



# SECOND QUARTER 2023 EARNINGS CALL

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July 25, 2023

**NUCOR<sup>®</sup>**

# FORWARD-LOOKING STATEMENTS

Certain statements made in this presentation may constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements involve risks and uncertainties. The words “anticipate,” “believe,” “expect,” “intend,” “may,” “project,” “will,” “should,” “could” and similar expressions are intended to identify forward-looking statements. These forward-looking statements reflect the Company’s best judgment based on current information, and although we base these statements on circumstances that we believe to be reasonable when made, there can be no assurance that future events will not affect the accuracy of such forward-looking information. The Company does not undertake any obligation to update these statements. The forward-looking statements are not guarantees of future performance, and actual results may vary materially from the projected results and expectations discussed in this presentation. Factors that might cause the Company’s actual results to differ materially from those anticipated in forward-looking statements include, but are not limited to: (1) competitive pressure on sales and pricing, including pressure from imports and substitute materials; (2) U.S. and foreign trade policies affecting steel imports or exports; (3) the sensitivity of the results of our operations to general market conditions, and in particular, prevailing market steel prices and changes in the supply and cost of raw materials, including pig iron, iron ore and scrap steel; (4) the availability and cost of electricity and natural gas, which could negatively affect our cost of steel production or result in a delay or cancellation of existing or future drilling within our natural gas drilling programs; (5) critical equipment failures and business interruptions; (6) market demand for steel products, which, in the case of many of our products, is driven by the level of nonresidential construction activity in the United States; (7) impairment in the recorded value of inventory, equity investments, fixed assets, goodwill or other long-lived assets; (8) uncertainties and volatility surrounding the global economy, including excess world capacity for steel production, inflation and interest rate changes; (9) fluctuations in currency conversion rates; (10) significant changes in laws or government regulations affecting environmental compliance, including legislation and regulations that result in greater regulation of greenhouse gas emissions that could increase our energy costs, capital expenditures and operating costs or cause one or more of our permits to be revoked or make it more difficult to obtain permit modifications; (11) the cyclical nature of the steel industry; (12) capital investments and their impact on our performance; (13) our safety performance; (14) our ability to integrate businesses we acquire; (15) the impact of the COVID-19 pandemic, any variants of the virus, and any other similar public health situation; and (16) the risks discussed in “Item 1A. Risk Factors” of the Company’s Annual Report on Form 10-K for the year ended December 31, 2022 and elsewhere therein and in the other reports we file with the U.S. Securities and Exchange Commission.

# NON-GAAP FINANCIAL MEASURES

The Company uses certain non-GAAP (Generally Accepted Accounting Principles) financial measures in this news release, including EBITDA. Generally, a non-GAAP financial measure is a numerical measure of a company's performance or financial position that either excludes or includes amounts that are not normally excluded or included in the most directly comparable financial measure calculated and presented in accordance with GAAP.

We define EBITDA as net earnings before noncontrolling interests adding back the following items: interest expense, net; provision for income taxes; depreciation; and amortization. Please note that other companies might define their non-GAAP financial measures differently than we do.

Management presents the non-GAAP financial measure of EBITDA in this news release because it considers it to be an important supplemental measure of performance. Management believes that this non-GAAP financial measure provides additional insight for analysts and investors evaluating the Company's financial and operational performance by providing a consistent basis of comparison across periods.

Non-GAAP financial measures have limitations as an analytical tool. Investors are encouraged to review the reconciliation of non-GAAP financial measures to their most directly comparable GAAP financial measures provided in this news release, including in the accompanying tables.

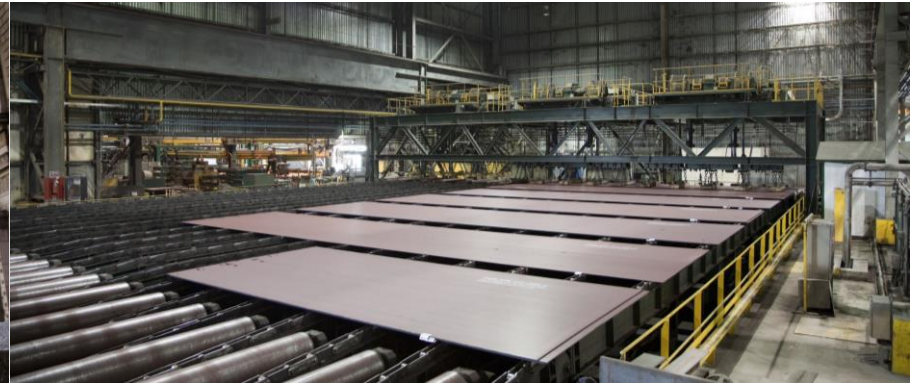
# Q2 HIGHLIGHTS

## FINANCIAL HIGHLIGHTS



- \$2.2 billion EBITDA<sup>1</sup>
- \$1.5 billion Net Earnings
- \$5.81 Earnings Per Share
- Returned \$580 million to shareholders, representing ~40% of Q2 net earnings
  - 3.1 million shares repurchased at average cost of \$147.03 per share

## OPERATIONAL HIGHLIGHTS



- Safest 1H in company history
- Steel Mills segment shipped ~6 million tons for second consecutive quarter
- 84% mill operating rate, up from 79% Q1
- Steel Products segment shipped ~1.2M tons in Q2, up from 1.1M tons in Q1
- DRI operations produced ~1M tons

<sup>1</sup>EBITDA is a non-GAAP financial measure. For a reconciliation of non-GAAP measures, please refer to the Appendix.

# GROWING THE CORE

## Q2 STEEL MILL PROJECTS UPDATE

### Nucor Steel Gallatin (Sheet & Tube)

- Produced ~440K tons in Q2
- Reached full run-rate production (2.8 Mtons/yr) in June
- Profitable in Q2, with profit margins growing each month of the quarter
- Construction on new tubular operations continues, with commissioning and startup to occur by Q4.

### Nucor Steel West Virginia (Sheet)

- Anticipate final federal permit very soon
- Construction period to last ~2 years following receipt of all required permits
- Will serve the heartland of American steel consumption with a considerably lower carbon footprint

### Nucor Steel Brandenburg (Plate)

- Largest caster in western hemisphere
- Continue to ramp-up production levels with broader casting, rolling & finishing capabilities
- Produced plate products ranging in thickness from 1" to 12" throughout Q2
- Estimated production of ~300K tons in 2H 2023
- Expect to turn profitable by year-end

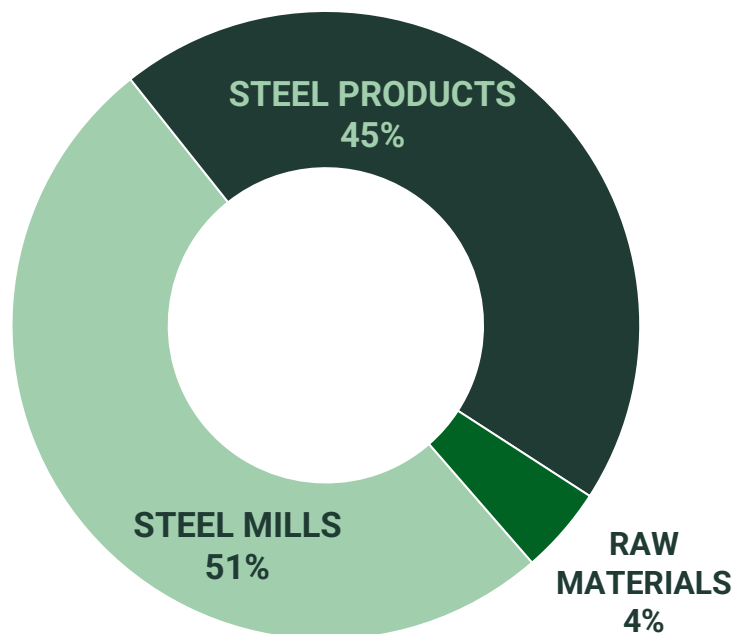
### Nucor Steel Lexington (Bar)

- Broke ground in May 2023 and expect to begin commercial operations by early 2025
- Annual rebar capacity of 430K tons
- Strategically located in one of the fastest-growing regions in the U.S.

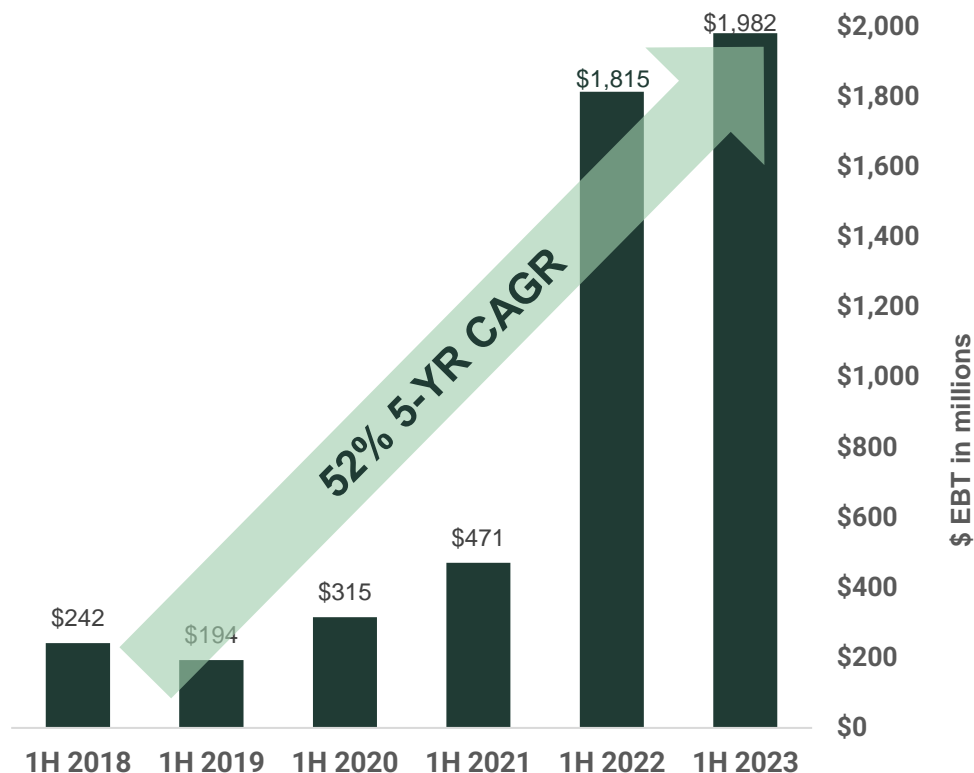
# STEEL PRODUCTS

## SIGNIFICANT 1H EARNINGS CONTRIBUTION...

### 1H 2023 SEGMENT EARNINGS<sup>(a)</sup> MIX



### 1H STEEL PRODUCTS EARNINGS<sup>(a)</sup> & MARGIN GROWTH



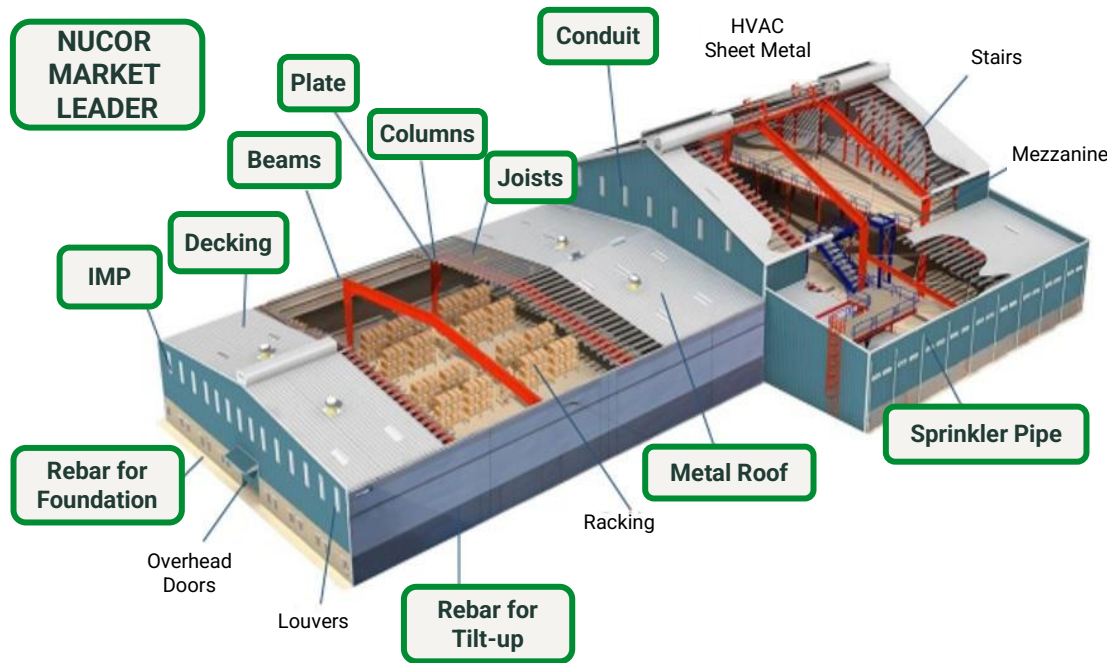
➤ 4th consecutive quarter with Steel Products contributing 40% or more to overall earnings mix

2.4	2.3	2.4	2.5	2.5	2.3	Tons Sold (millions)
\$99	\$84	\$133	\$187	\$713	\$849	\$ EBT/Ton



# STEEL PRODUCTS

...AND POISED FOR SUSTAINED SUCCESS



## Nucor Leadership & Diversity

- Produce ~90% of steel intensity for a typical large warehouse or manufacturing facility
- Leading supplier of the steel products most commonly used in non-residential construction
- Over 100 fabrication centers throughout North America
- Over 5,000 Steel Products customers, none representing more than 5% consolidated revenue

### ➤ Revaluation of Engineered Products

- Departure from “cost +” paradigm
- Customers placing more value on engineered solutions & reliability
- Margins remain well above historical average, even with lower shipments



Towers & Structures



Rebar Fabrication

# EXPAND BEYOND

## GROWTH STRATEGY ALIGNED WITH STEEL-INTENSIVE MEGA TRENDS

- Growing into complementary businesses that leverage our core capabilities and are aligned with steel-intensive mega trends
- Driving incremental value and enhancing our portfolio with sustainable solutions for customers
- Pursuing opportunities with the following characteristics:
  - ✓ Attractive growth profile
  - ✓ Higher free cash flow
  - ✓ Attainable synergies
  - ✓ More stable earnings profile
  - ✓ Less capital intensive





# ADVANCING OUR SUSTAINABILITY STRATEGY THROUGH INNOVATION, INVESTMENT & PARTNERSHIPS



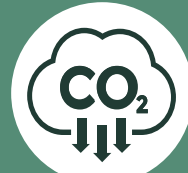
## BioCarbon

Biocarbon can be produced from sawmill residuals or sustainable forestry products



## Green Pig Iron

Green pig iron can be produced from sustainable charcoal instead of coal



## Carbon Capture & Storage ("CCS")

Announced CCS project with Exxon at Louisiana DRI facility

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Piloting early-stage air capturing of GHGs



## Emissions Free Power

Supporting greening of power grid via renewable energy VPPAs

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Exploring Behind the Meter power generation and storage

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NuScale investment and SMR co-location MOU



## Zero Emission Iron

Evaluating novel iron making processes that could result in near zero emissions iron production

- 
- Electra investment

# Q2 2023 SEGMENT RESULTS

## STEEL MILLS SEGMENT

Q2 2023 VS. Q1 2023

	<u>% Change Versus</u>				
	Q2 '23	Q1 '23	Q2 '22	Prior Qtr	Prior Year
Shipments ( <i>tons in 000s</i> )	5,979	6,035	6,448	-1%	-7%
EBT <sup>1</sup> (\$M)	<b>\$1,404</b>	<b>\$838</b>	<b>\$2,816</b>	68%	-50%
EBT/Ton (\$)	\$235	\$139	\$437	69%	-46%

- Stable shipment levels
- Higher realized pricing
- Lower conversion costs on energy and higher production/utilization

## STEEL PRODUCTS SEGMENT

	<u>% Change Versus</u>				
	Q2 '23	Q1 '23	Q2 '22	Prior Qtr	Prior Year
Shipments ( <i>tons in 000s</i> )	1,193	1,141	1,311	5%	-9%
EBT <sup>1</sup> (\$M)	<b>\$1,011</b>	<b>\$971</b>	<b>\$1,130</b>	4%	-11%
EBT/Ton (\$)	\$847	\$851	\$862	-1%	-2%

- Stable shipments
- Moderately lower realized pricing
- Continued high profitability per ton

## RAW MATERIALS SEGMENT

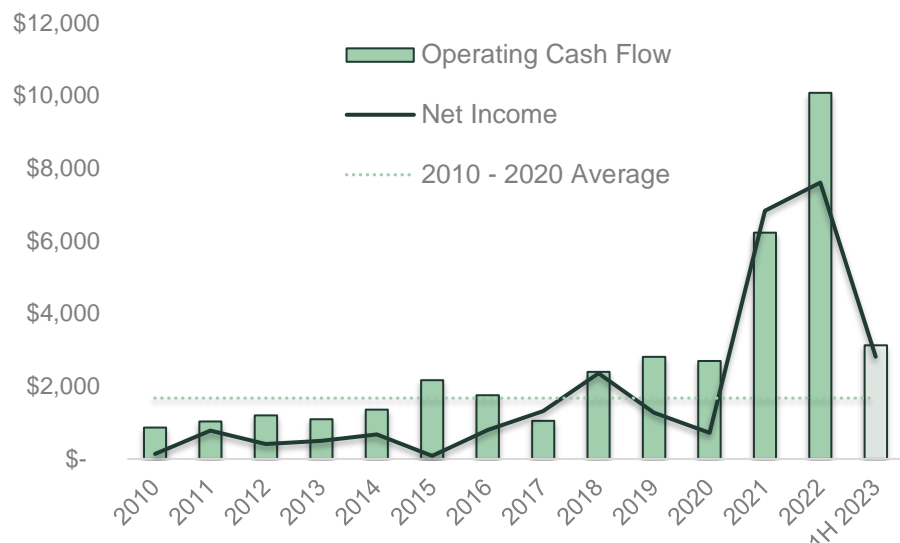
	<u>% Change Versus</u>				
	Q2 '23	Q1 '23	Q2 '22	Prior Qtr	Prior Year
Production ( <i>tons in 000s</i> ) <sup>2</sup>	2,103	2,071	2,149	2%	-2%
EBT <sup>1</sup> (\$M)	<b>\$138</b>	<b>\$58</b>	<b>\$264</b>	138%	-48%

- Stable shipments, excellent output from Louisiana DRI offsetting Trinidad curtailment
- Higher realized prices

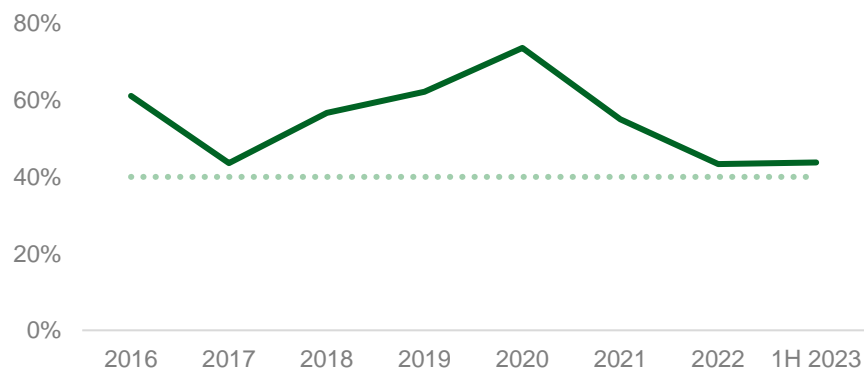
<sup>1</sup>EBT (\$M) refers to Earnings (loss) before income taxes and noncontrolling interests as disclosed in relevant quarterly Nucor quarterly earnings news release. <sup>2</sup>Excludes scrap brokerage activities

# STRENGTH THROUGH THE CYCLE

## RESILIENT CASH FLOW GENERATION



## CAPITAL RETURNED AS % NET INCOME








## Q2 '23 BALANCE SHEET SUMMARY

US \$ in millions as of July 1, 2023	xLTM		
	Amount	EBITDA <sup>1</sup>	% cap
\$1.75Bn Revolving Credit Facility	\$0		
Short-Term Debt	\$33		
Long-Term Debt <sup>2</sup>	\$6,646		
<b>Total Debt</b>	<b>\$6,679</b>	<b>0.8x</b>	<b>24%</b>
<b>Cash and Cash Equivalents</b>	<b>(\$5,394)</b>		
<b>Net Debt</b>	<b>1,285</b>	<b>0.2x</b>	
<b>Total Equity &amp; Non-Controlling Int.</b>	<b>\$20,941</b>		<b>76%</b>
<b>Total Book Capitalization</b>	<b>\$27,620</b>		<b>100%</b>

Rating Agency	Long-term Rating	Short-term Rating	Outlook
S&P	A-	A-1	Stable
Fitch	A-	F-1	Stable
Moody's	Baa1	P-2	Stable

# Q3 2023 EARNINGS OUTLOOK

SEGMENT	EXPECTATIONS FOR Q3 2023	OUTLOOK VARIANCE TO Q2 2023
Steel Mills	<ul style="list-style-type: none"> <li>Decreased profitability on lower average selling prices and stable shipments</li> </ul>	
Steel Products	<ul style="list-style-type: none"> <li>Profitability to moderate from historically high levels on lower pricing</li> </ul>	
Raw Materials	<ul style="list-style-type: none"> <li>Expect lower earnings on lower selling prices and stable shipments</li> </ul>	
Corp / Eliminations	<ul style="list-style-type: none"> <li>Intercompany eliminations likely trend lower, offsetting some of the margin compression reported by operating segments</li> </ul>	
Consolidated Earnings	<ul style="list-style-type: none"> <li>Overall lower than Q2</li> </ul>	

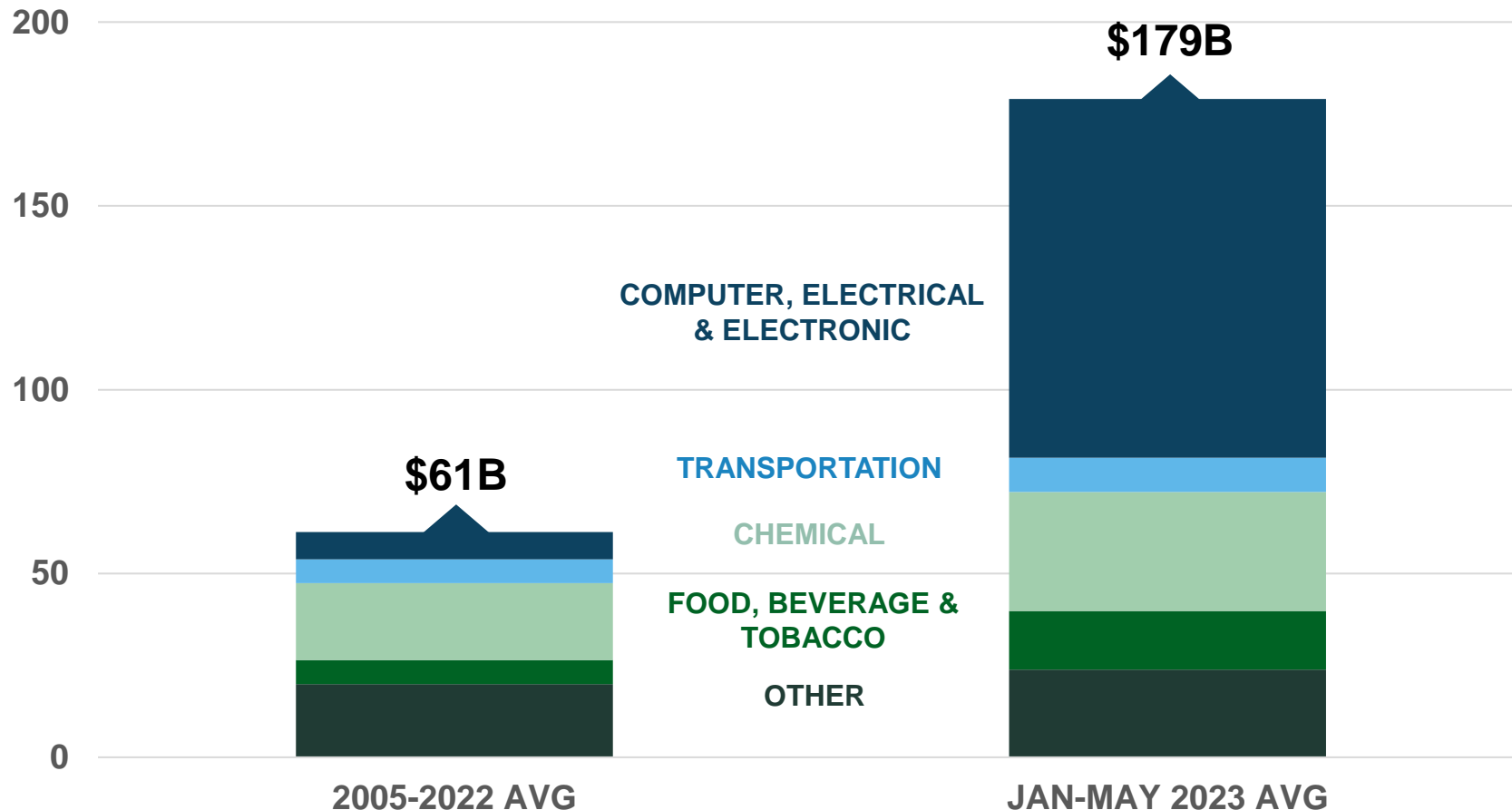
# APPENDIX

**NUCOR<sup>®</sup>**



# SUPPORTIVE POLICIES DRIVING INCREASED MANUFACTURING INVESTMENT

Annualized Manufacturing Construction Spending by Type  
Billions of US Dollars







Source: US Census Bureau – Total Private Construction Spending: Manufacturing in the United States, Billions of Dollars, Monthly, Seasonally Adjusted, Annualized Rate

# 2022 SUSTAINABILITY REPORT HIGHLIGHTS

SAFETY & TEAMMATES	<ul style="list-style-type: none"><li>• 4<sup>th</sup> consecutive record safety year, with 0.95 injury &amp; illness rate</li><li>• 20 Nucor divisions had zero recordable injuries in 2022</li><li>• 92% retention rate, a significant competitive advantage in a tight labor market</li><li>• 93% of teammates are proud to tell others that they work for Nucor</li></ul>
ENERGY & GHG REDUCTION GOALS	<ul style="list-style-type: none"><li>• ~40% of electricity comes from renewable or non-fossil energy sources</li><li>• Committed to 35% reduction in Scope 1 &amp; 2 GHG intensity for steel mills by 2030, measured against a 2015 baseline</li><li>• Beyond 2030, committed to reductions in steel mill carbon intensity towards net zero-emission steel at scale</li></ul>
ENVIRONMENTAL METRICS	<ul style="list-style-type: none"><li>• Scope 1 &amp; 2 Emissions: 0.44 metric tons CO<sub>2</sub>e / metric ton of steel produced. This is 75% lower than the global steelmaking average and is already 20 years ahead of the Paris Climate Accord's 1.5C-degree scenario</li><li>• Scope 1, 2 &amp; 3 Emissions: 0.76, roughly 60% lower than the global average</li><li>• Recycle 100% of our water, often 8-10 times before it is discarded</li></ul>
GOVERNANCE	<ul style="list-style-type: none"><li>• Eight-member Board of Directors: seven independent, three women (two of whom are minority women)</li><li>• Our CEO and our entire executive team are fully engaged in Nucor's progress toward achieving our sustainability goals and initiatives</li></ul>

# EXPANDING BEYOND

## CREATING VALUE THROUGH MULTIPLE SYNERGY STRATEGIES

SYNERGY POTENTIAL	MANUFACTURING PROCESS	SUPPLY CHAIN EFFICIENCIES	CHANNELS TO MARKET	THROUGH CYCLE EBITDA TARGET
	✓	✓	✓	\$400
	✓	✓	✓	\$150
	✓	✓	✓	\$100
	✓	✓	✓	\$50
<b>EXPAND BEYOND PORTFOLIO</b> LTM Q2 2023 EBITDA: \$455 MILLION				<b>\$700</b>

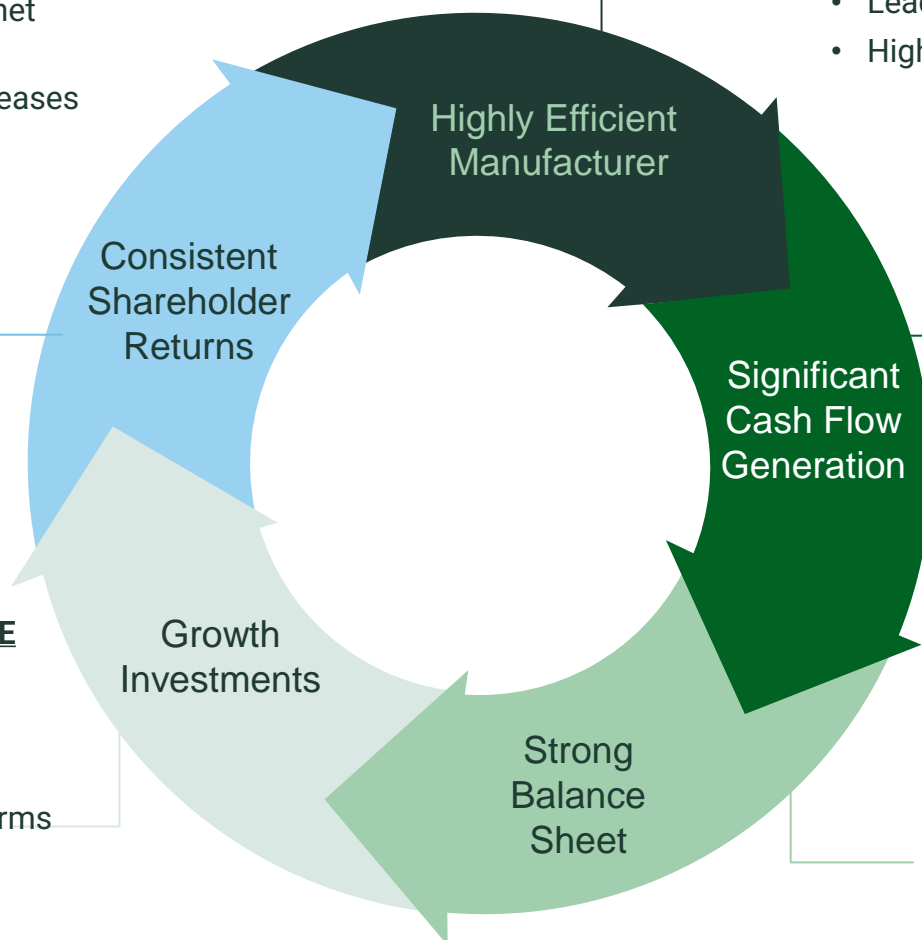
# NUCOR'S WINNING BUSINESS MODEL

## GENERATING GROWTH & SHAREHOLDER RETURNS

### 2020-2022 CUMULATIVE

- Returned \$7.6B to shareholders; 50% of net earnings
- 50 years dividend increases

- Largest and most diversified steel products company in the US
- Leader in 10 out of 14 product lines
- Highly variable cost structure



### 2020-2022 CUMULATIVE<sup>1</sup>

- Generated \$22.6B EBITDA
- \$13.9B Free Cash Flow




### 2020-2022 CUMULATIVE

- \$5.0B CAPEX
- \$5.1B Acquisitions
- Established four new Expand Beyond platforms

### INDUSTRY LEADING CREDIT

- 25% Total Debt/Capitalization
- <1x Total Debt/LTMEBITDA<sup>1</sup>
- A- ratings from S&P and Fitch

# FEDERAL INITIATIVES

KEY INITIATIVES	FEDERAL FUNDING PROGRAMS	EST. INCREMENTAL ANNUAL STEEL *	TIMING CONSIDERATIONS
 <b>INFRASTRUCTURE</b>	IIJA includes new funding of \$550B for transportation & core infrastructure projects	3-5 Mtpa	<ul style="list-style-type: none"> <li>First wave of new bridge projects underway</li> <li>IIJA allocates transportation funding through 2026</li> </ul>
 <b>CLEAN ENERGY</b>	IRA includes \$370B in clean energy tax incentives	2-3 Mtpa	<ul style="list-style-type: none"> <li>Biden Admin. targeting 30GW of US offshore wind by 2030</li> <li>Most large utilities have 2030 interim GHG reduction goals on path to net zero</li> </ul>
 <b>RESHORING</b>	CHIPS and Science Act includes \$55B to reshore U.S. manufacturing	~0.5 Mtpa	<ul style="list-style-type: none"> <li>Expect funding for over 30 advanced manufacturing projects over next decade</li> <li>Steel intensive projects with average cost of ~\$10 billion</li> </ul>
~\$975 BILLION		~5-8 Mtpa	Incremental annual steel demand over next decade

\* Estimated incremental steel demand measured in million of tons per annum (Mtpa)



# SEGMENT RESULTS: STEEL MILLS AND STEEL PRODUCTS

## STEEL MILLS

Shipments (tons in thousands)	Q2 '23	Q1 '23	Q2 '22	% Change Versus	
				Prior Qtr.	Prior Year
Sheet	2,786	2,819	2,934	-1%	-5%
Bars	2,122	2,169	2,273	-2%	-7%
Structural	505	536	624	-6%	-19%
Plate	520	454	474	15%	10%
Other Steel	46	57	143	-19%	-68%
Total Shipments	5,979	6,035	6,448	-1%	-7%
EBT <sup>1</sup> (\$ in millions)	\$1,404	\$838	\$2,816	68%	-50%
EBT <sup>1</sup> /Ton (\$)	\$235	\$139	\$437	69%	-46%

- Stable shipment levels
- Higher realized pricing
- Lower conversion costs on energy and higher production/utilization

## STEEL PRODUCTS

Shipments (tons in thousands)	Q2 '23	Q1 '23	Q2 '22	% Change Versus	
				Prior Qtr.	Prior Year
Tubular	239	275	274	-13%	-13%
Joist & Deck	249	234	281	6%	-11%
Rebar Fabrication	332	279	339	19%	-2%
Piling	113	101	119	12%	-5%
Cold finished	112	117	123	-4%	-9%
Other	148	135	175	10%	-15%
Total Shipments	1,193	1,141	1,311	5%	-9%
EBT <sup>1</sup> (\$ in millions)	\$1,011	\$971	\$1,130	4%	-11%
EBT <sup>1</sup> /Ton (\$)	\$847	\$851	\$862	0%	-2%

- Stable shipments
- Moderately lower realized pricing
- Continued high profitability per ton

# SEGMENT RESULTS: RAW MATERIALS

## RAW MATERIALS

Production (tons in thousands)	Q2 '23	Q1 '23	Q2 '22	% Change Versus	
				Prior Qtr.	Prior Year
DRI	1,028	1,019	1,016	1%	1%
Scrap Processing	1,075	1,052	1,133	2%	-5%
Total Shipments <sup>1</sup>	2,103	2,071	2,149	2%	-2%
EBT <sup>2</sup> (\$ in millions)	\$138	\$58	\$264	138%	-48%

- Stable shipments, excellent output from Louisiana DRI offsetting Trinidad curtailment
- Higher realized prices

<sup>1</sup>Total production excluding scrap brokerage activities.

<sup>2</sup>EBT refers to Earnings (loss) before income taxes and noncontrolling interests as disclosed in relevant Nucor quarterly earnings news release

# QUARTERLY SALES AND EARNINGS DATA

YEAR	SALES TONS (THOUSANDS) TO OUTSIDE CUSTOMERS															NET SALES (000'S)	COMP. SALES PRICE PER TON	EARNINGS (LOSS) BEFORE INCOME TAXES	
	STEEL					STEEL PRODUCTS							RAW MATLS	TOTAL TONS	(000'S)			PER TON	
	SHEET	BARS	STRUCTURAL	PLATE	TOTAL STEEL	STEEL JOISTS	STEEL DECK	COLD FINISH	REBAR FAB	PILING	TUBULAR PRODS	OTHER STEEL PRODS							TOTAL STEEL PRODS
2023																			
Q1	2,384	1,550	440	430	4,804	135	99	117	279	101	275	135	1,141	498	6,443	8,709,980	1,352	1,501,697	244
Q2	2,404	1,481	399	490	4,774	142	107	112	332	113	239	148	1,193	621	6,588	9,523,256	1,446	1,924,061	306
Q3																			
Q4																			
YEAR																			
2022																			
Q1	2,023	1,603	524	389	4,539	179	136	133	291	111	230	155	1,235	620	6,394	10,493,282	1,641	2,766,623	450
Q2	2,470	1,625	494	452	5,041	158	123	123	339	119	274	175	1,311	625	6,977	11,794,474	1,690	3,324,398	499
Q3	2,197	1,498	491	367	4,553	160	129	112	350	119	231	190	1,291	571	6,415	10,500,755	1,637	2,218,627	363
Q4	1,974	1,365	373	355	4,067	174	127	99	302	94	215	167	1,178	493	5,738	8,723,956	1,520	1,462,893	267
YEAR	8,664	6,091	1,882	1,563	18,200	671	515	467	1,282	443	950	687	5,015	2,309	25,524	41,512,467	1,626	9,772,541	401

# QUARTERLY SALES PRICES & SCRAP COST

AVG EXTERNAL SALES PRICE PER NET TON	STEEL MILLS					TOTAL STEEL PRODUCTS
	SHEET	BARS	STRUCTURAL	PLATE	TOTAL STEEL	
<b>2023</b>						
1 <sup>st</sup> Quarter	876	1,031	1,452	1,490	1,035	2,872
2 <sup>nd</sup> Quarter	1,103	1,080	1,456	1,506	1,168	2,884
First Half	990	1,055	1,454	1,499	1,101	2,878
3 <sup>rd</sup> Quarter						
Nine Months						
4 <sup>th</sup> Quarter						
YEAR						
<b>2022</b>						
1 <sup>st</sup> Quarter	1,571	1,140	1,496	1,861	1,436	2,689
2 <sup>nd</sup> Quarter	1,441	1,226	1,583	1,913	1,429	2,931
First Half	1,499	1,183	1,538	1,889	1,432	2,814
3 <sup>rd</sup> Quarter	1,228	1,176	1,603	1,765	1,296	3,167
Nine Months	1,410	1,181	1,559	1,851	1,388	2,933
4 <sup>th</sup> Quarter	961	1,063	1,543	1,564	1,102	3,230
YEAR	1,308	1,155	1,556	1,786	1,324	3,003

AVERAGE SCRAP AND SCRAP SUBSTITUTE COST		
	PER GROSS TON USED	PER NET TON USED
<b>2023</b>		
1 <sup>st</sup> Quarter	414	370
2 <sup>nd</sup> Quarter	455	406
First Half	435	388
3 <sup>rd</sup> Quarter		
Nine Months		
4 <sup>th</sup> Quarter		
YEAR		
<b>2022</b>		
1 <sup>st</sup> Quarter	495	442
2 <sup>nd</sup> Quarter	534	477
First Half	516	461
3 <sup>rd</sup> Quarter	502	448
Nine Months	511	456
4 <sup>th</sup> Quarter	427	381
YEAR	492	439

# RECONCILIATION OF GAAP TO NON-GAAP MEASURE

\$ in millions	2019	2020	2021	2022	1H 2022	1H 2023	LTM
Net earnings <sup>1</sup>	1,271	721	6,827	7,607	4,657	2,598	5,548
Net Interest expense	121	153	159	170	101	15	84
Provision for income taxes	412	--	2,078	2,165	1,434	828	1,559
Depreciation expense	649	702	735	827	397	449	879
Amortization expense	86	83	129	235	87	117	265
<b>EBITDA</b>	<b>2,539</b>	<b>1,659</b>	<b>9,928</b>	<b>11,004</b>	<b>6,676</b>	<b>4,007</b>	<b>8,335</b>

<sup>1</sup>Reflects net earnings attributable to Nucor stockholders



# RECONCILIATION OF GAAP TO NON-GAAP MEASURE

\$ in millions

	2019	2020	2021	2022	1H'23
CASH PROVIDED BY OPERATING ACTIVITIES	2,809	2,697	6,231	10,072	3,128
CAPITAL EXPENDITURES	(1,477)	(1,543)	(1,622)	(1,948)	(1,057)
<b>FREE CASH FLOW</b>	<b>1,332</b>	<b>1,154</b>	<b>4,609</b>	<b>8,124</b>	<b>2,071</b>