



INVESTOR PRESENTATION

OCTOBER 2020



CAUTIONARY STATEMENTS

This presentation contains or incorporates by reference a number of "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 provided by our recent acquisitions, demand for our products, steel margins, the effect of the COVID-19 and related governmental and economic responses thereto, the ability to operate our mills at full capacity, future 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, capital expenditures, our liquidity and our ability to satisfy future liquidity requirements, estimated contractual obligations 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. We caution readers not to place undue reliance on any forward-looking statements.

Our forward-looking statements are based on management's expectations and beliefs as of the time this presentation is filed with the SEC or, with respect to any document incorporated by reference, as of the time such document was prepared. 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, 2020 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 products contracts due to rising commodity pricing; impacts from COVID-19 on the economy, demand for our products or our operations, including the responses of governmental authorities to contain COVID-19; 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; 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 trade measures, 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; 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; civil unrest, protests and riots; new and clarifying guidance with regard to interpretation of certain provisions of the Tax Cuts and Jobs Act that could impact our assessment; and increased costs related to health care reform legislation.



THE LEADER IN CONCRETE REINFORCEMENT

- **Highly focused producer of long steel and wire products**
No. 1 producer of rebar in the U.S.; Poland operations serve growing economies in Central and Eastern Europe
- **Leader in attractive rebar and merchant bar markets** with highly flexible, low-cost mills; best-in-class customer service; and track-record of product innovation
- **Downstream demand optimizes mill production volumes**, regardless of import levels

- **Significant self-funded growth**
 - Acquired 4 mills and 33 rebar fabrication facilities creating meaningful long-term value
 - Executing on merchant bar and new product organic growth opportunities
 - Constructing new start-of-the-art micro mill in Arizona; completing expansion in Poland
- **Strong balance sheet supported by enhanced earnings and cash flow capabilities**
 - ROIC well in excess of cost of capital
 - Net debt-to-EBITDA under 1.0x



Q4 HIGHLIGHTS – STRONG RESULTS IN UNPRECEDENTED YEAR

MARKET ACTIVITY

- Domestic construction market remained active
- MBQ demand rebounded from Q3 slowdown
- Near-term shipments of steel and downstream products should be supported by solid construction backlog level
- Robust construction related demand in Poland; Central European industrial activity recovering

PROGRESS ON BUSINESS STRATEGY

- Announced construction of world's first MBQ capable micro mill (expected startup in 2023)
- New micro mill will replace soon-to-be retired capacity at Steel CA
- Continued progress on 3rd Polish rolling mill, with expected startup in late fiscal 2021
- Acquired GalvaBar, building out CMC's offering of concrete reinforcement solutions

FINANCIAL RESULTS

- Core EBITDA¹ of \$176M, up 14% sequentially
- Adjusted EPS¹ of \$0.79, up 35% sequentially
- ROIC (annualized)^{2,3} of 14%
- ROE (annualized)^{3,4} of 21%
- North America segment Adjusted EBITDA of \$174M increased 9% from the prior quarter.

BALANCE SHEET AND CASH FLOWS

- Cash balance of \$542M, up \$350M from prior year
- Q4 operating cash flow of \$259M
 - Last 12 month total of \$791M
- Q4 free cash flow¹ of \$206M
 - Last 12 month total of \$604M
- Net Debt-to-EBITDA ratio¹ of 0.9x
- Paid 224th consecutive quarterly dividends

Notes:

1. Core EBITDA, Adjusted EPS, free cash flow, and net debt-to-EBITDA 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
2. Return on Invested Capital is defined as After-tax Operating Profit divided by (Total Assets less Cash & Cash Equivalents less Non-Interest Bearing Liabilities)
3. Excludes impact of \$32 million one-time cost of working capital settlement related to 2018 rebar asset acquisition
4. Return on Equity is calculated as annualized fourth quarter Adjusted Earnings from continuing operations divided by trailing 12 month average Total Stockholders' Equity



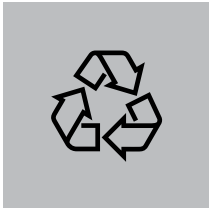


BACKGROUND AND STRATEGY



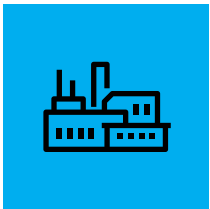
COMPANY OVERVIEW

2 SEGMENTS – NORTH AMERICA AND EUROPE – SHARE THE SAME VERTICALLY INTEGRATED OPERATING STRUCTURE



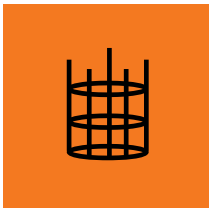
Raw Materials

- 41 U.S. locations, 12 Poland locations
- Profitable, low-cost source of raw materials for our mills, with additional upside



Mill Operations

- 10 U.S. locations, 1 Poland location
- The economic engine of CMC

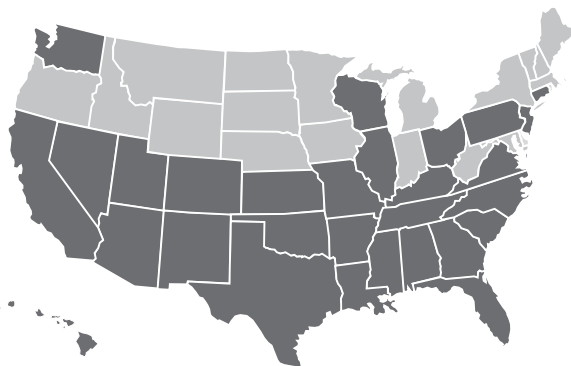


Downstream Operations

- 62 U.S. locations, 5 Poland locations
- Demand pull for our mills and insight into end market demand

Strong Positions In All Major Products

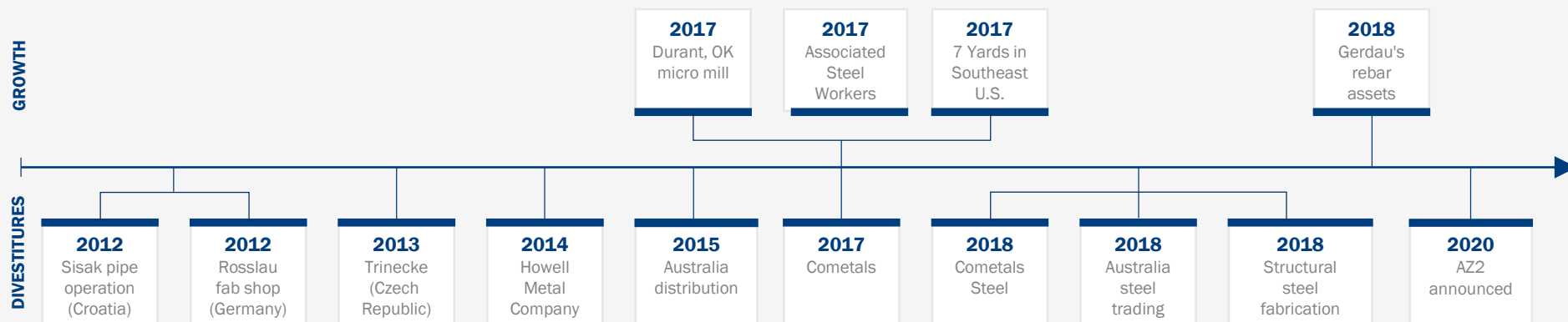
#1	Rebar	#2	Rebar
#3	MBQ	#1	MBQ
#1	Fence Post	#2	Wire Rod
#1	Fabricated Rebar	#1	Mesh
■ U.S.		■ POLAND	



■ Presence of CMC facility



OUR STRATEGIC REPOSITIONING TRANSFORMED CMC



2011	
Core Operations	68%
Assets	\$3.7B
CMC ROIC ⁽¹⁾	1%
Net Debt ⁽²⁾ / EBITDA ⁽³⁾	3.5x
Net Debt-to-Capitalization ⁽⁴⁾	42%



2020	
Core Operations	100%
Assets	\$4.1B
CMC ROIC ⁽¹⁾	12%
Net Debt ⁽²⁾ / EBITDA ⁽³⁾	0.9x
Net Debt-to-Capitalization ⁽⁴⁾	18%

CMC's Transformation Has Been a Self-Funded and Strategic Shift in Our Assets to Leverage Our Core Capabilities

- (1) ROIC – Return on Invested Capital is defined as After-tax Operating Profit divided by (Total Assets less Cash & Cash Equivalents less Non-Interest Bearing Liabilities)
- (2) Net Debt is defined as total debt less cash & cash equivalents.
- (3) All EBITDA figures depicted equal adjusted EBITDA from continuing operations
- (4) Capitalization equals total debt plus shareholders' equity



TRANSFORMATIONAL ACQUISITION PROVIDED PLATFORM FOR GROWTH

COMBINATION WITH ACQUIRED REBAR ASSETS IN 2018 FORMED THE #1 PRODUCER OF REBAR IN THE US, EXPANDING CAPACITY AND CREATING OPERATIONAL FLEXIBILITY

DEEPENED CMC'S PRESENCE IN ATTRACTIVE CONCRETE REINFORCEMENT MARKET

- Created opportunity to improve efficiency and optimize utilization of enlarged national mill network
- Aligned with vertical integration and “pull-through demand” model
- Added wire products focused on same end use markets

STRENGTHENED OPERATIONAL FLEXIBILITY

- Increased rebar capacity expanded ability to manufacture high-margin merchant products at legacy CMC facilities
- Optimizes facility utilization, reduces freight costs and brings CMC's industry-leading customer service to acquired rebar assets

EXPANDED CMC'S FOOTPRINT IN KEY GEOGRAPHIES

- Increased exposure to high-demand non-residential construction markets
- Expanded national footprint promoted better customer service

UTILIZED CMC'S ABILITY TO INTEGRATE AND OPTIMIZE

- Synergies of double the expected outcome
- Completed systems integration in 4 months
- Existing back office supported minimal increase in SG&A, leveraged CMC's existing infrastructure over a larger footprint

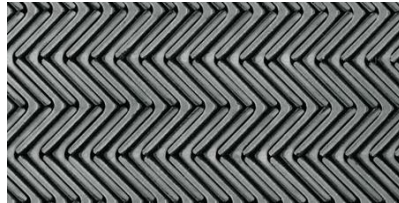


GROWTH DRIVERS



Sales, Inventory, and Operations Planning (SIOP)

- Driving network optimization efforts through centralized SIOP process
- Targeting earnings benefit of \$50 million to be realized over next several years
- Goal of sustained working capital reduction of \$50 million



Merchant Bar Products

- Utilizing expanded mill network capabilities, leveraging commercial and customer service expertise to grow
- Expanding product line offerings
- Completed investments to upgrade product storage and handling
- AZ 2 investment will support our merchant strategy



Polish Expansion

- 3rd rolling line at Polish mill expected to complete commissioning in late fiscal 2021
- Adds significant production flexibility
- Will utilize current excess melt capacity, adding roughly 200,000 tons of finished product output
- Leverages fixed costs over larger revenue base
- Expected annual EBITDA benefit of \$20 million

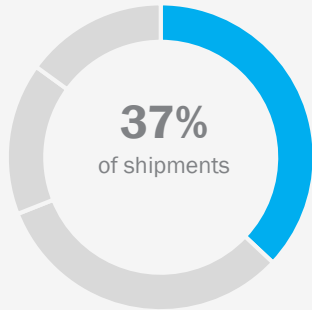


Arizona 2

- 3rd micro mill, 2nd at Mesa, AZ site
- Targeted commissioning in Fiscal 2023
- First MBQ capable micro mill in the world
- Rebar production will replace higher-cost CA capacity
- Land sale will fund a portion of the mill investment
- Will further optimize mill network and provide access to large West Coast MBQ market
- Expected annual EBITDA benefit of \$50 million

END MARKETS WE SERVE

INFRASTRUCTURE



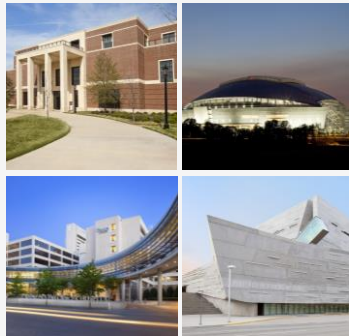
**Consistent Through the Cycle,
With Late and Early Cycle Bias**



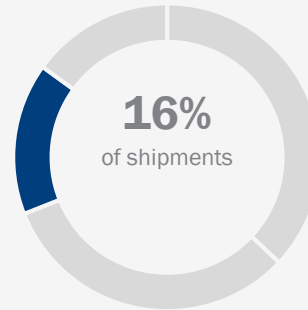
NON-RESIDENTIAL



Mid-to-Late Cycle



RESIDENTIAL



Early-to-Mid Cycle



OEM / AGRICULTURE

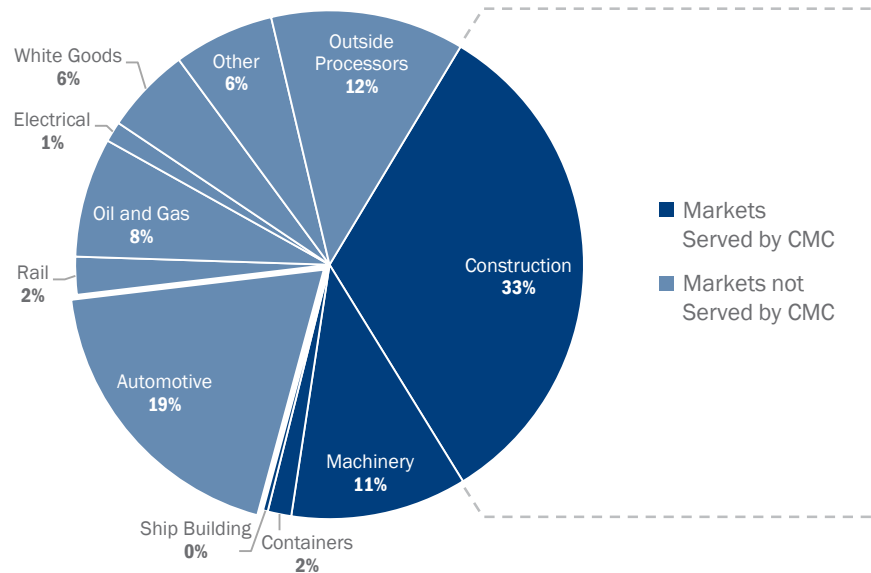


Mid-to-Late Cycle

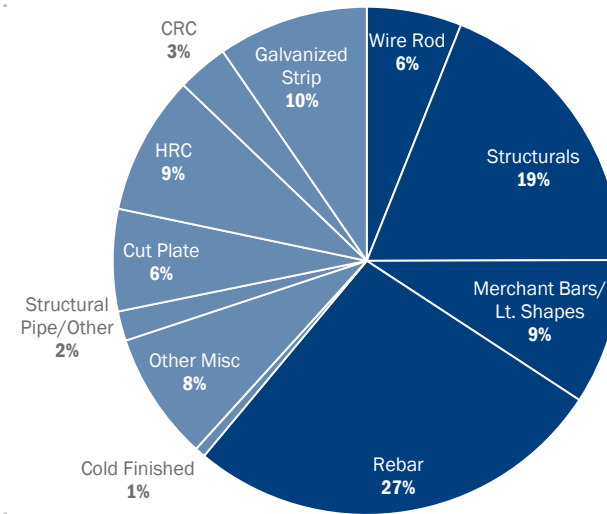


CMC'S WIDE PRODUCT MIX SERVES LARGE U.S. DEMAND FOR LONG STEEL PRODUCTS

STEEL MARKET (FY'19)

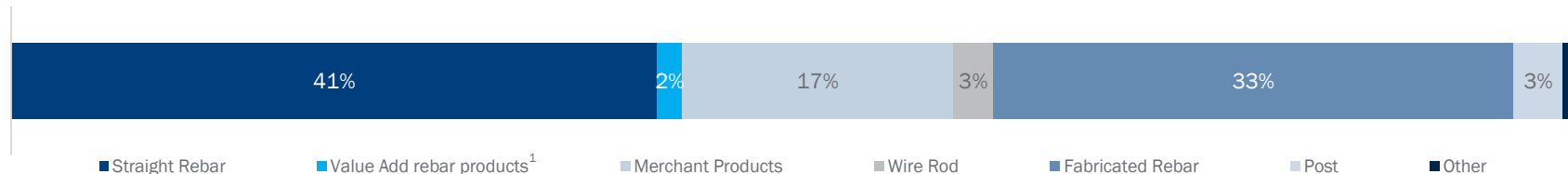


U.S. CONSTRUCTION (FY'19)



FY'20 CMC NORTH AMERICA FINISHED STEEL PRODUCT SHIPMENTS

(Approximate percentage of short tons shipped)



Source: Metal Bulletin Research

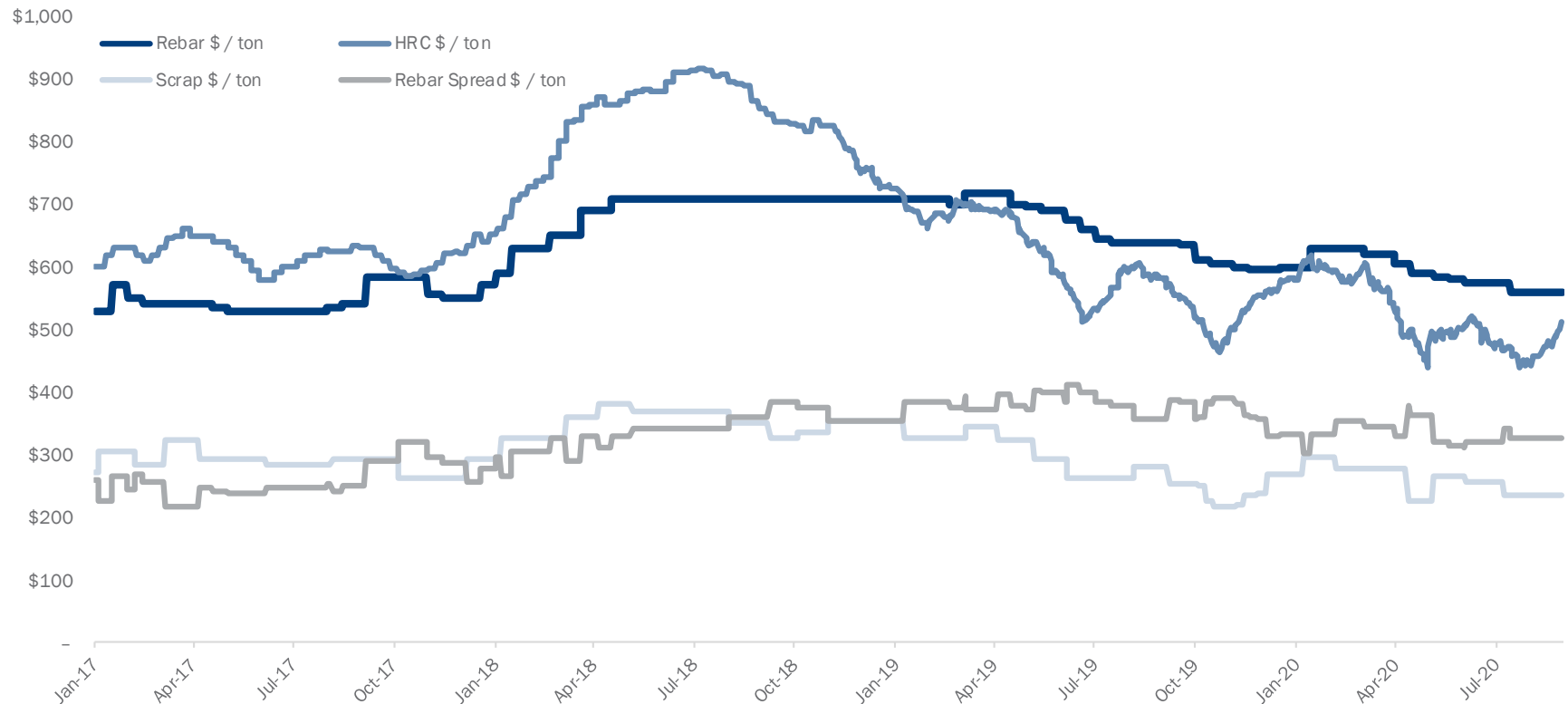
Notes:

1. Value Add Rebar Products includes spooled, coiled, epoxy-coated, and high-strength & corrosion-resistant rebar.



NARROW FLUCTUATION OF METAL MARGINS HIGHLIGHTS GREATER STABILITY OF CMC'S EARNINGS

PRICING TRENDS



Source: AMM



VERTICAL INTEGRATION IS A KEY TO OUR SUCCESS IN NORTH AMERICA AND POLAND

OUR BUSINESS IS MANAGED VERTICALLY TO MAXIMIZE RETURNS

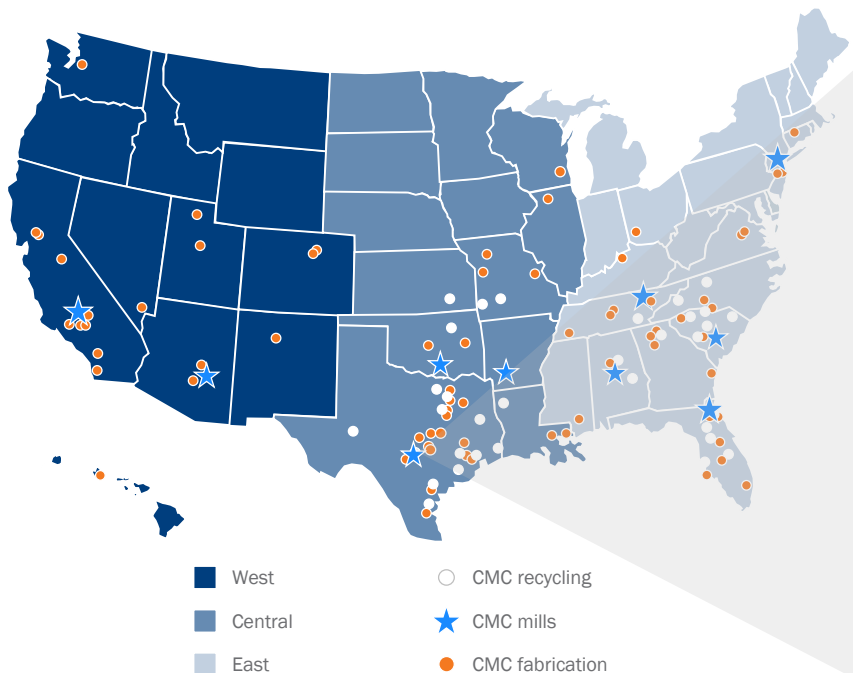
ROLE OF EACH LINK



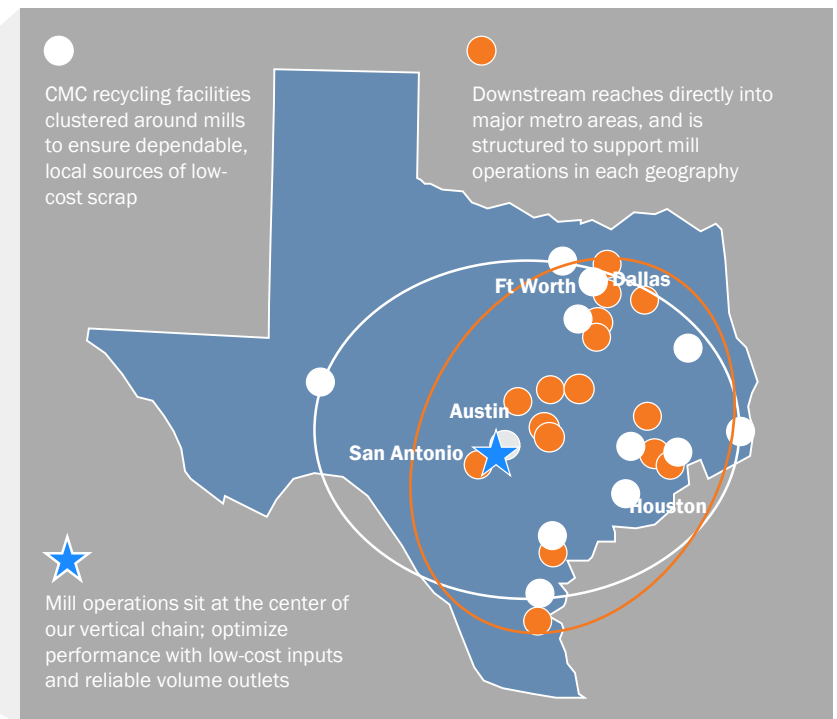
VERTICALLY INTEGRATED OPERATIONS LOCATED IN STRONG MARKETS

CMC OPERATES COAST-TO-COAST IN THE UNITED STATES WITH VERTICALLY INTEGRATED OPERATIONS THAT FOCUS ON MAXIMIZING PROFIT THROUGH THE VALUE CHAIN

CMC U.S. FACILITIES



ZOOM-IN OF INTEGRATED VALUE CHAIN

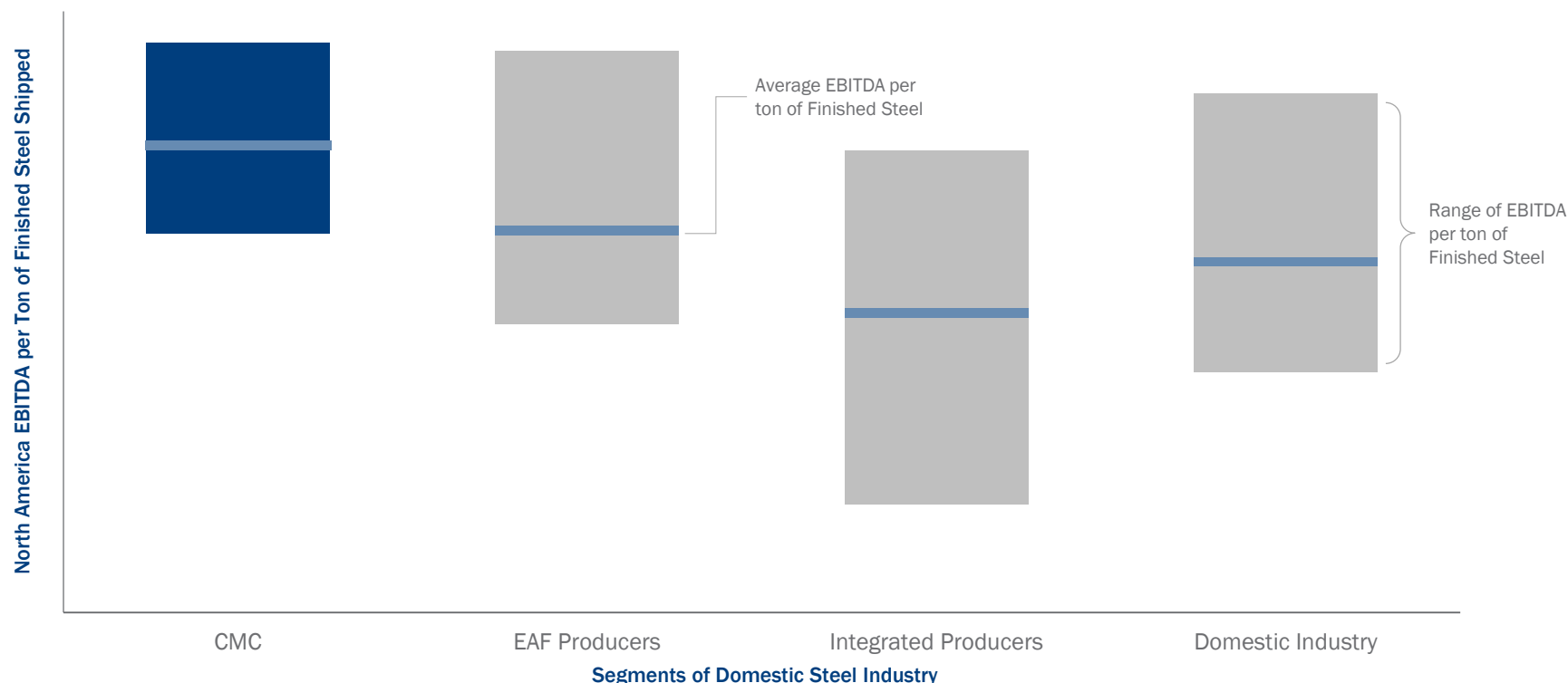


VERTICAL INTEGRATION MODEL HELPS MINIMIZE THE CYCLICAL IMPACT

DOWNSTREAM FABRICATION EFFECTIVELY LOCKS IN A PORTION OF FUTURE MILL DEMAND AT FIXED FINAL PRICES, SIGNIFICANTLY REDUCING VOLATILITY

EBITDA EARNED IN NORTH AMERICA PER TON OF FINISHED STEEL SHIPPED

Trailing four quarter basis for last five years reported. Estimated corporate costs added back where applicable



Source: Company reports, Thomson Eikon

Notes:

- Calculated using EBITDA generated within North American operations. For companies with operations only in North America, corporate costs have been added-back based on disclosures or Company estimates. Finished steel volumes include external shipments from mill operations, and any downstream shipments disclosed.
- Range and average EBITDA per ton based on arithmetic average performance of companies within each group
- EAF producers include Nucor, Steel Dynamics, Cascade Rolling Mill, and Gerdau North America. Integrated producers include United States Steel, ArcelorMittal NAFTA, and AK Steel



CMC'S EUROPE OPERATIONS

ATTRACTIVE COMPLEMENT TO NORTH AMERICAN OPERATIONS

Structurally Transformed Earnings Power

- Investments in higher value-added product mix, and persistent cost control have significantly enhanced underlying EBITDA capability
- Start-up of 3rd rolling line will further add to “through-cycle” average earnings

Innovation

- Investments in electric arc furnace (EAF) technology
- Numerous proprietary products for automotive and industrial markets
- Several products and techniques adopted in North American operations that originated in Poland

Access to a Second Growth Market

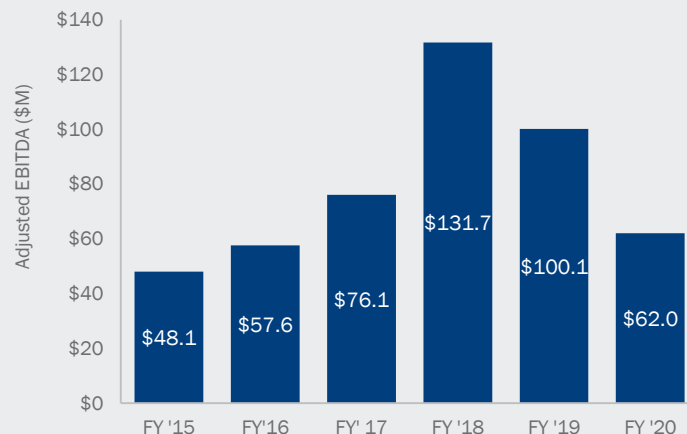
- GDP is expected to decline in 2020 as a result of COVID-19, but expect to see a recovery in 2021 and beyond
- Proximity to other high-growth countries

Geographic Diversity

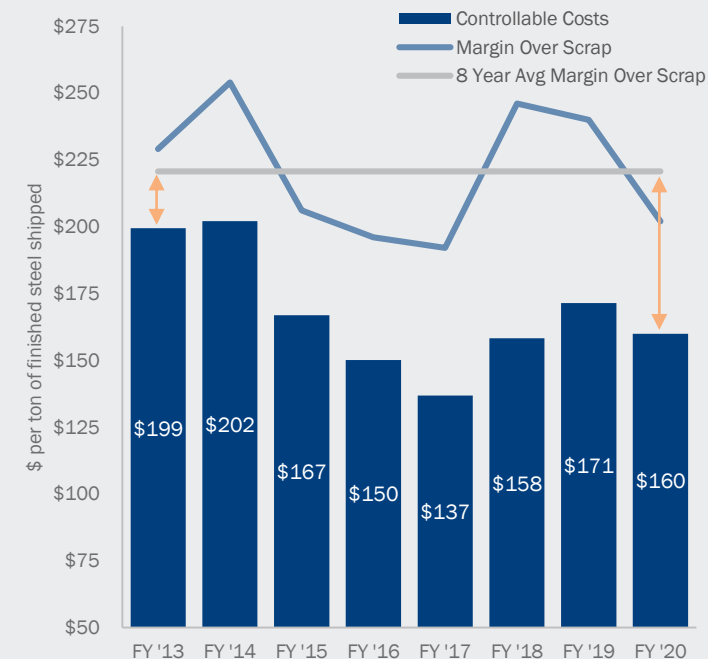
- Comprises 19% of CMC's mill capacity
- Not correlated to North America demand

- Europe EBITDA shows Segment Adjusted EBITDA from Continuing Operations
- Controllable costs calculated by subtracting EBITDA per ton of finished steel shipped from spread of average selling price above cost of ferrous scrap utilized

EUROPE ADJUSTED EBITDA¹

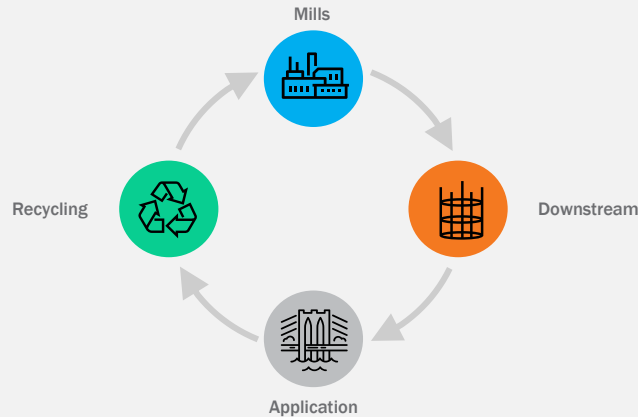


LONG-TERM TREND OF CONTROLLABLE COSTS²



CMC IS A SUSTAINABLE ENVIRONMENTAL AND FINANCIAL LEADER

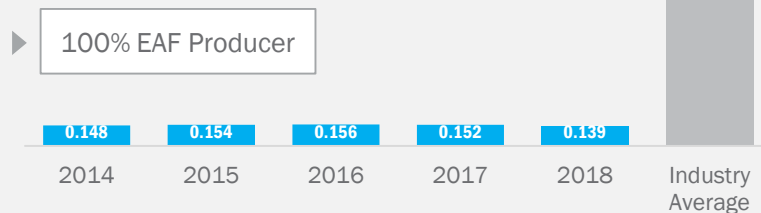
OUR INFINITELY RECYCLABLE, ENVIRONMENTALLY SUSTAINABLE CORE BUSINESS...



- Scrap-based EAF
- Highest recycled content in the industry
- Lowest emissions and energy intensity

...HAS SIGNIFICANTLY LOWER GREENHOUSE GAS EMISSIONS.

(MT CO₂ eq emissions/ton)



OUR RECORD OF MANUFACTURING INNOVATIONS...

Steel Arizona

1st micro mill in the world

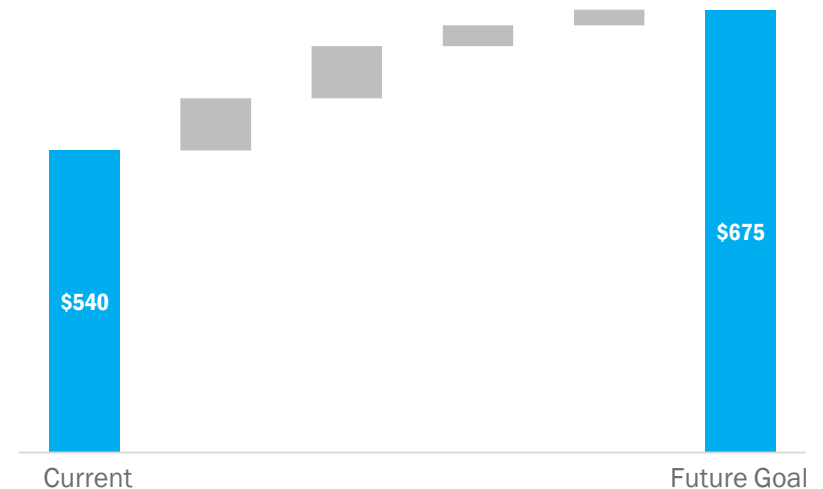
Arizona 2

- World's 1st MBQ-capable micro mill
- First mill in North America to direct connect to renewable energy sources

Steel Oklahoma

CMC's 2nd micro mill

...HAS HELPED US GENERATE SUSTAINABLE FINANCIAL PERFORMANCE AND ATTRACTIVE THROUGH-THE-CYCLE EBITDA



ON-TRACK TO ACCOMPLISH OUR GOALS

WE HAVE COMPLETED OUR REPOSITIONING PHASE AND ARE POISED FOR FURTHER GROWTH



Acquired Rebar Assets to Increase Production Capacity to 6M tons



De-Levering Balance Sheet Post-Acquisition



Optimize Expanded Network Footprint



Arizona 2 Replacing Higher Cost Capacity



STATUS



Maximizing Synergies from Recent Acquisition of Rebar Assets



Expanding Rebar and Merchant Product Offerings



Poland Mill Project Unlocks Excess Melt Capacity

Driving to \$675M of Through-the-Cycle EBITDA Over the Long-Term





FINANCIAL INFORMATION



FINANCIAL HIGHLIGHTS

(\$ in thousands)

YEAR-OVER-YEAR	Q4 2020	Q4 2019	\$ CHANGE
Net Sales ¹	1,409,132	1,543,005	(133,873)
Earnings (Loss) ¹	67,782	85,880	(18,098)
Adjusted Earnings ^{1,2}	95,307	90,760	4,547
Earnings (Loss) Before Income Taxes ¹	86,277	102,706	(16,429)
Core EBITDA ^{1,2}	175,994	159,181	16,813
Capital Expenditures	53,526	47,083	6,443

SEQUENTIAL QUARTERS	Q4 2020	Q3 2020	\$ CHANGE
Net Sales ¹	1,409,132	1,341,683	67,449
Earnings (Loss) ¹	67,782	64,169	3,613
Adjusted Earnings ^{1,2}	95,307	70,367	24,940
Earnings (Loss) Before Income Taxes ¹	86,277	87,973	(1,696)
Core EBITDA ^{1,2}	175,994	154,815	21,179
Capital Expenditures	53,526	37,500	16,026

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.

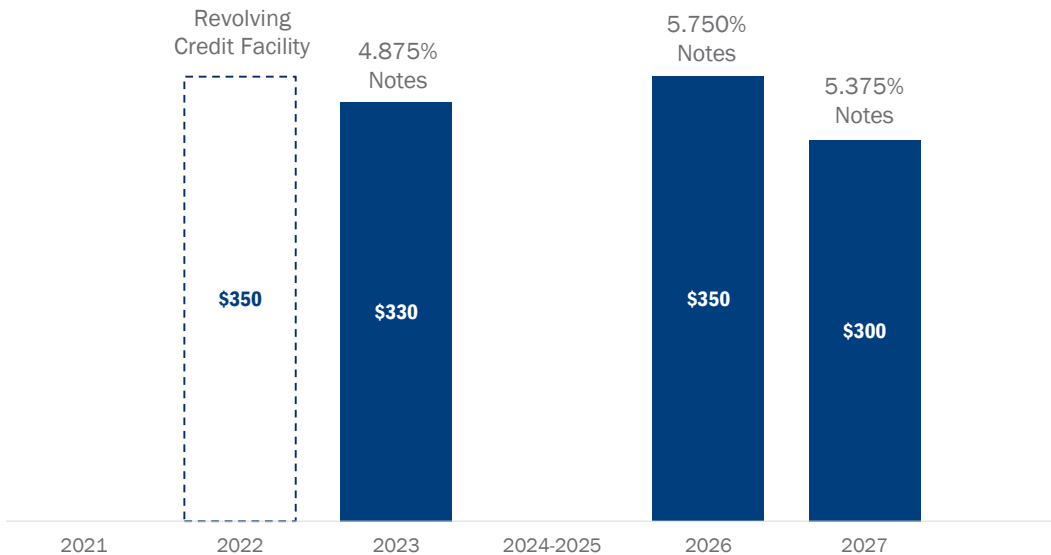


BALANCE SHEET STRENGTH

DEBT MATURITY PROFILE PROVIDES STRATEGIC FLEXIBILITY

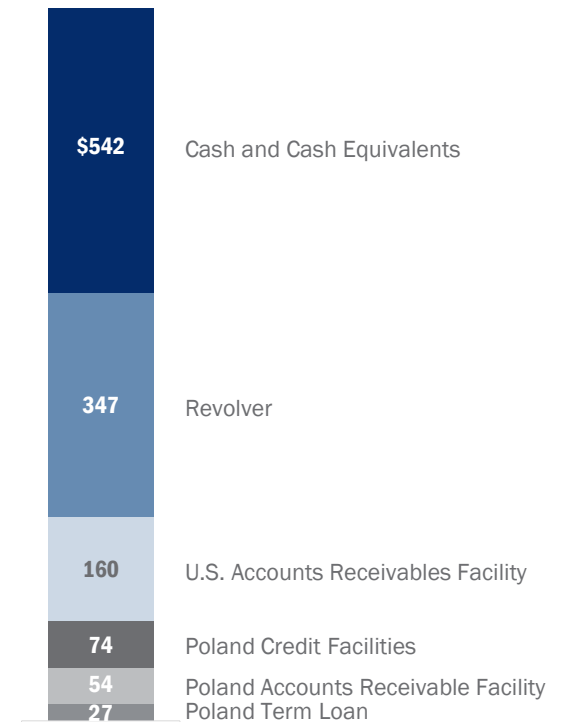
DEBT MATURITY SCHEDULE

(US\$ in millions)



Q4 FY'20 LIQUIDITY

(US\$ in millions)

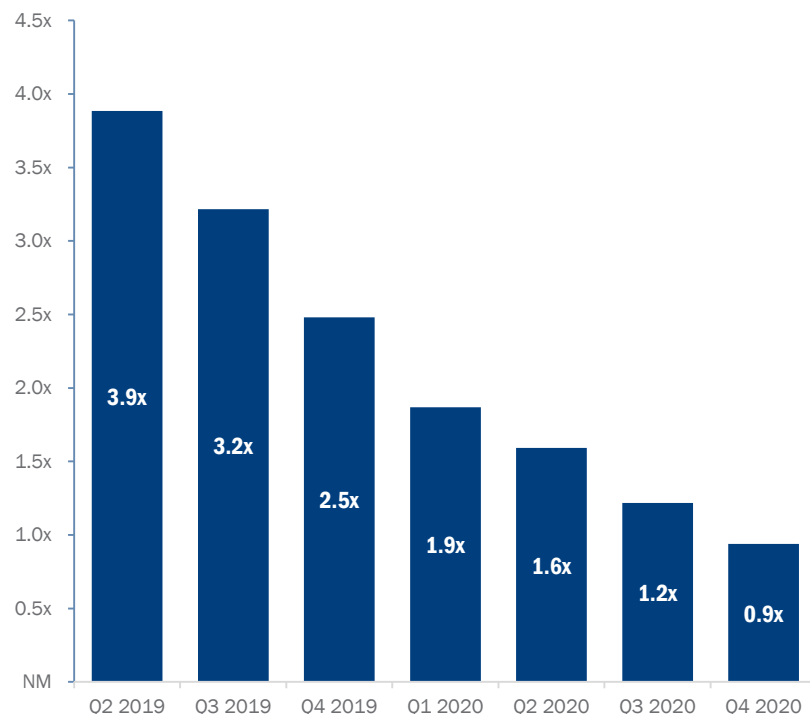


Source: Public filings

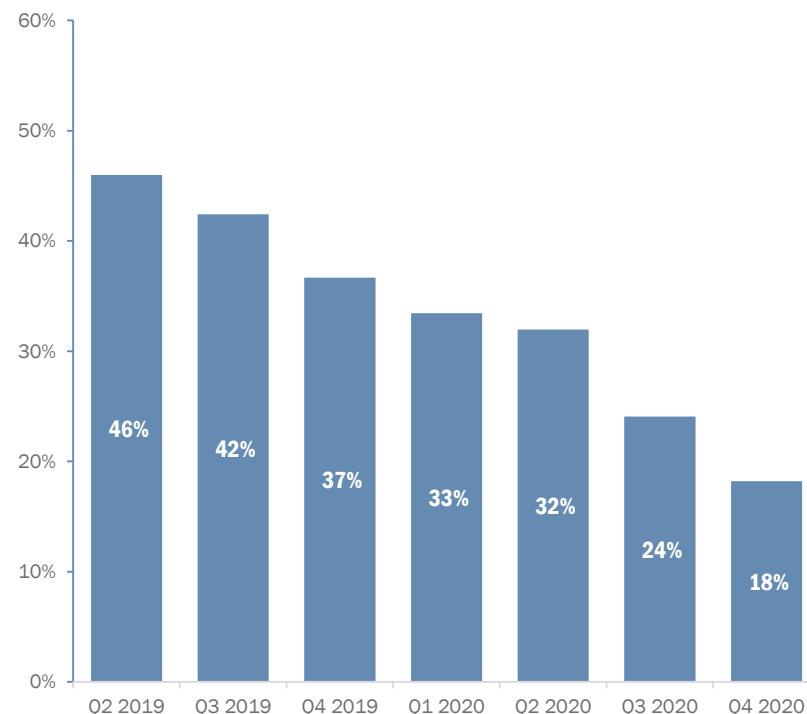


LEVERAGE PROFILE

NET DEBT^{1,2} / EBITDA³



NET DEBT-TO-CAPITALIZATION⁴



Financial strength gives us the flexibility to fund our announced projects, navigate current economic uncertainties, and pursue opportunistic M&A

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 shareholders' equity

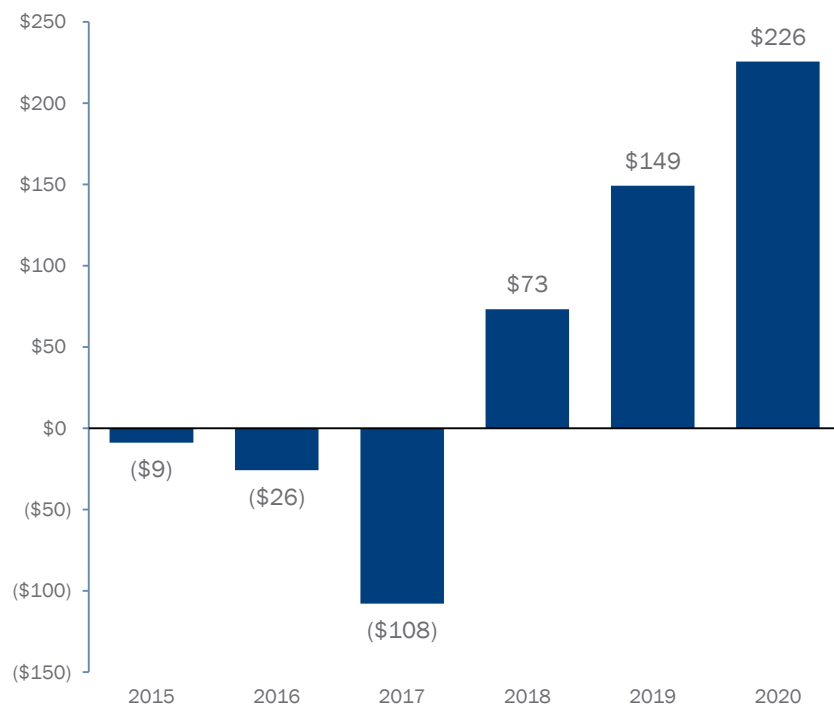


CASH FLOW PERFORMANCE

CMC'S TRANSFORMED OPERATIONAL PORTFOLIO HAS PROVIDED STRONG CASH FLOWS, ALLOWING RAPID DE-LEVERING

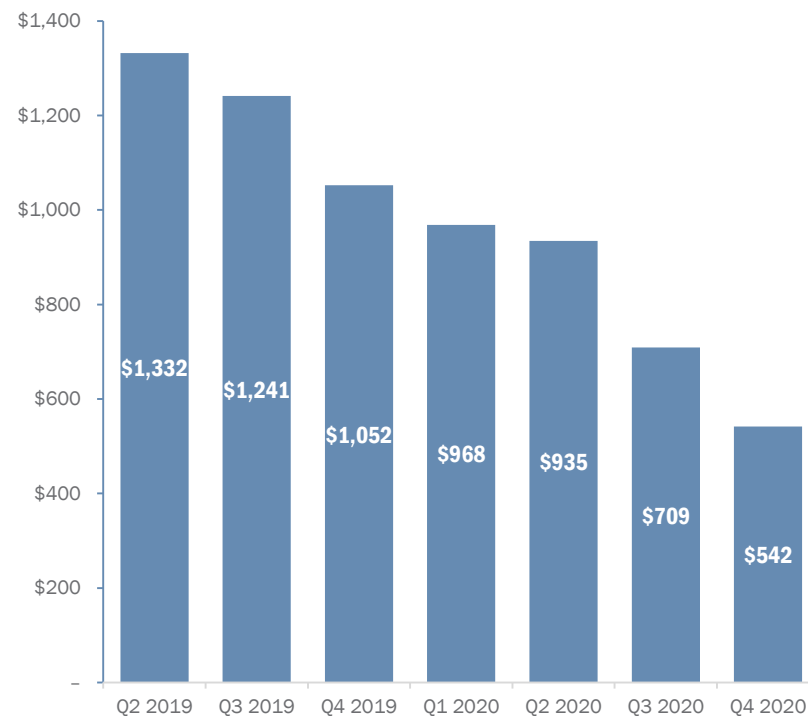
ADJUSTED EBITDA LESS CAPITAL EXPENDITURES AND DISBURSEMENTS TO STAKEHOLDERS¹

(US\$ in millions)



NET DEBT²

(US\$ in millions)



Source: Public filings, Internal data

Notes:

- Adjusted EBITDA less 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.
- Net Debt is defined as total debt less cash & cash equivalents.



CAPITAL ALLOCATION STRATEGY

GROWTH

- Arizona 2 and Polish expansion project are “smart growth”
 - Solid EBITDA contributions
 - AZ 2 ROIC boosted via partial funding from California land sale
- Ongoing maintenance capex needs of ~\$150M
 - FY 2021 spend of \$200M to \$225M (\$85M related to AZ 2)
- CMC has “dry powder” for future acquisitions
 - Current net leverage of 0.9x TTM EBITDA, below Metals and Mining sector average of 2.5x

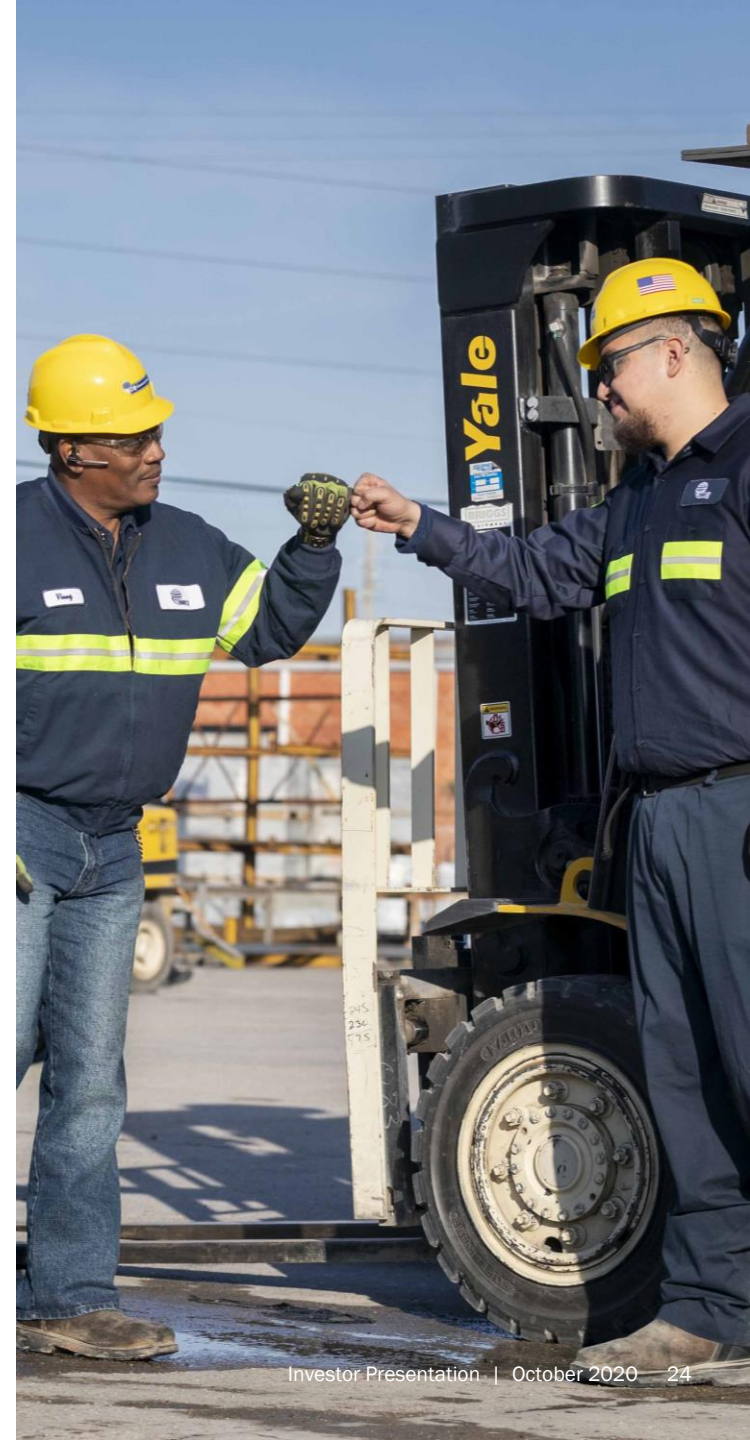
SHAREHOLDER RETURNS

- 224 consecutive quarterly dividend; returned \$311 million (including buybacks) to shareholders over last 5 years.
- Opportunistically execute on in-place share buyback program

DEBT REPAYMENT

- Target leverage of 2x through-the-cycle

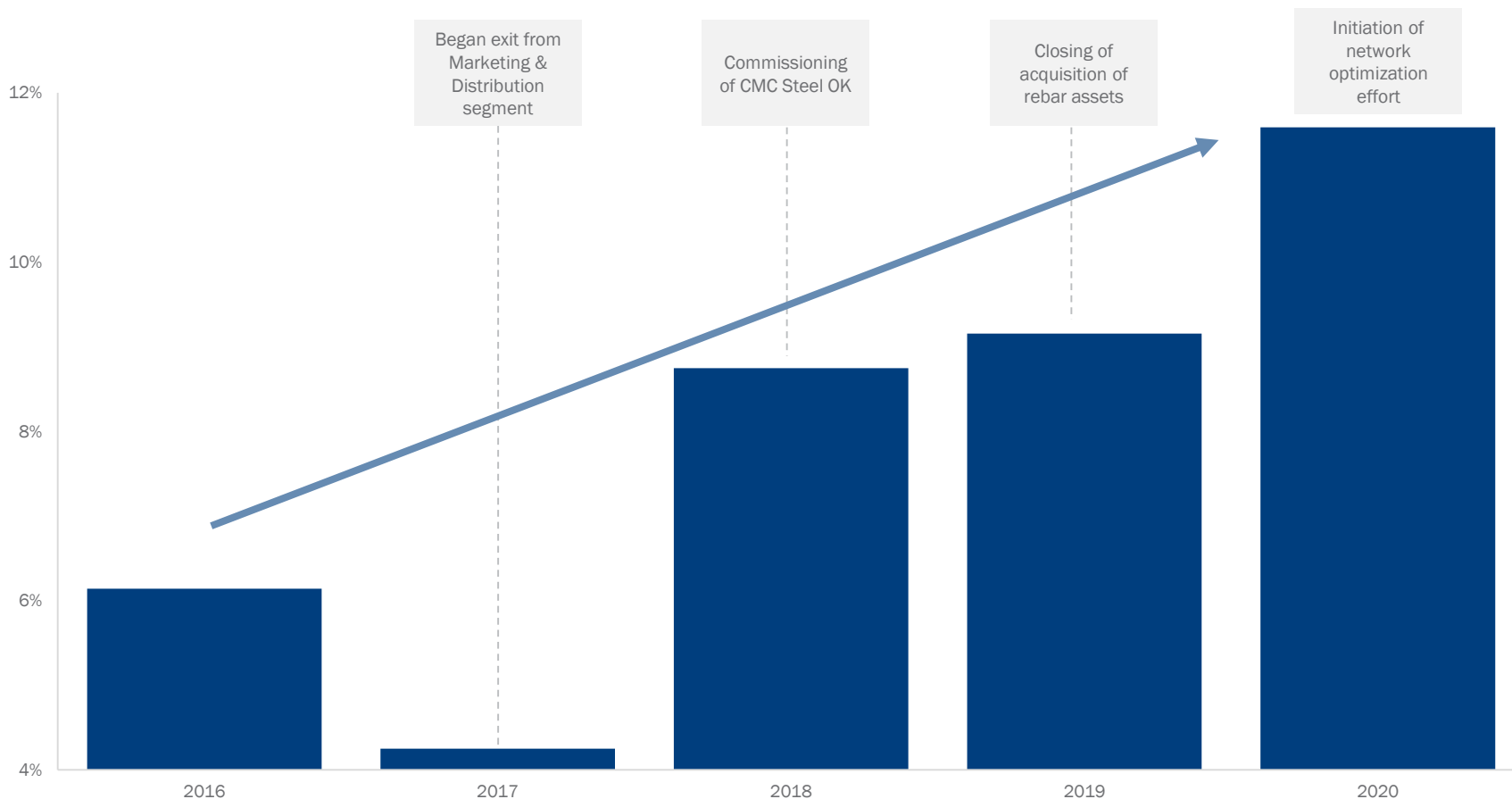
CMC is an effective steward of shareholder capital, with a healthy balance sheet and opportunities for growth



EFFECTIVE CAPITAL ALLOCATION

CMC'S CAPITAL ALLOCATION STRATEGY HAS MAXIMIZED RETURNS FOR SHAREHOLDERS

RETURN ON INVESTED CAPITAL – LTM BASIS¹



Notes:

1. Return on Invested Capital is defined as After-tax Operating Profit divided by (Total Assets less Cash & Cash Equivalents less Non-Interest Bearing Liabilities)



THE LEADER IN CONCRETE REINFORCEMENT



- **Highly focused producer of long steel and wire products**

No. 1 producer of rebar in the U.S.; Poland operations serve growing economies in Central and Eastern Europe

- **Leader in attractive rebar and merchant bar markets** with highly flexible, low-cost mills; best-in-class customer service; and track-record of product innovation

- **Downstream demand optimizes mill production volumes**, regardless of import levels

- **Significant self-funded growth**

- Acquired 4 mills and 33 rebar fabrication facilities creating meaningful long-term value
- Executing on merchant bar and new product organic growth opportunities
- Constructing new start-of-the-art micro mill in Arizona; completing expansion in Poland

- **Strong balance sheet supported by enhanced earnings and cash flow capabilities**

- ROIC well in excess of cost of capital
- Net debt-to-EBITDA under 1.0x





APPENDIX: NON-GAAP RECONCILIATIONS



FREE CASH FLOW RECONCILIATION

	3 MONTHS ENDED				12 MONTHS ENDED
	8/31/2020	5/31/2020	2/29/2020	11/30/2019	8/31/2020
(\$ in thousands)					
Net cash flows from (used by) operating activities	\$259,371	\$278,417	\$106,998	\$146,418	\$791,204
Capital expenditures	(53,526)	(37,500)	(51,033)	(45,559)	(187,618)
Free Cash Flow	\$205,845	\$240,917	\$55,965	\$100,859	\$603,586

Source: Public filings



ADJUSTED EBITDA LESS CAPITAL EXPENDITURES AND DISBURSEMENTS TO STAKEHOLDERS

	12 MONTHS ENDED					
	8/31/2020	8/31/2019	8/31/2018	8/31/2017	8/31/2016	8/31/2015
(\$ in thousands)						
Adjusted EBITDA from continuing operations	\$576,608	\$424,085	\$352,221	\$235,822	\$305,237	\$309,268
Capital expenditures and disbursements to stakeholders						
Capital expenditures	187,618	138,836	174,655	213,120	163,332	119,580
Interest expense	61,837	71,373	40,957	44,151	62,121	76,456
Cash income taxes	44,499	7,977	7,198	30,963	50,201	61,000
Dividends	57,056	56,537	56,076	55,514	55,342	55,945
Total capital expenditures and disbursements to stakeholders	\$351,010	\$274,723	\$278,886	\$343,748	\$330,996	\$312,981
Adjusted EBITDA less capital expenditures and disbursements to stakeholders	\$225,598	\$149,362	\$73,335	(\$107,926)	(\$25,759)	(\$3,713)

Source: Public filings



ADJUSTED EARNINGS FROM CONTINUING OPERATIONS RECONCILIATION

(\$ in thousands)

	3 MONTHS ENDED					12 MONTHS ENDED			
	8/31/2020	5/31/2020	2/29/2020	11/30/2019	8/31/2019	8/31/2020	8/31/2019	8/31/2018	8/31/2017
Earnings from continuing operations	\$67,782	\$64,169	\$63,596	\$82,755	\$85,880	\$278,302	\$198,779	\$135,237	\$50,175
Acquisition settlement	32,123	-	-	-	-	32,123	-	-	-
Labor cost government refund	(2,985)	-	-	-	-	(2,985)	-	-	-
Facility closure	2,903	1,863	-	6,339	-	11,105	-	-	-
Debt extinguishment costs	1,778	-	-	-	-	1,778	-	-	17,799
Asset impairments	1,098	5,983	-	-	-	7,081	-	12,136	-
Acquisition and integration related costs and other	-	-	-	-	6,177	-	41,958	25,507	-
CMC Steel Oklahoma incentives	-	-	-	-	-	-	-	(3,000)	-
Purchase accounting effect on inventory	-	-	-	-	-	-	10,315	-	-
Mill operational start-up costs	-	-	-	-	-	-	-	18,016	-
Severance	-	-	-	-	-	-	-	-	8,129
Total adjustments (pre-tax)	\$34,917	\$7,846	-	\$6,339	\$6,177	\$49,102	\$52,273	\$52,659	\$25,928
Tax impact									
TCJA impact	-	-	-	-	-	-	\$7,550	\$10,600	-
International reorganization	-	-	-	-	-	-	-	(9,200)	-
Related tax effects on adjustments	(7,392)	(1,648)	-	(1,331)	(1,297)	(10,371)	(10,977)	(13,236)	(9,075)
Total tax impact	(\$7,392)	(\$1,648)	-	(\$1,331)	(\$1,297)	(\$10,371)	(\$3,427)	(\$11,836)	(\$9,075)
Adjusted earnings from continuing operations¹	\$95,307	\$70,367	\$63,596	\$87,763	\$90,760	\$317,033	\$247,625	\$176,060	\$67,028
Adjusted earnings from continuing operations per diluted share	\$0.79	\$0.59	\$0.53	\$0.73	\$0.76	\$2.64	\$2.08	\$1.49	\$0.57

Source: Public filings

Notes:

1. See page 32 for definitions of non-GAAP financial measures



CORE EBITDA FROM CONTINUING OPERATIONS RECONCILIATIONS

(\$ in thousands)	3 MONTHS ENDED					12 MONTHS ENDED			
	8/31/2020	5/31/2020	2/29/2020	11/30/2019	8/31/2019	8/31/2020	8/31/2019	8/31/2018	8/31/2017
Earnings from continuing operations	\$67,782	\$64,169	\$63,596	\$82,755	\$85,880	\$278,302	\$198,779	\$135,237	\$50,175
Interest expense	13,962	15,409	15,888	16,578	17,702	61,837	71,373	40,957	44,151
Income taxes	18,495	23,804	22,845	27,332	16,826	92,476	69,681	30,147	15,276
Depreciation and amortization	41,654	41,765	41,389	40,941	41,051	165,749	158,653	131,508	124,490
Asset impairments	1,098	5,983	-	530	369	7,611	384	14,372	1,730
Non-cash equity compensation	9,875	6,170	7,536	8,269	7,758	31,850	25,106	24,038	21,469
Acquisition settlement	32,123	-	-	-	-	32,123	-	-	-
Amortization of acquired unfavorable contract backlog	(10,691)	(4,348)	(5,997)	(8,331)	(16,582)	(29,367)	(74,784)	-	-
Labor cost government refund	(2,985)	-	-	-	-	(2,985)	-	-	-
Facility closure	2,903	1,863	-	6,339	-	11,105	-	-	-
Debt extinguishment costs	1,778	-	-	-	-	1,778	-	-	22,672
Acquisition and integration related costs and other	-	-	-	-	6,177	-	41,958	25,507	-
Purchase accounting effect on inventory	-	-	-	-	-	-	10,315	-	-
Mill operational start-up costs ¹	-	-	-	-	-	-	-	13,471	-
CMC Steel Oklahoma incentives	-	-	-	-	-	-	-	(3,000)	-
Severance	-	-	-	-	-	-	-	-	8,129
Core EBITDA from continuing operations²	\$175,994	\$154,815	\$145,257	\$174,413	\$159,181	\$650,479	\$501,465	\$412,237	\$288,092

Source: Public filings

Notes:

1. Net of interest, taxes, depreciation and amortization, impairments, and non-cash equity compensation

2. See page 32 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 settlement costs, labor cost government refunds, facility closure costs, debt extinguishment costs, asset impairments, acquisition and integration-related costs and purchase accounting effects on inventory, including the estimated income tax effects thereof. Additionally, we adjust earnings from continuing operations for the effects of the TCJA. 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 a non-GAAP financial measure. 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, asset impairments, and equity compensation. Core EBITDA from continuing operations also excludes certain acquisition settlement costs, amortization of acquired unfavorable contract backlog, labor cost government refunds, facility closure costs, debt extinguishment costs, acquisition and integration-related costs and the effect of purchase accounting adjustments on inventory. 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.



THANK YOU

CORPORATE OFFICE

6565 N. MacArthur Blvd
Suite 800
Irving, TX 75039
Phone: (214) 689.4300

INVESTOR RELATIONS

Phone: (972) 308.5349
Fax: (214) 689.4326
IR@cmc.com

