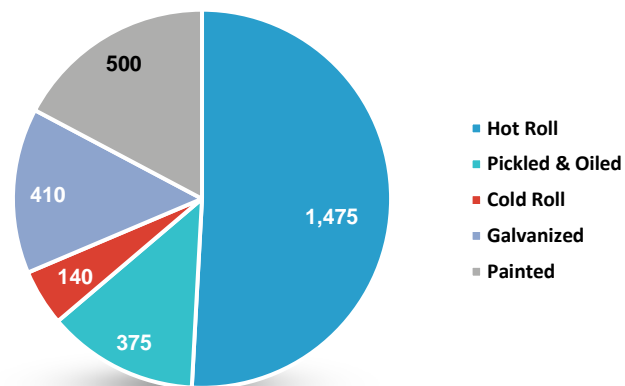
Estimated Sinton Product Mix<sup>1</sup>  
(Thousand tons)



Estimated Sinton Shipments  
by Region<sup>1</sup>



Estimated Sinton Product Mix  
after two new lines start 2023<sup>1</sup>  
(Thousand tons)



**Sinton's targeted markets are similar to our other flat roll operations including:**

- Construction
- Automotive
- Energy Tubulars
- Appliance
- Other Manufacturing

**Like our other steel operations, we can quickly pivot from one end market to another based on underlying demand**

<sup>1</sup> Based on a pro-forma full year of production at the Flat Roll Group Southwest – Sinton Flat Roll Division.

# Steel Operations At a Glance – Flat Roll Steel Group

We are one of the largest domestic steel producers, with approx. 13 million tons of steel shipping capability, increasing to 16 million tons including Sinton. We have one of the most diversified product and end-market portfolios in the domestic steel industry

## Flat Roll Steel Group: 8.4M Tons Annual Shipping Capacity<sup>2</sup>



- Butler, IN**  
**Greenfield EAF Steel Mill**
- 3.2M Tons
  - 3 Galvanizing Lines
  - 2 Paint Lines



- Columbus, MS**  
**Acquired/Expanded EAF Steel Mill**
- 3.2M Tons
  - 3 Galvanizing Lines
  - 1 Paint Line



- Sinton, TX<sup>2</sup>**  
**Greenfield EAF Steel Mill**
- 3.0M Tons
  - 1 Galvanizing Line
  - 1 Paint Line



- Terre Haute, IN<sup>1</sup>**  
**Heartland/Acquired Flat Roll Processing Facility**
- 1.0M Tons
  - 1 Galvanizing Line



- Pittsburgh, PA<sup>1</sup>**  
**The Techs/Acquired Flat Roll Galvanizing Facility**
- 1.0M Tons Galvanizing
  - 3 Galvanizing Lines

<sup>1</sup> Processing locations

<sup>2</sup> Sinton now in process of start up.



# Steel Operations At a Glance – Long Products Steel Group

## Long Products Steel Group: 4.6M Tons Annual Shipping Capacity



**Columbia City, IN  
Greenfield EAF Steel Mill**

- 2.2M Tons
- Structural and Rail



**Pittsboro, IN  
Acquired/Expanded EAF  
Steel Mill**

- 950K Tons
- Special-bar-quality
- Value-Added  
Finishing/Inspection  
Lines



**Roanoke, VA  
Acquired/Expanded EAF  
Steel Mill**

- 720K Tons
- Merchant and Rebar



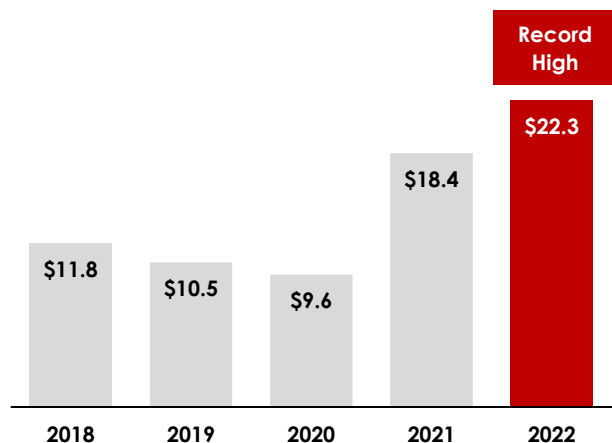
**Huntington, WV  
Acquired/Expanded EAF  
Steel Mill**

- 580K Tons
- Specialty Shapes

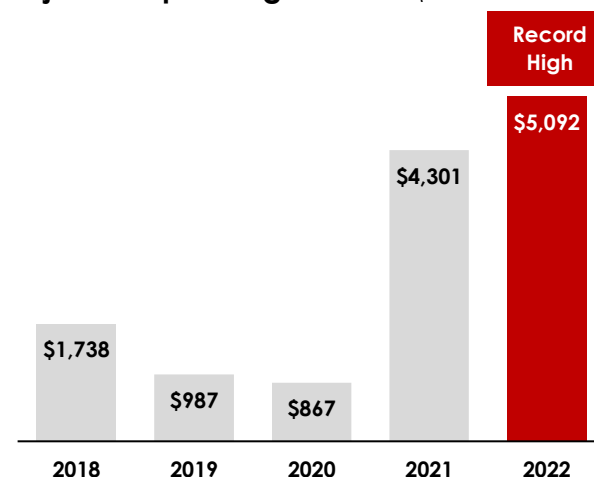


# Financial Strength in Diverse Market Environments

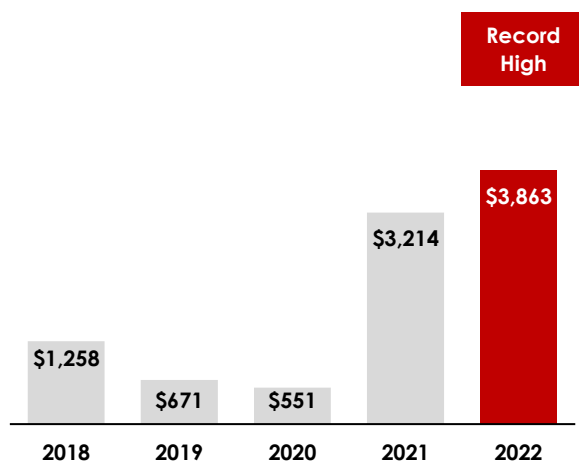
**Revenue** (dollars in billions)



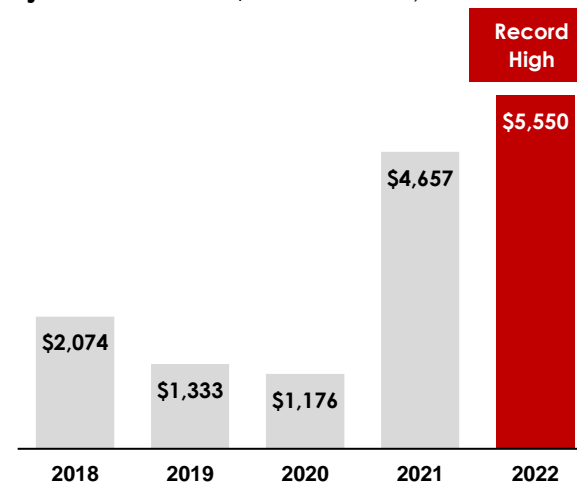
**Adjusted Operating Income<sup>1</sup>** (dollars in millions)



**Net Income** (dollars in millions)



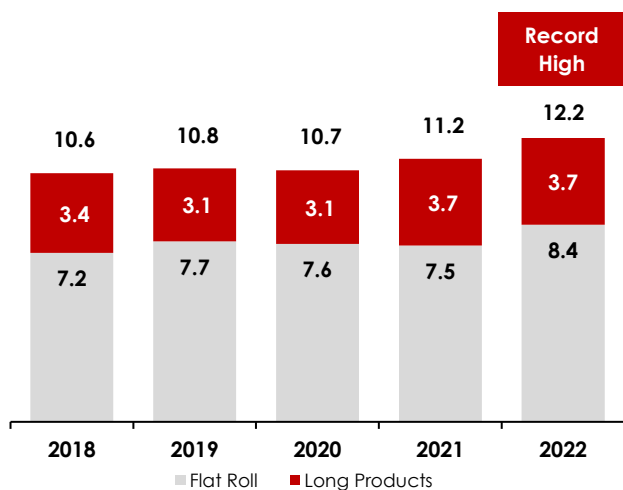
**Adjusted EBITDA<sup>1</sup>** (dollars in millions)



<sup>1</sup> Please see the reconciliation of these amounts to GAAP measures in the appendix to this presentation.

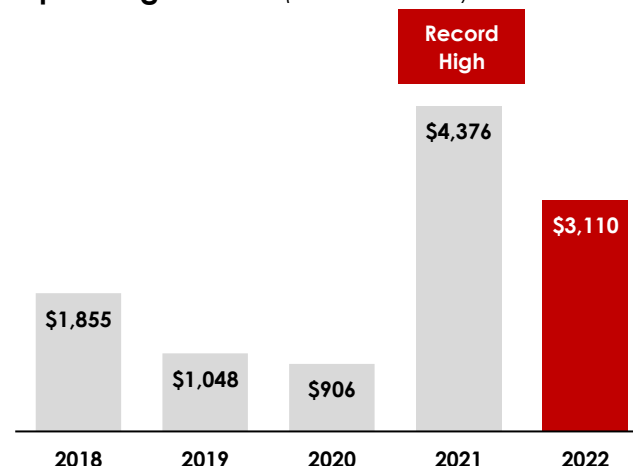
# Annual Steel Operations Results

**Steel Operations Shipments** (millions of tons)

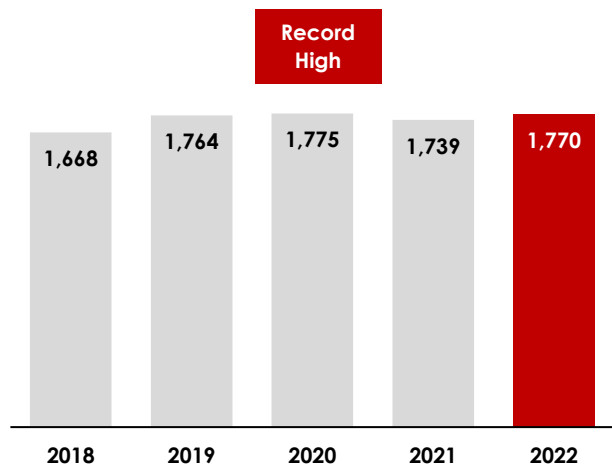


Acquired Heartland Flat Roll Division Q3 2018 and United Steel Supply March 2019.

**Operating Income** (dollars in millions)



**Processing Locations<sup>1</sup> Shipments** (included above)  
(thousands of tons)

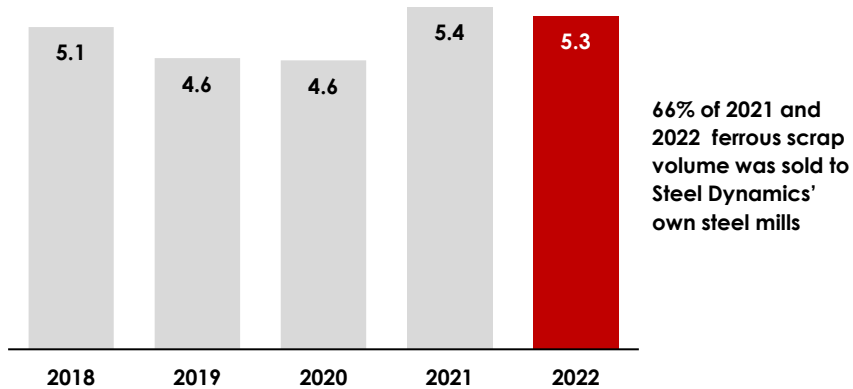


Our processing locations represented 15% of total steel shipments in 2022, and the associated steel procurement cost represented 19% of our steel operations' cost of goods sold.

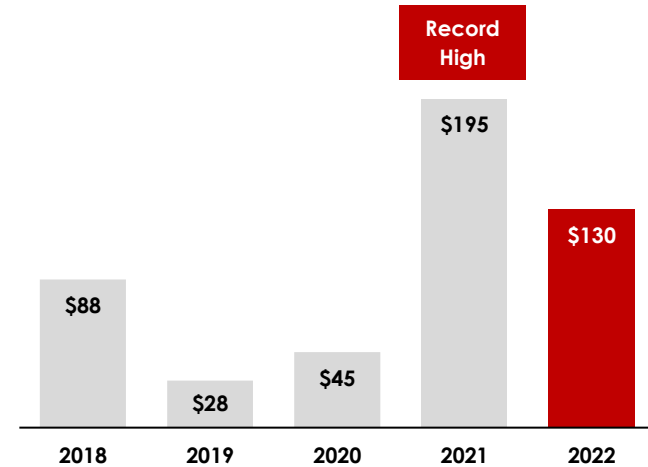
<sup>1</sup> Processing locations include Heartland (flat roll), Techs (flat roll), United Steel Supply (flat roll) and Vulcan (SBQ).

# Annual Metals Recycling Results

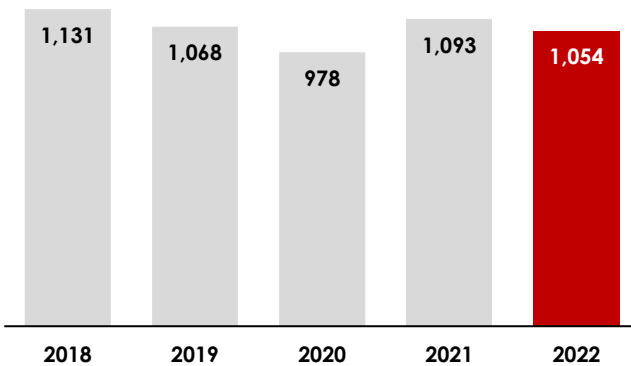
**Ferrous Shipments** (millions of gross tons)



**Operating Income** (dollars in millions)

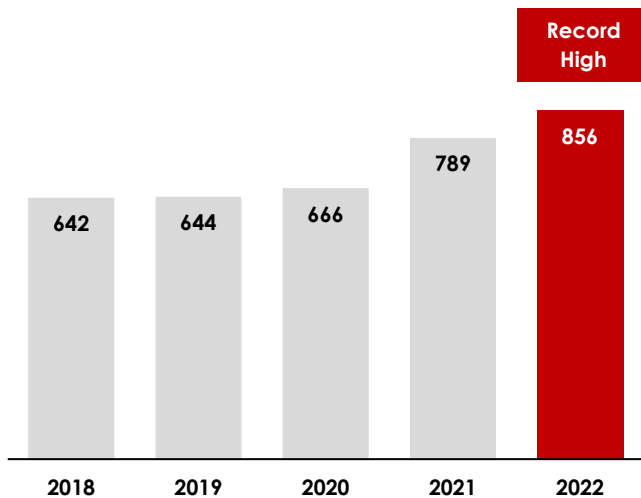


**Nonferrous Shipments** (millions of pounds)

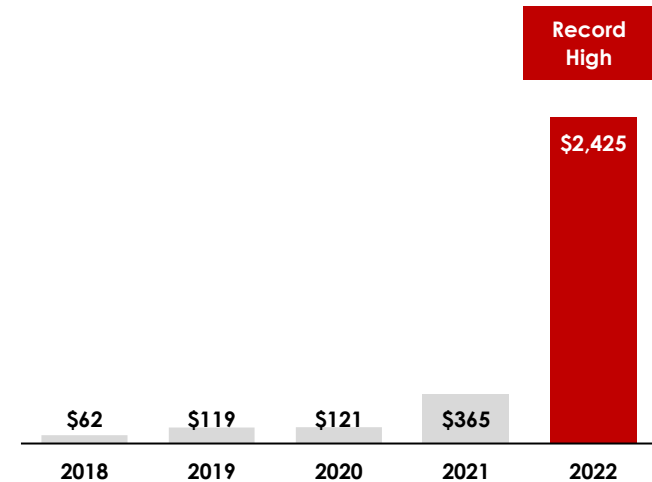


# Annual Steel Fabrication Results

**Shipments** (thousands of tons)



**Operating Income** (dollars in millions)



# Adjusted EBITDA, Free Cash Flow, Adjusted Free Cash Flow and Adjusted Operating Income Reconciliations



Dollars in millions	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Net Income (Loss)	\$142	\$164	\$ 92	\$ (145)	\$ 360	\$ 806	\$1,256	\$678	\$571	\$3,247	\$3,879
Income Taxes (Benefit)	62	99	73	(97)	204	129	364	197	135	962	1,142
Net Interest Expense	154	123	135	153	141	124	104	99	85	56	62
Depreciation	180	192	229	263	261	265	283	286	291	312	350
Amortization	36	32	28	25	29	29	28	30	29	29	28
Noncontrolling Interests	21	26	65	15	22	7	3	(7)	(13)	(33)	(18)
EBITDA	\$595	\$636	\$622	\$ 214	\$1,017	\$1,360	\$2,038	\$1,283	\$ 1,098	\$ 4,573	\$ 5,443
Unrealized (Gains) / Losses	(3)	5	(5)	3	1	5	(6)	3	2	(2)	1
Inventory Valuation	6	7	10	28	1	3	2	1	2	6	37
Equity-Based Compensation	12	16	23	29	30	34	40	43	49	80	69
Asset Impairment Charges	8	-	213	429	120	-	-	-	17	-	-
Refinancing Charges	3	2	-	3	3	3	-	3	8	-	-
Adjusted EBITDA	\$621	\$666	\$863	\$ 706	\$1,172	\$1,405	\$2,074	\$1,333	\$ 1,176	\$ 4,657	\$ 5,550
Less Capital Investments	224	187	112	115	198	165	239	452	1,198	1,006	909
Free Cash Flow	\$397	\$479	\$751	\$591	\$974	\$1,240	\$1,835	\$881	\$(22)	\$3,651	\$4,641
Plus Sinton Texas Steel Mill Capex	-	-	-	-	-	-	-	205	928	831	-
Adjusted Free Cash Flow	\$397	\$479	\$751	\$591	\$974	\$1,240	\$1,835	\$1,086	\$906	\$4,482	\$4,641
						2017	2018	2019	2020	2021	2022
Consolidated Operating Income						\$1,067	\$1,722	\$ 987	\$ 847	\$ 4,301	\$ 5,092
Asset Impairment Charges						-	-	-	19	-	-
Non-cash Purchase Accounting						-	16	-	-	-	-
Adjusted Operating Income						\$1,067	\$1,738	\$987	\$867	\$4,301	\$ 5,092

Note: Calculations may not tie due to rounding.

# Quarterly Adjusted EBITDA Reconciliation

Dollars in millions	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022
Net Income	\$1,096	\$1,107	\$1,215	\$918	\$639
Income Taxes	313	350	382	290	119
Net Interest Expense	12	16	24	17	5
Depreciation	77	79	87	90	94
Amortization	7	7	7	7	7
Noncontrolling Interests	(5)	(3)	(5)	(5)	(5)
EBITDA	\$1,500	\$1,556	\$1,709	\$1,318	\$859
Unrealized (Gains) / Losses	(3)	-	(14)	6	8
Inventory Valuation	6	11	9	8	9
Equity-Based Compensation	23	20	5	15	29
Adjusted EBITDA	\$1,527	\$1,588	\$1,710	\$1,346	\$906
Less Capital Investments	205	159	164	241	344
Free Cash Flow	\$1,322	\$1,428	\$1,546	\$1,105	\$562

Note: Calculations may not tie due to rounding.

# Adjusted Net Income Reconciliation

Dollars in millions, except per share data

	2022		Q4 2022		Q3 2022		Q4 2021	
	Net Income	Diluted EPS	Net Income	Diluted EPS	Net Income	Diluted EPS	Net Income	Diluted EPS
Net income Attributable to Steel Dynamics	\$3,863	\$20.92	\$635	\$ 3.61	\$914	\$ 5.03	\$1,091	\$5.49
Start-up and Construction Costs Associated with Sinton	306	1.66	117	0.67	77	0.43	37	0.18
Other	17	0.09	17	0.09	-	-	22	0.12
Adjusted Net Income Attributable to SDI	\$4,186	\$22.68	\$769	\$ 4.37	\$992	\$ 5.46	\$1,149	\$5.78

Note: Calculations may not tie due to rounding.