

HIDDEN STRENGTH

Investor Presentation

JANUARY 2019

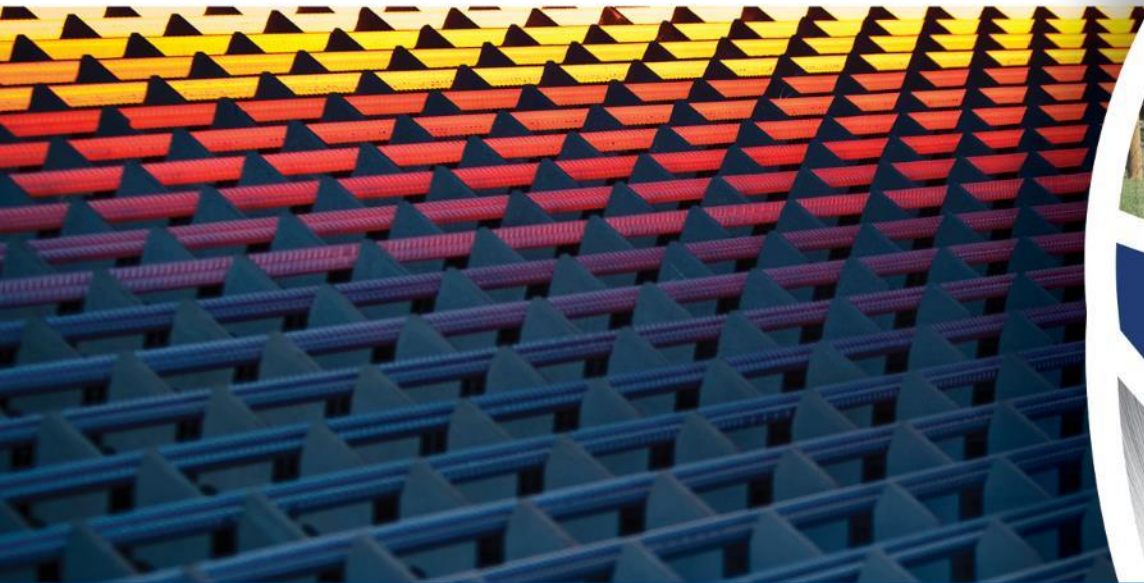


Cautionary Statements

This presentation contains forward-looking statements regarding CMC's expectations relating 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 provided by our recent acquisitions, demand for our products, steel margins, the ability to operate our mills at full capacity, future supplies of raw materials and energy for our operations, share repurchases, legal proceedings, renewing the credit facilities of our Polish subsidiary, the reinvestment of undistributed earnings of our non-U.S. subsidiaries, U.S. non-residential construction activity, international trade, capital expenditures, our liquidity and our ability to satisfy future liquidity requirements, our new Oklahoma micro mill, estimated contractual obligations, the effects of the acquisition of substantially all of the U.S. rebar fabrication facilities and the steel mini mills located in or around Rancho Cucamonga, California, Jacksonville, Florida, Sayreville, New Jersey and Knoxville, Tennessee previously owned by Gerdau S.A. and certain of its subsidiaries (collectively, the "Acquired Businesses"), and our expectations or beliefs concerning future events. These forward-looking statements can generally be identified by phrases such as we or our management "expects," "anticipates," "believes," "estimates," "intends," "plans to," "ought," "could," "will," "should," "likely," "appears," "projects," "forecasts," "outlook" or other similar words or phrases. There are inherent risks and uncertainties in any forward-looking statements. 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, CMC undertakes 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 otherwise.

Factors that could cause actual results to differ materially from CMC's expectations include 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; excess capacity in our industry, particularly in China, and product availability from competing steel mills and other steel suppliers including import quantities and pricing; compliance with and changes in environmental laws and regulations, including increased regulation associated with climate change and greenhouse gas emissions; involvement in various environmental matters that may result in fines, penalties or judgments; potential limitations in our or our customers' abilities to access credit and non-compliance by our customers with our contracts; 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; failure to retain key management and employees of the Acquired Businesses; issues or delays in the successful integration of the Acquired Businesses' operations with those of the Company, including the inability to substantially increase utilization of the Acquired Businesses' steel mini mills, and incurring or experiencing unanticipated costs and/or delays or difficulties; difficulties or delays in the successful transition of the Acquired Businesses to the information technology systems of the Company as well as risks associated with other integration or transition of the operations, systems and personnel of the Acquired Businesses; unfavorable reaction to the acquisition of the Acquired Businesses by customers, competitors, suppliers and employees; 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, including political uncertainties and military conflicts; 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; ability to realize the anticipated benefits of our investment in our new micro mill in Durant, Oklahoma; 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; impacts of the Tax Cuts and Jobs Act; increased costs related to health care reform legislation and the "Risk Factors" disclosed in our periodic and current reports filed with the Securities and Exchange Commission.

OUR BUSINESS



What We Do

Segments

Recycling



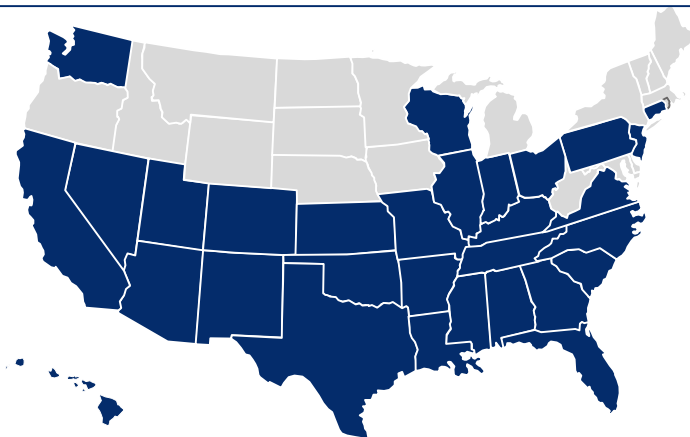
Mills



Fabrication



Geographies



Products

Scrap Metal



Rebar



Merchant Bar



Fence Posts & Wire Rod



Our Operational Footprint

We operate steel recycling and manufacturing facilities throughout the U.S. and Poland

		Recycling	Mills	Fabrication	Poland
Total CMC	Legacy Operations	3.8 million short tons capacity	3.4 million short tons capacity	1.6 million short tons capacity	1.3 million short tons mill capacity
		• 5 shredders • 34 scrap facilities	• 3 EAF mini mills (AL, SC, and TX) • 2 EAF micro mills (AZ and OK) • 1 rerolling mill (AR)	• 35+ fabrication facilities • 20+ facilities that sell or rent products for concrete installation • 2 facilities that heat-treat steel	• 1 EAF mini mill • 12 scrap facilities • 1 shredder • 4 steel fabrication facilities
	Acquired Ops ¹	2.5 million short tons capacity • 4 EAF mini mills (TN, FL, NJ, and CA) • 1 shredder • 1 scrap facility		800 thousand short tons capacity ² • 35+ rebar and other steel fabrication facilities	

Source: Public filings

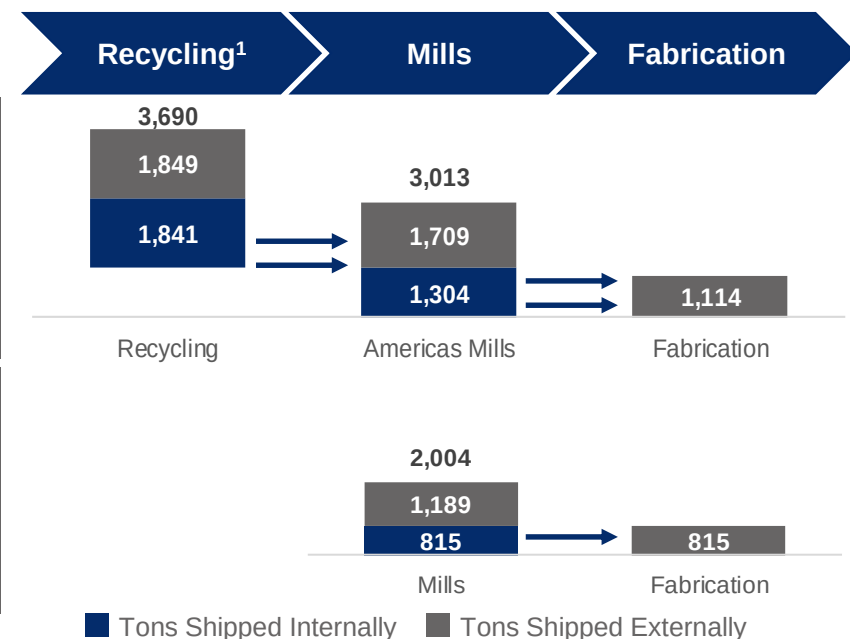
Notes:

1. Related to the certain U.S. rebar steel mill and fabrication assets recently acquired from Gerdau S.A.
2. Based on recent historical shipment data

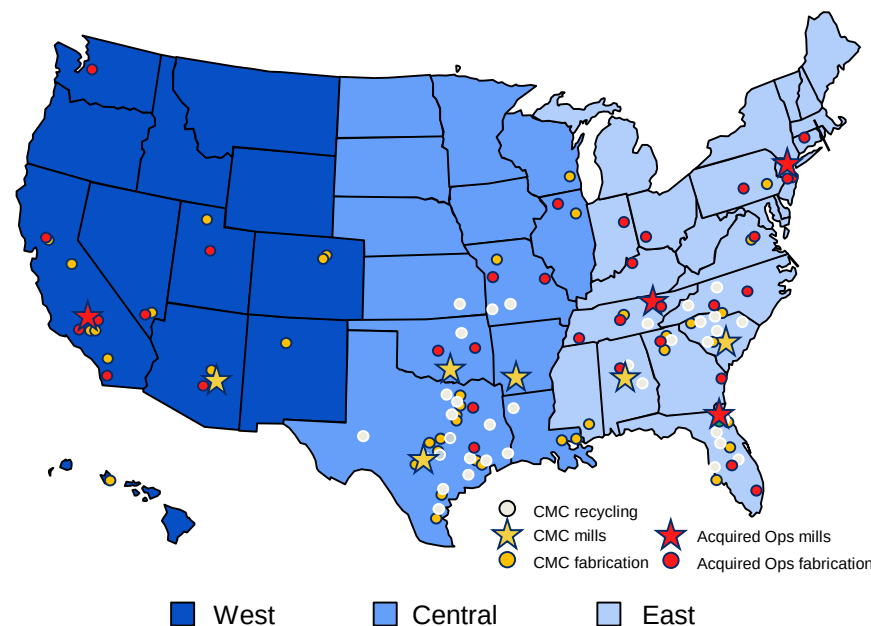
Our U.S. Operations

CMC operates across the United States and runs a vertically integrated business to optimize decisions and maximize profits

CMC and Acquired Ops FY'18 Internal / External Shipments



CMC and Acquired Ops U.S. Operating Regions



- Vertical integration allows our mills to enjoy a secure source of raw materials (from our recycling yards), as well as a consistent flow of demand (from our fabrication facilities)
- By operating our U.S. business primarily by product line and secondarily by independent regions, we ensure that decision-making optimizes profits through the entire value chain

Sources: Public filings; Internal data

Notes:

1. Includes 992k tons shipped by recycling facilities which are classified in our mills segment.

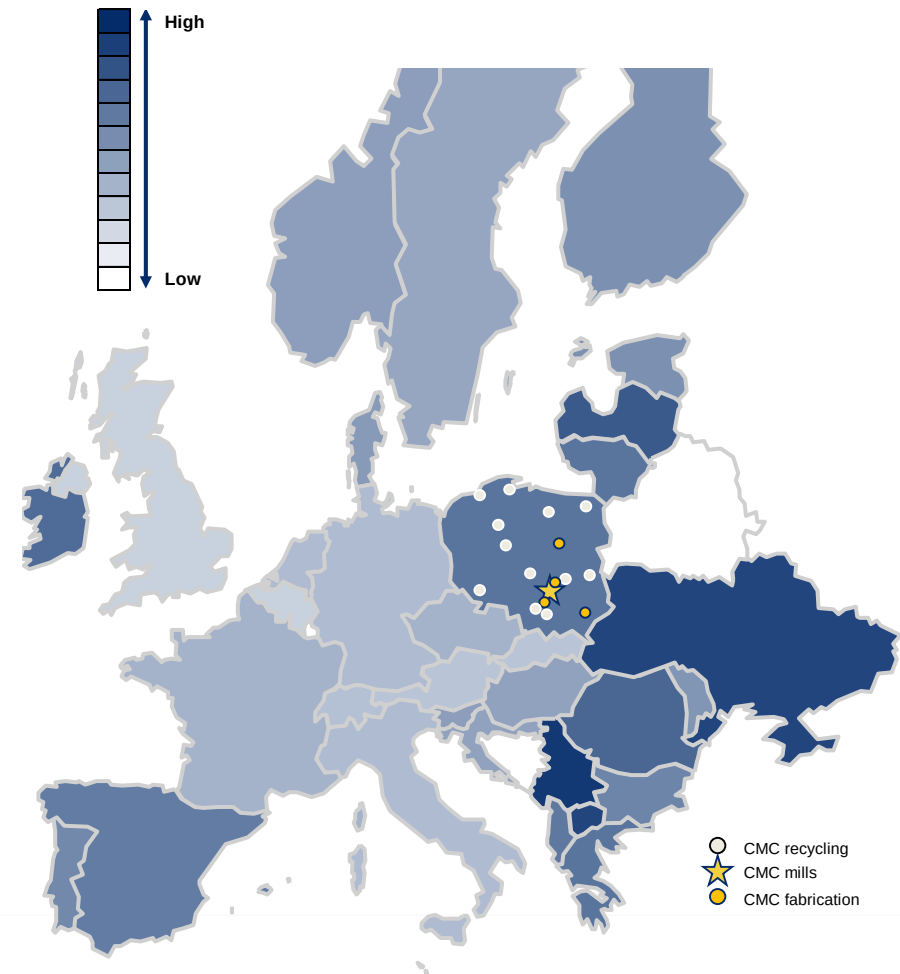
2. Estimated internal and external shipments based on internal company data.

Our International Operations

CMC's Polish operations are centered in key growth markets

- CMC applies the vertical integration philosophy to our Polish operations, operating 1 EAF mini mill, 12 scrap processing facilities (which includes a shredding facility), and 4 fabrication facilities in Poland
- 28% of CMC's mill capacity is in Poland, which is forecasted to have amongst the largest growth in fixed investment through 2020
- Poland is also strategically located close to other high-growth countries in Europe

CMC Poland Locations and
Forecasted 2019-2020 Fixed Investment Growth

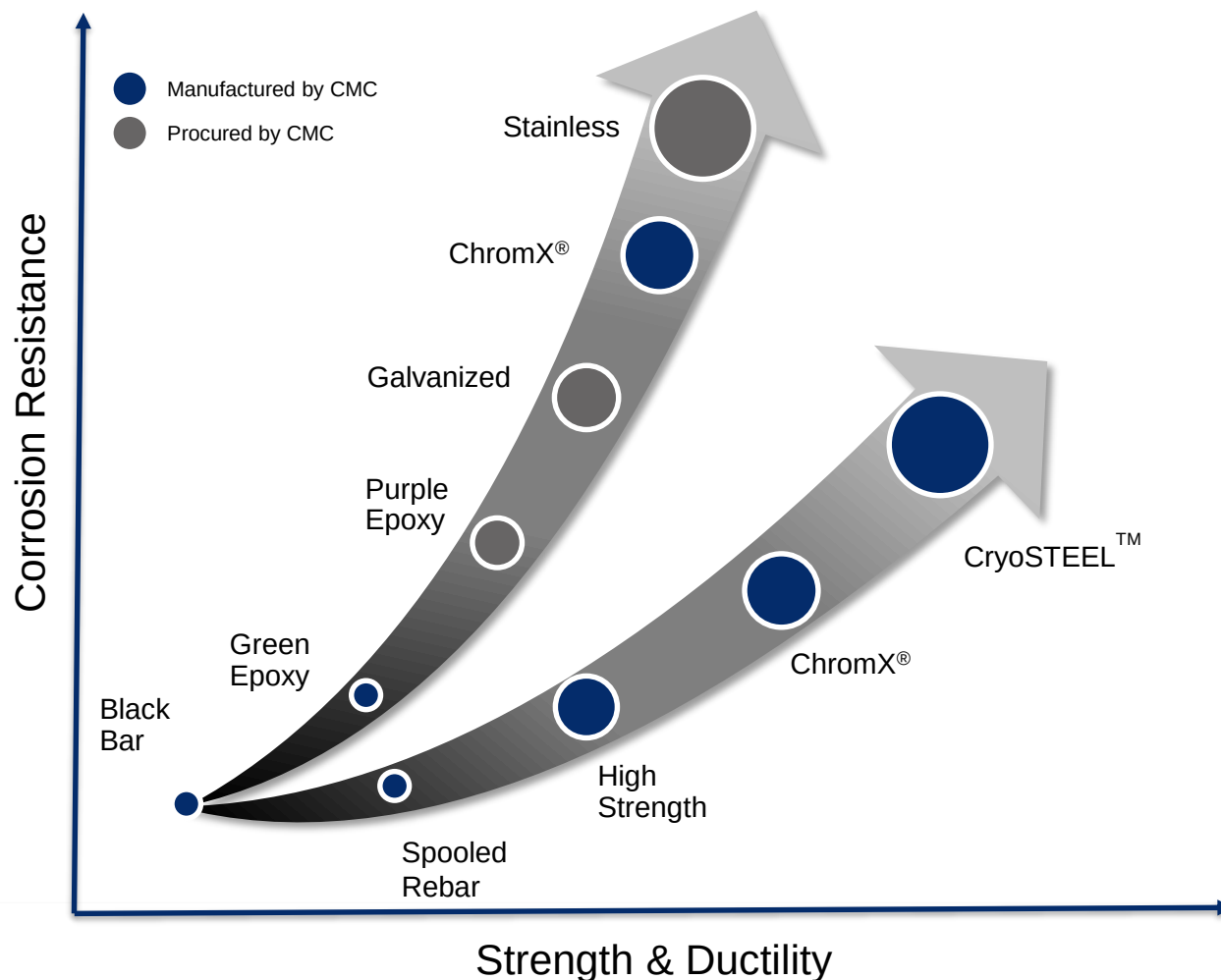


Sources: Moody's Analytics; OECD Economics Department; S&P; public filings

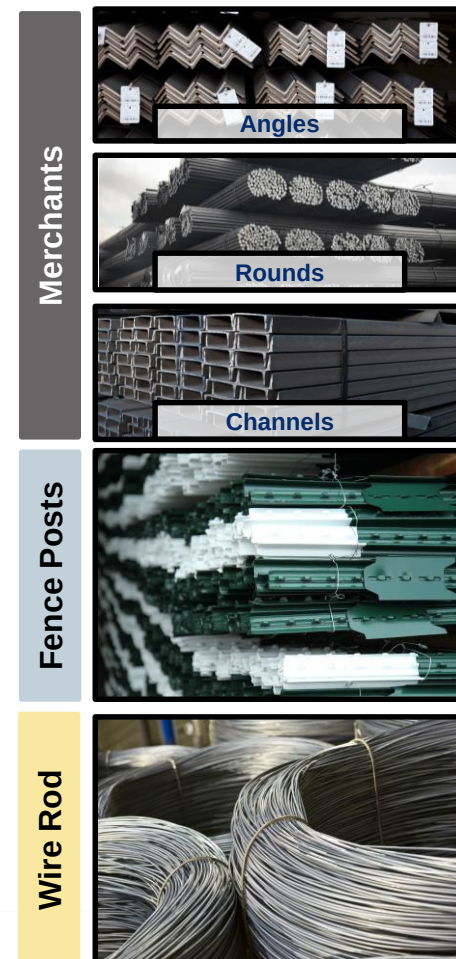
Our Product Offering

CMC has a wide offering of rebar and other steel products to match customers' applications

Rebar Products



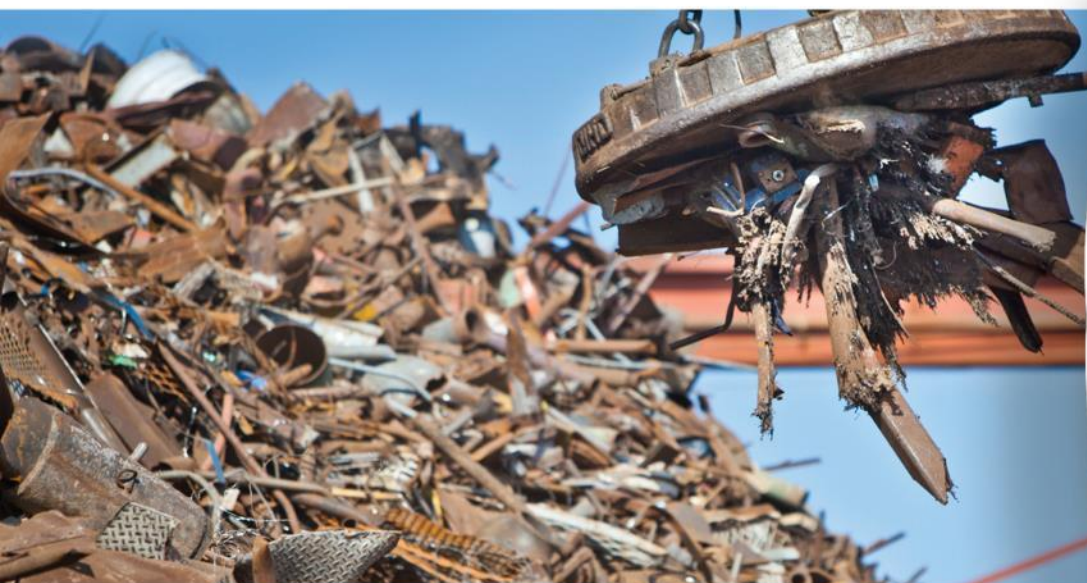
Other Products





Commercial Metals

OUR KEY DIFFERENTIATORS



COMMITMENT
YOU CAN COUNT ON

What Makes Us Unique

1

100-Year History Provides Operational Expertise

2

Track Record of Acquiring and Optimizing Assets

3

Best-in-Class Customer Service

4

Industry Leaders in Technology and Innovation

5

Prudent Capital Allocation Philosophy

6

Recent Acquisition of Gerdau Facilities Will Create Meaningful Long-Term Value



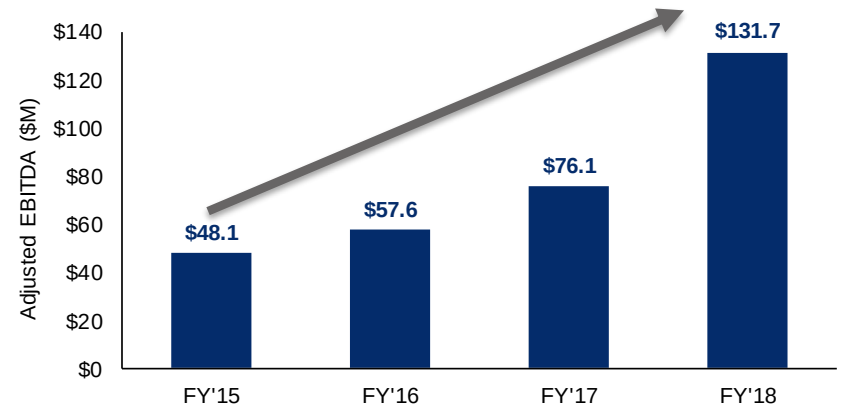
We Have a Track Record of Acquiring and Optimizing Assets

CMC purchased our Poland mill and strategically expanded its capacity and product offering as steel demand increased.

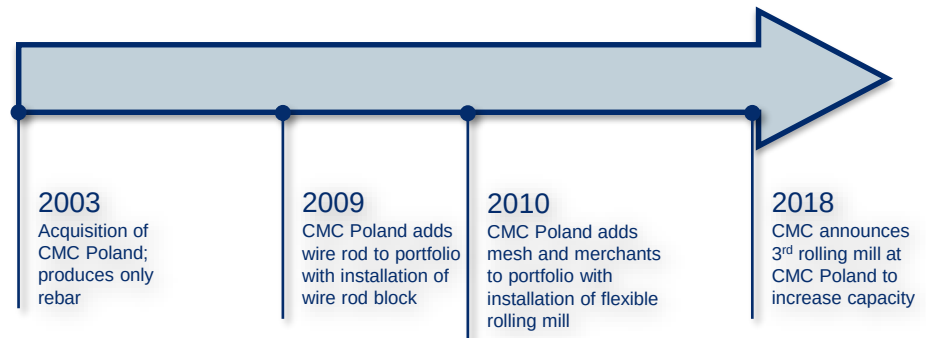
Summary

- CMC purchased our first international manufacturing operation with the purchase of a steel mill in Zawercie, Poland (CMC Poland) in 2003
- When acquired, CMC Poland only produced rebar
- As the Poland economy expanded, so did their steel needs; CMC responds to this growth by increasing capacity and product range at CMC Poland
 - **2009:** Added wire rod block to increase capacity and expand product portfolio
 - **2010:** Added new flexible rolling mill to increase capacity, making CMC Poland the 2nd largest mill in Poland
 - **2014:** Replaced EAF to allow transition from two-furnace to one-furnace operation
 - **2018:** Announced \$80 million investment to increase the rolling mill capacity at CMC Poland as well as continue expansion into wire rod and merchant products

International Mill Adjusted EBITDA¹



Products Offered

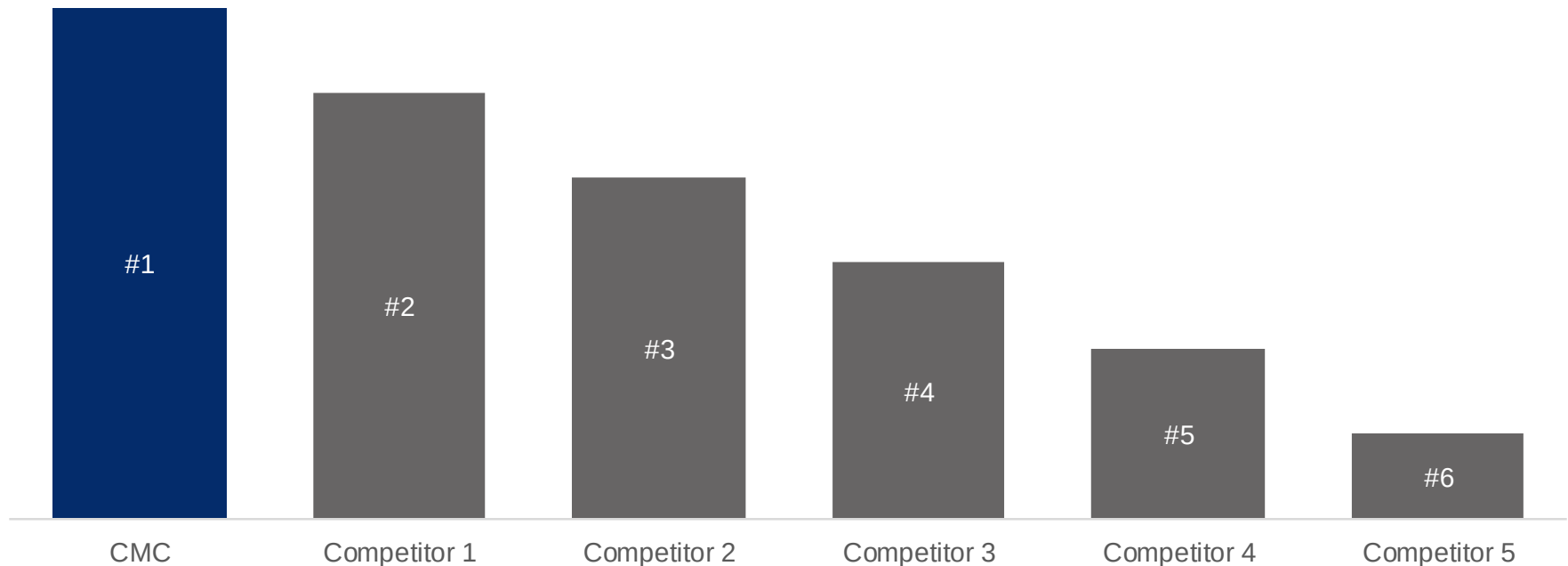


Note: International Mill EBITDA shows Segment Adjusted EBITDA from Continuing Operations

We Provide Best-in-Class Customer Service

CMC is repeatedly ranked as a top provider in terms of customer service, helping to distinguish our product offering

Jacobson Survey Results – Aggregate Customer Satisfaction Rankings for Domestic Steel Mills



Source: Jacobson & Associates National Summary Rankings

We Are Leaders in Technology and Innovation

CMC's leadership in innovation continues to drive our best-in-class cost position

Unique continuous process technology

- CMC pioneered one of the latest innovations in steelmaking technology with the commissioning of our Mesa, AZ continuous process EAF micro mill in 2009
- The EAF micro mill melts, casts, and rolls steel from a single uninterrupted strand, producing higher yields and lower energy consumption than the traditional mini mill process
- Building on the success of the Mesa mill, our second micro mill began production in Durant, OK in early 2018



First Producer of Spooled Rebar in US

- In early 2018, CMC began commercial shipments from our new micro mill in Durant, OK and become the first producer of spooled rebar in the United States.
- Spooled rebar provides 3 main benefits to CMC and our customers (vs. coiled rebar): (1) twist-free spools, (2) larger spool sizes (which reduces change-out downtime), and (3) high-tonnage, ultra-compact spools to minimize storage and handling costs and improve safety.

Spooled Rebar



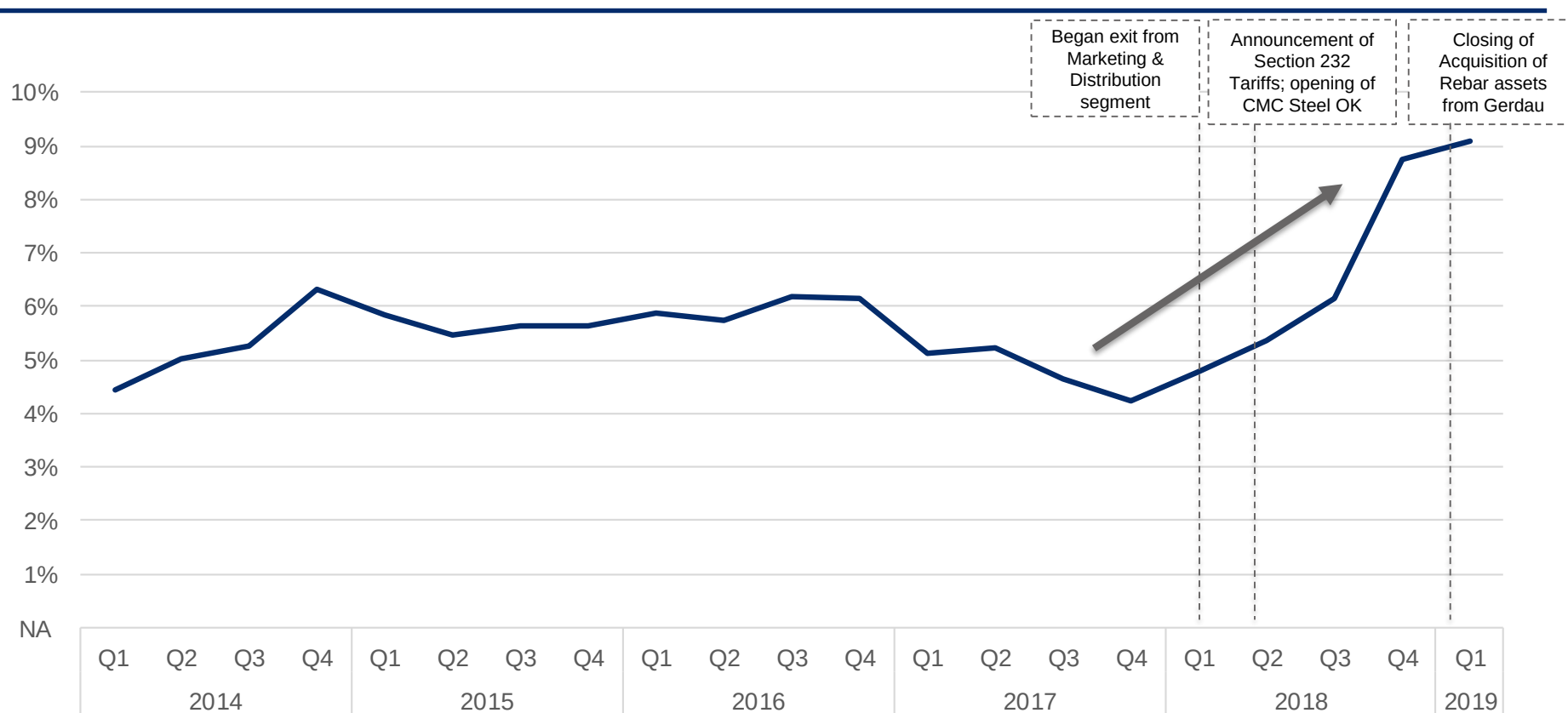
Coiled Rebar



We Have Made Prudent Capital Allocation Decisions

CMC's capital allocation strategy has maximized returns for shareholders

Return on Invested Capital – LTM Basis¹



Began exit from Marketing & Distribution segment

Announcement of Section 232 Tariffs; opening of CMC Steel OK

Closing of Acquisition of Rebar assets from Gerdau

Notes:

- Return on Invested Capital includes only Legacy CMC operations
- Return on Invested Capital is defined as (Operating Profit + LIFO (Income) / Expense x the applicable tax rate) divided by (Total Assets less Cash & Cash Equivalents less Non-Interest Bearing Current Liabilities)

OUR RECENT ACQUISITION OF REBAR ASSETS



Our Acquisition of Gerdau Rebar Assets

Aligns with Strategy

- Allows CMC to better serve customers by improving efficiency and utilization of Gerdau mills.
- Strengthens our vertical integration and “pull-through demand” model
- Both companies share a common culture of safety-first

Expands CMC's footprint in key geographies

- Expands CMC's exposure to high-demand construction regions such as California, Florida, and New York
- Improved proximity to the customer allows CMC to better serve them
- Leverages our existing infrastructure over a larger footprint

Strengthens Operational Flexibility

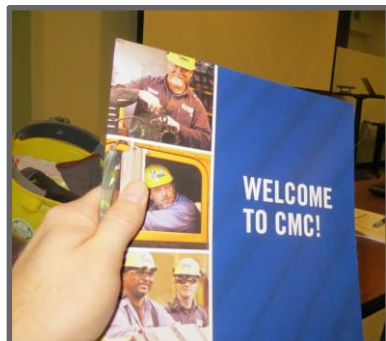
- Increased rebar base provides ability to expand product mix at existing CMC facilities
- Provides flexibility to optimize facility utilization levels and reduce freight cost
- Provides CMC the opportunity to bring its industry leading customer service culture to Gerdau's assets

Our Plan for Integration and Optimization of the Gerdau Acquisition

We closed the transaction in November 2018 and began integration of the operations and optimization of our portfolio

Current Focus and Future Estimates

- Ongoing integration work to:
 - Implement CMC processes and procedures
 - Centralize support functions
 - Minimize redundant activities
 - Improve customer service
 - Optimize production decisions
- Initial run-rate estimate of synergies of \$40M
- Expected capital investment of ~\$200M over 4 years



First load shipped at CMC Steel CA

FINANCIAL INFORMATION

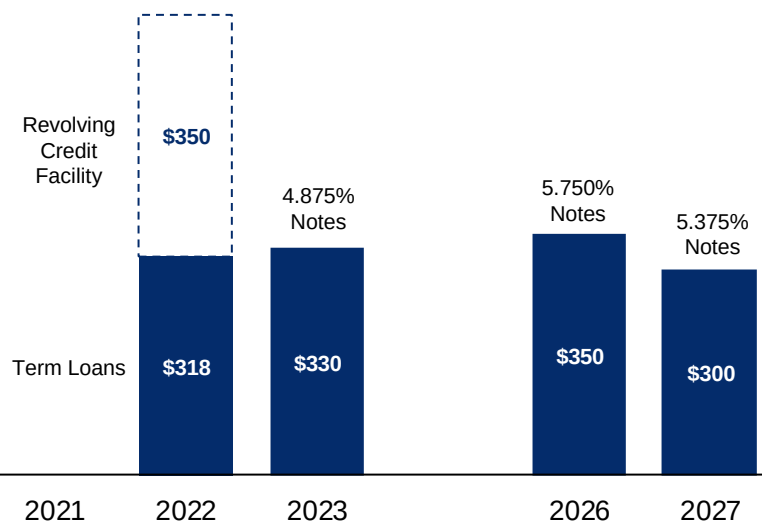


Liquidity and Debt

Debt maturity profile provides strategic flexibility

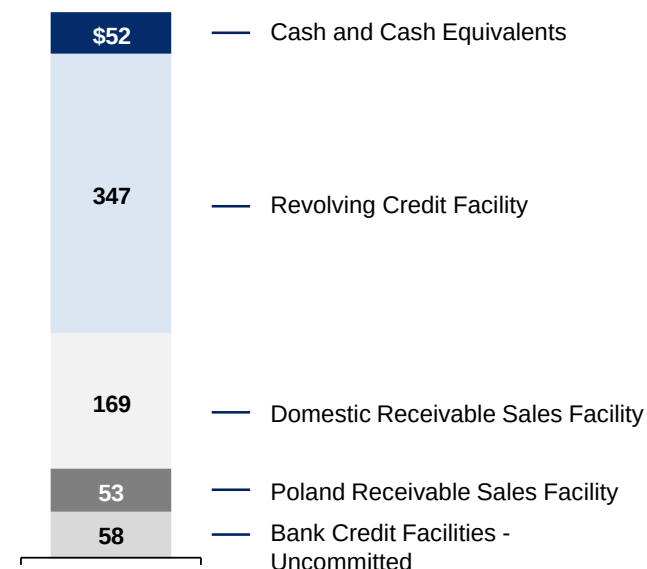
Debt Maturity Schedule¹

(US\$ in millions)



Q1 FY'19 Liquidity

(US\$ in millions)

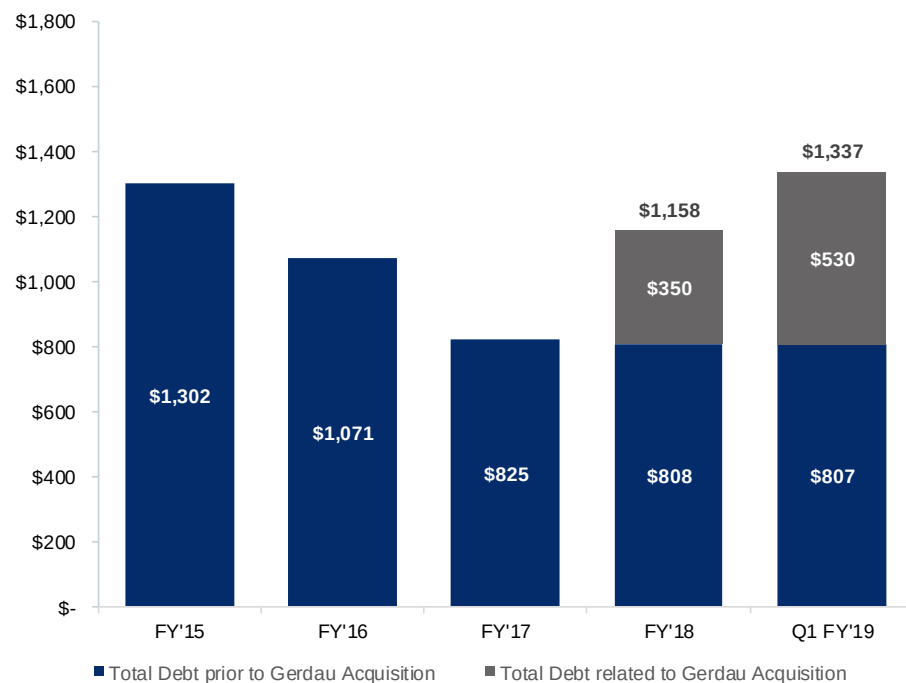


Source: Public filings

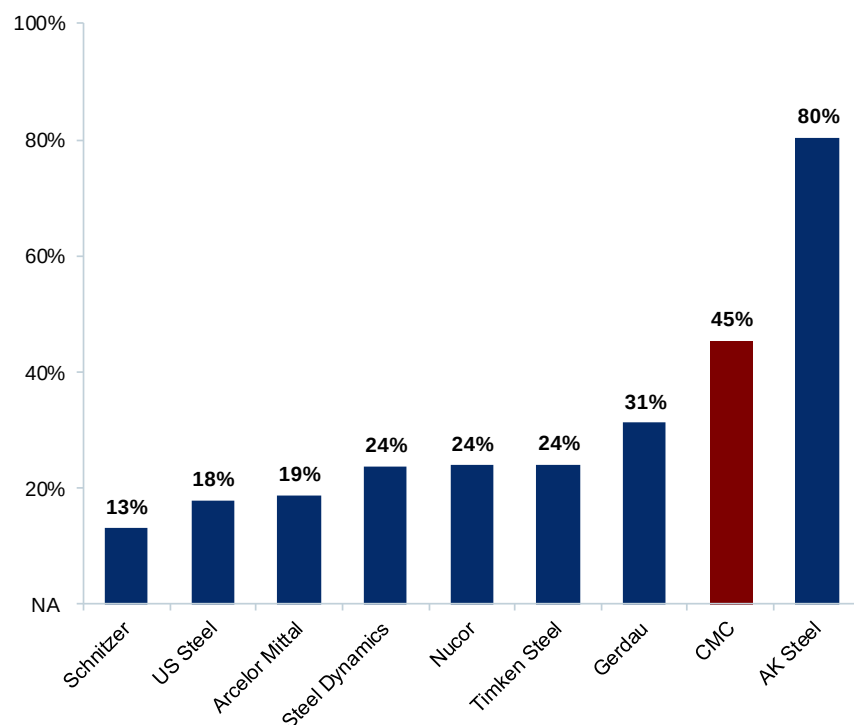
Leverage Profile

CMC has worked to maintain a capital structure that allows for operational flexibility

Total Debt



Net Debt / Total Capitalization



Source: Public filings

Notes:

1. Total debt is defined as long-term debt plus current maturities of long-term debt plus short-term debt.
2. Net Debt is defined as long-term debt plus current maturities of long-term debt plus short-term debt less cash & cash equivalents.
3. Total capitalization is defined as total debt plus total book value of shareholder equity.
4. Net debt / total capitalization figures used are as of September 2018 (August 2018 for Schnitzer); CMC figures used are as of November 2018

Financial Highlights – Year over Year

(\$ in thousands)	Q4 2018	Q4 2017	\$ Change
Net Sales ¹	1,308,438	1,084,130	224,308
Earnings (Loss) ¹	51,260	(10,070)	61,330
Adjusted Earnings ^{1,2}	59,877	6,783	53,094
Earnings (Loss) Before Income Taxes ¹	57,942	(16,025)	73,967
Core EBITDA ^{1,2}	123,632	57,988	65,644
Capital Expenditures	30,387	51,038	(20,651)

Notes:

1. Includes only continuing operations.
2. Adjusted earnings from continuing operations and Core EBITDA from continuing operations are non-GAAP financial measures. For a reconciliation of non-GAAP financial measures to the most directly comparable GAAP financial measures, see the appendix to this document.

Financial Highlights – Quarter over Quarter

(\$ in thousands)	Q1 2019	Q4 2018	\$ Change
Net Sales ¹	1,277,342	1,308,438	(31,096)
Earnings (Loss) ¹	19,420	51,260	(31,840)
Adjusted Earnings ^{1,2}	41,516	59,877	(18,361)
Earnings (Loss) Before Income Taxes ¹	25,029	57,942	(32,913)
Core EBITDA ^{1,2}	97,721	123,632	(25,911)
Capital Expenditures	37,914	30,387	7,527

Notes:

1. Includes only continuing operations.
2. Adjusted earnings from continuing operations and Core EBITDA from continuing operations are non-GAAP financial measures. 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 RECONCILIATIONS



Adjusted Earnings from Continuing Operations Reconciliation

	3 Months Ended		
	11/30/2018	8/31/2018	11/30/2017
Earnings (loss) from continuing operations	\$19,420	\$51,260	\$31,871
Acquisition and integration-related costs	27,970	10,907	3,720
Mill operational start-up costs	–	–	2,909
Total adjustments (pre-tax)	27,970	10,907	6,629
Tax impact			
Related tax effects on adjustments	(5,874)	(2,290)	(2,320)
Total tax impact	(5,874)	(2,290)	(2,320)
Adjusted earnings from continuing operations ²	41,516	59,877	36,180

Source: Public filings

Notes:

1. See page 26 for definitions of non-GAAP financial measures

Core EBITDA from Continuing Operations Reconciliations

	3 Months Ended		
	11/30/2018	8/31/2018	11/30/2017
Earnings from continuing operations	\$19,420	\$51,260	\$31,871
Interest expense	16,663	15,654	6,611
Income taxes	5,609	6,682	8,425
Depreciation and amortization	35,176	32,610	31,899
Asset impairments	—	840	461
Non-cash equity compensation	4,215	5,679	4,433
Acquisition and integration-related costs	27,970	10,907	3,720
Amortization of acquired unfavorable contract backlog	(11,332)	—	—
CMC Steel Oklahoma incentives	—	—	5,433
Core EBITDA from continuing operations ²	\$97,721	\$123,632	\$92,853

Source: Public filings

Notes:

1. See page 26 for definitions of non-GAAP financial 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 (loss) from continuing operations before certain acquisition and integration related and costs and other legal expenses, mill operational start-up costs, CMC Steel Oklahoma incentives, asset impairments, debt restructuring and extinguishment gains and losses and severance expenses, including the estimated income tax effects thereof. Additionally, we adjust adjusted earnings from continuing operations for the effects of the TCJA as well as the tax benefit associated with an international reorganization. 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.

Core EBITDA from Continuing Operations

Core EBITDA from Continuing Operations is a non-GAAP financial measure. Core EBITDA from continuing operations is the sum of earnings (loss) from continuing operations before interest expense and income taxes (benefit). It also excludes recurring non-cash charges for depreciation and amortization, asset impairments, and equity compensation. Core EBITDA from continuing operations also excludes certain material acquisition and integration related costs and other legal fees, mill operational start-up costs, CMC Steel Oklahoma incentives, net debt restructuring and extinguishment gains and losses and severance expenses. 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.

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A close-up photograph of a grid of reinforcing steel bars (rebar) embedded in a rough, brown concrete surface. The bars are arranged in a square pattern, with two horizontal bars and two vertical bars visible. The text 'CORE STRENGTH' is superimposed in the center of the grid.

CORE STRENGTH