



Hodges Capital Investment Forum

September 4, 2008



CMC Stock Performance



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Thoughts on the Current Pounding of Steel Equities

- Fear That Financial Institutions Don't Know the Bottom
- They Will Overcorrect and Damage the Economy
- The Fed is Paralyzed Between Stagnant Growth and Inflation Concerns
- The Highest Profile Commodity, Oil, Has Retreated and is Being Interpreted as the End of the Cyclical Cycle
- All Other Cyclical are Being Brought Down in Conjunction
- In an Election Year, the Economy is Being Talked Down
- Steel Fundamentals Will Prevail; Law of Supply and Demand Not Repealed
- All Investors are from Missouri – Show Me



CMC – Business Model

- Vertical Integration
- Product Diversification
- Global Geographic Dispersion



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CMC – A Global Steel and Metals Company

Over 14,000 Employees Worldwide in 14 Different Countries

CMC Manufactures, Recycles, Markets and Distributes Steel and Metal Products and Related Materials and Services Through a Network of Over 200 Locations Worldwide

- **Steel Minimills**
- **Steel Fabrication Plants**
- **Steel Joist & Deck Plants**
- **Heat Treating Plants**
- **Steel Fence Post Mfg. Plants**
- **Steel Service Centers**
- **Construction-Related Product Warehouses**
- **Copper Tube Minimill**
- **Metal Recycling Facilities**
- **Marketing and Distribution Offices**
- **Strategic Investments**



CMC – Five Operating Segments

CMC AMERICAS

(1) Recycling

- All Recycling Facilities Including 7 Shredders Locations Throughout the Sunbelt; Significant Regional Processor of Ferrous and Nonferrous

(2) Mills

- 4 Steel Minimills (Long Products)
- Copper Tube Mill

(3) Fabrication & Distribution

- Downstream Rebar Fab, Joist & Deck, Construction-Related Products, Structural Fab, Fence Posts, Heat Treating
- Steel Import/Export Business

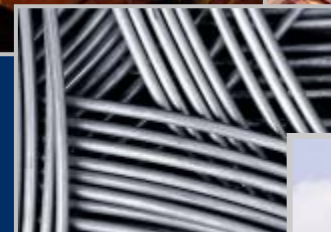
CMC INTERNATIONAL

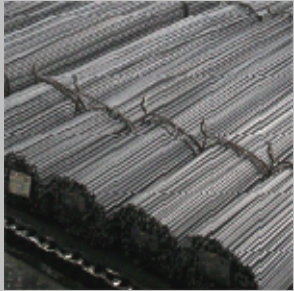
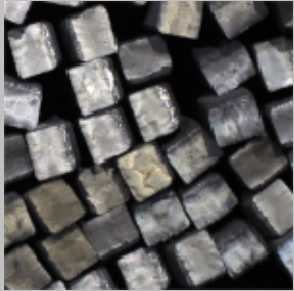
(4) Mills (Poland & Croatia)

- Includes Captive Recycling Facilities and Two Shredders
- Main Products: Rebar, Wire Rod, Merchants (Poland); Pipe & Tube (Croatia)

(5) Fabrication & Distribution

- International Downstream Operations
- International Marketing and Distribution





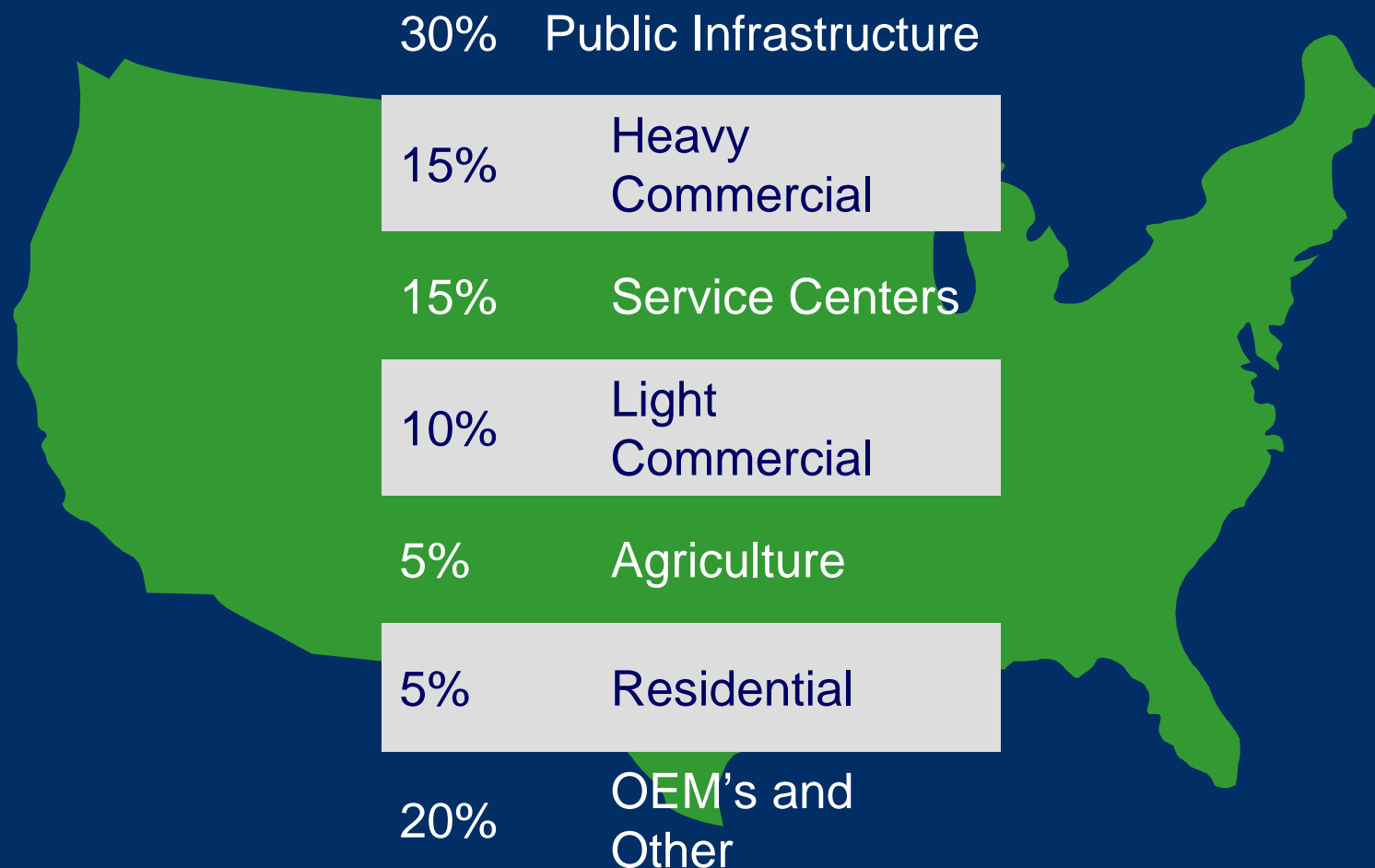
CMC – Strategy

- Global Reach with a Regional Focus
- Longer Term, 50% of Revenues from Outside U.S.A. (Currently 60% U.S.; 40% Non-U.S.)
- Focus on Growth Markets / Regions
- Geographic Diversification
- Product Line Diversification





United States End-Use Markets





Current Market Conditions

- Seasonal Factors Clouding the Outlook
 - Increased U.S. Scrap Flow Lowering Prices
 - European Holidays
 - Middle East Temperatures and Holy Month
 - Asian Monsoon Season
 - China Olympics
- Rebar Pricing Hierarchy, Highest to Lowest
 - North Africa / Middle East (20 Million Ton Rebar Consumption)
 - Russia
 - Central / Eastern Europe / South America
 - Southeast Asia
 - North America (U.S. 10 Million Ton Rebar Consumption)
- Steel Input Costs (Scrap, Iron Ore, Alloys, Electrodes, Energy) Underwrite Steel Finished Good Prices



Current Market Conditions

- Domestic Backlogs at Decent But Lower Volume Levels; Pricing Higher
- Infrastructure, Heavy Commercial Still Solid; Service Centers Steady; Light Commercial (Retail, Joists) and Residential Weakest
- World Prices Supported by Demand; Domestic Prices Supported by Lack of Supply of Imports
- Raw Materials Markets (Coke, Iron Ore, Ferroalloys, Minerals) Extremely Positive
- All Means of Regulatory Schemes Arising in World Markets in Attempts to Keep Product at Home – Russia, India, Taiwan, Saudi Arabia, Vietnam



Investor Information

Non-GAAP Financial Measures and Regulation G

This written and verbal presentation may use financial statement measures considered non-GAAP financial measures by the Securities and Exchange Commission (SEC). In compliance with the SEC's Regulation G, we have provided on our web site at

www.cmc.com

a reconciliation to the most comparable GAAP measure and other information that may be of interest to investors.



Forward-Looking Statements

This written and verbal presentation may contain forward-looking statements regarding the outlook for the Company's financial results including net earnings, product pricing and demand, production rates, inventory levels, impact of acquisitions, credit conditions and general market conditions. These forward-looking statements generally can be identified by phrases such as the company or its management "expect," "anticipates," "believe," "ought," "should," "likely," "appears," "projected," "forecast," "outlook," "will" or other words or phrases of similar impact. There is inherent risk and uncertainty in any forward-looking statements. Variances will occur and some could be materially different from management's current opinion. Developments that could impact the Company's expectations include construction activity, difficulties or delays in the execution of construction contracts resulting in cost overruns or contract disputes, metals pricing over which the Company exerts little influence, interest rate changes, increased capacity and product availability from competing steel minimills and other steel suppliers including import quantities and pricing, court decisions, industry consolidation or changes in production capacity or utilization, the ability to integrate acquisitions into operations; global factors including political and military uncertainties, credit availability, currency fluctuations, energy and supply prices and decisions by governments impacting the level of steel imports and pace of overall economic activity, particularly China.





Background Info

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CMC – Core Values

- Integrity & Honesty
- Respect for the Individual
(The CMC Way)
- Conservatism in Business Conduct
(Doing it the Right Way)
- Highest Ethical, Moral &
Legal Standards



CMC – People

■ Safety

2007 – Americas Minimills

- #1 CMC Steel Arkansas
- #2 CMC Steel Alabama
- #3 CMC Steel South Carolina
- #5 CMC Steel Texas

■ Safety Committee

“Achievement of a Consistent Safety Performance at all CMC Locations”





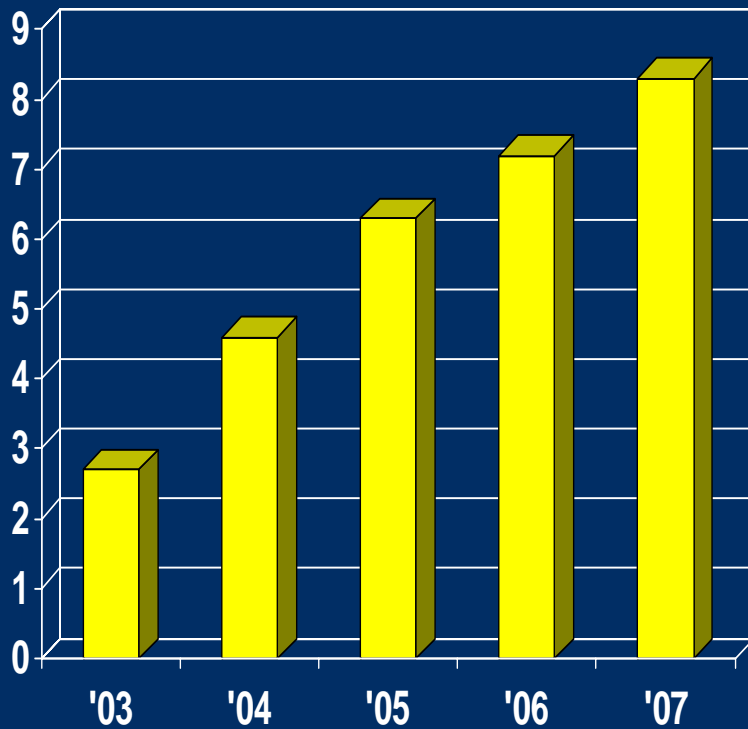
United States End-Use Markets

%	Market	Uses	Product
30%	Public Infrastructure	Roads; Bridges	Rebar
15%	Heavy Commercial	High Rise; Industrial; Utility; Education; Healthcare	Rebar; Merchant
15%	Service Centers	Service Centers	Merchant
10%	Light Commercial	Strip Shopping; Parking; Stand Alone Retail	Joist; Rebar
5%	Agriculture	Fencing; Stakes	T-Posts
5%	Residential	Single/Multi Family; Condo	Rebar
20%	OEM's and Other	Various	Merchant

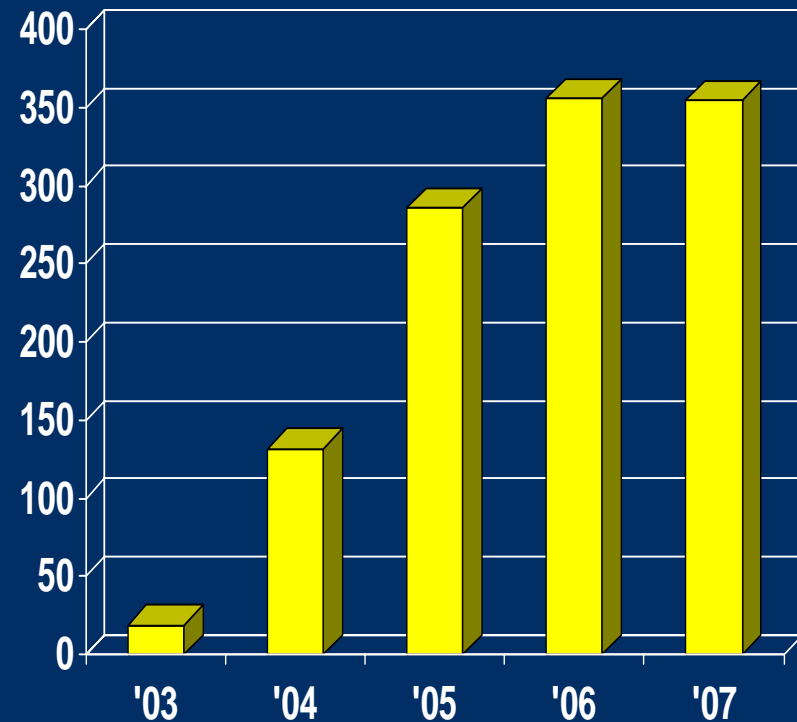


Financial Performance Growth

Net Sales (\$ Billions)

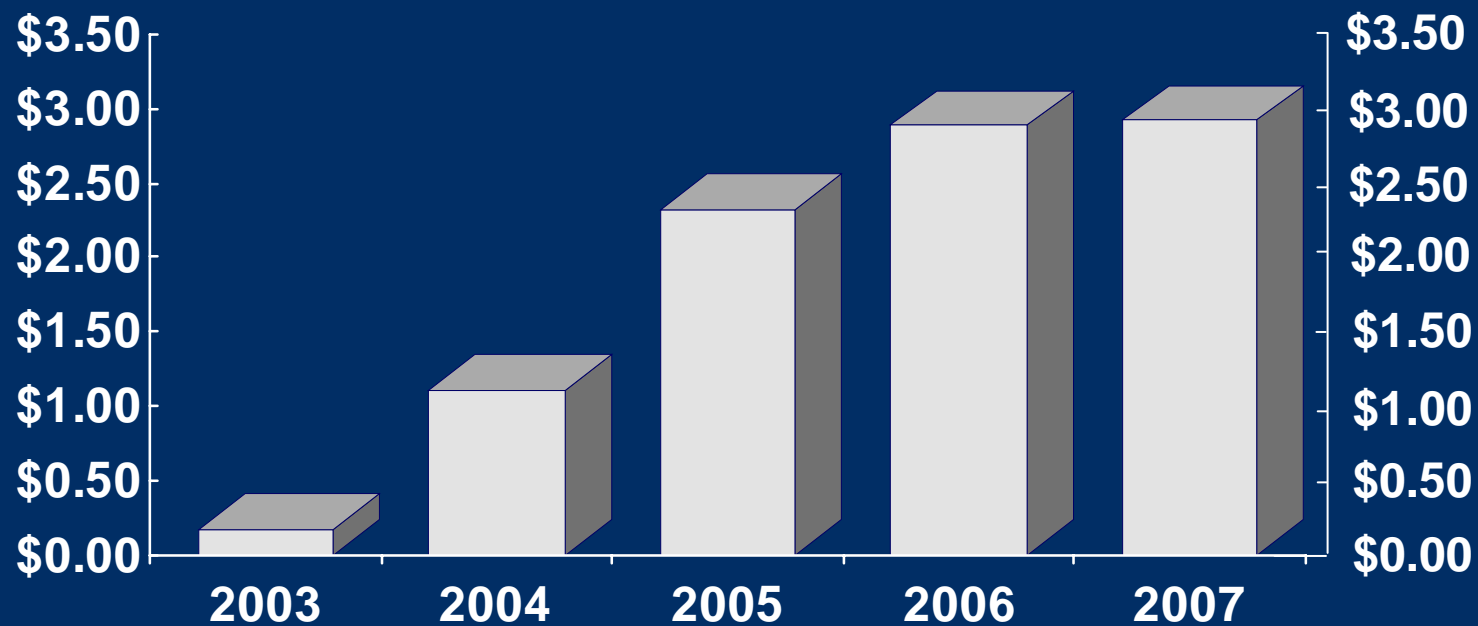


Net Earnings (\$ Millions)





Financial Performance Earnings Per Share

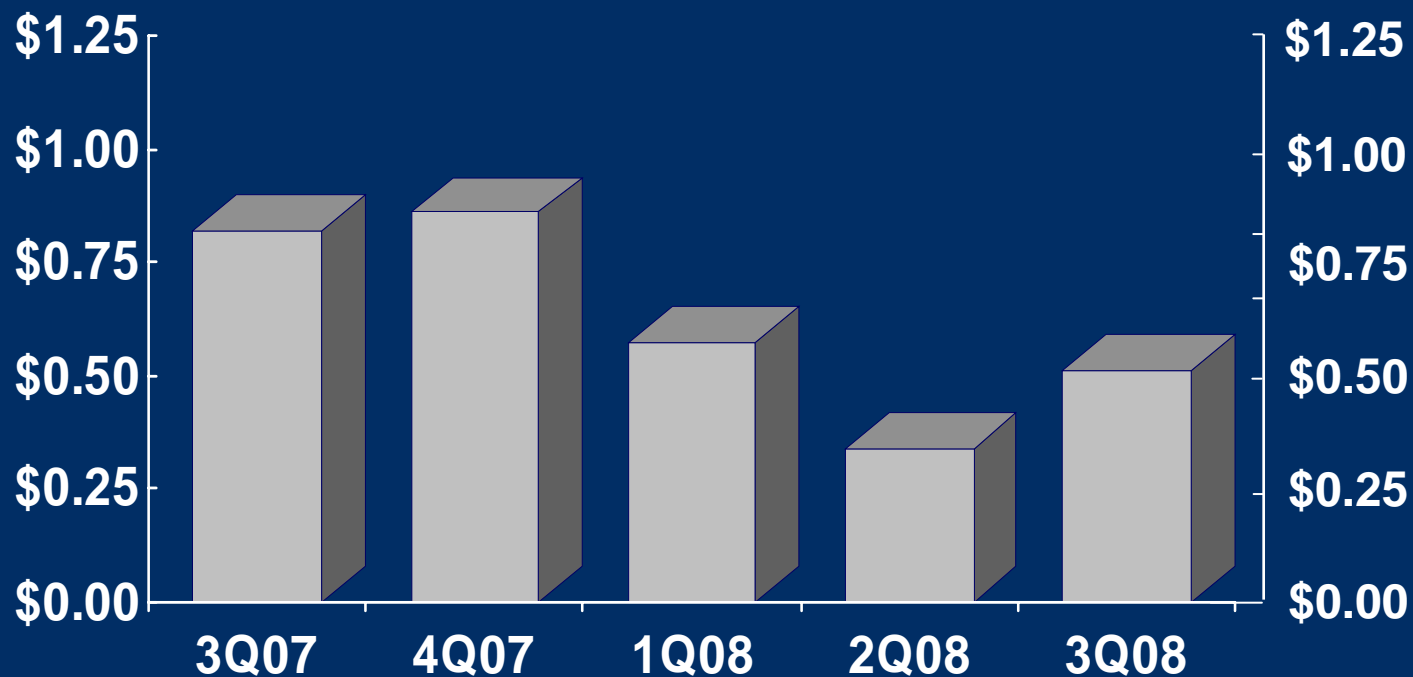


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Financial Performance Quarterly Earnings Per Share



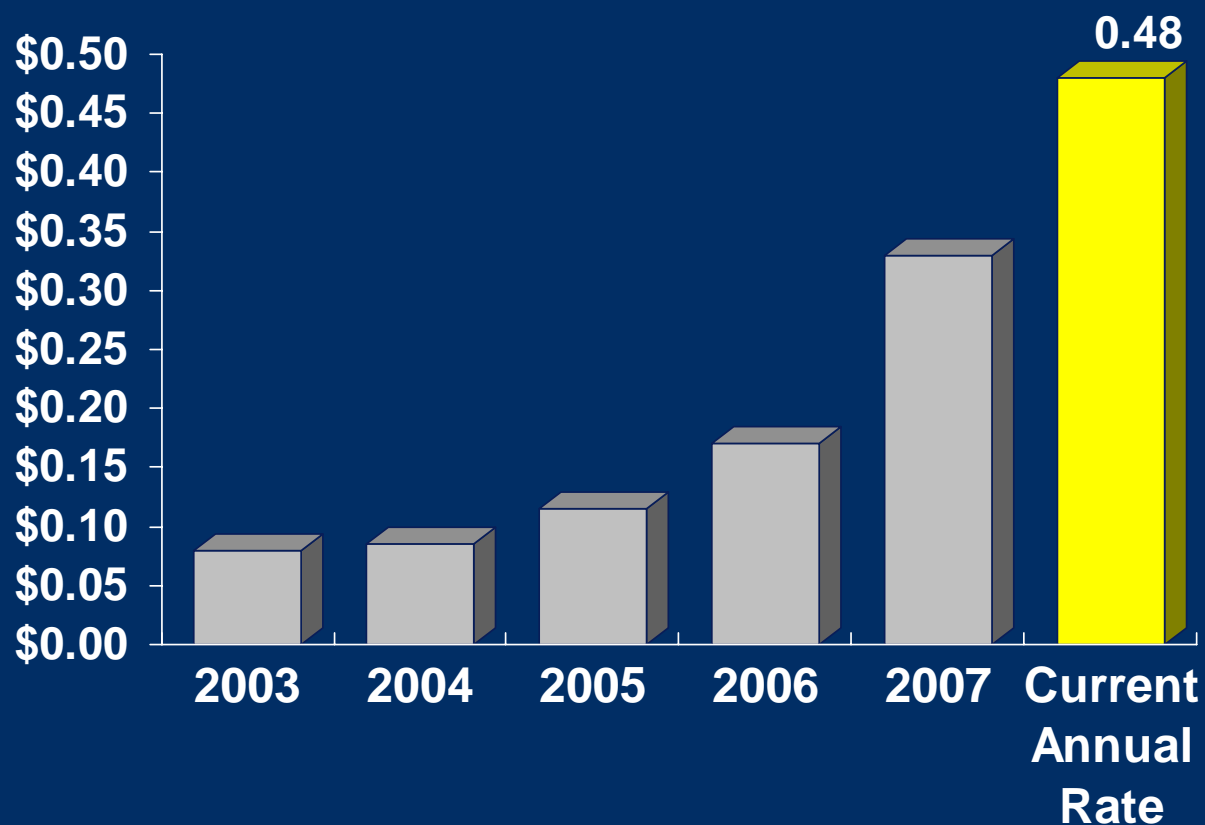
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Financial Performance

Dividend Payout Per Share (by Fiscal Year)



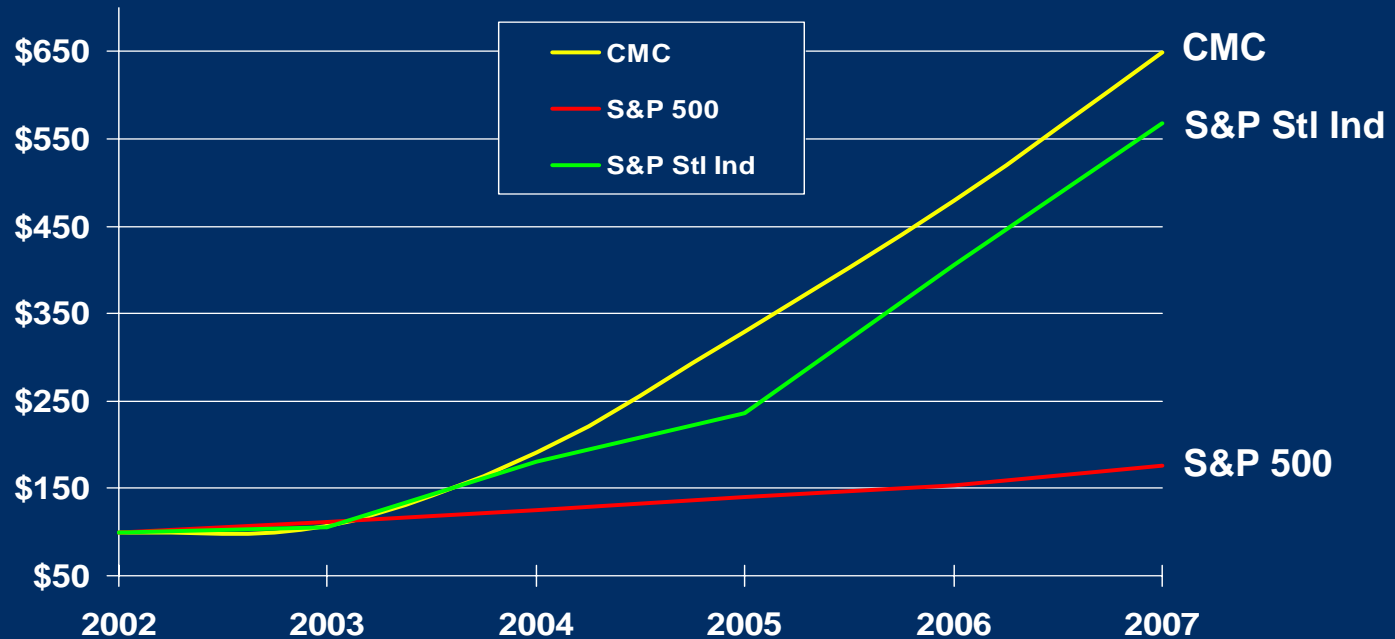
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Financial Performance 5 Year Cumulative Total Return (Fiscal Years)

Comparison Among CMC, the S&P 500 Index and the S&P Steel Index

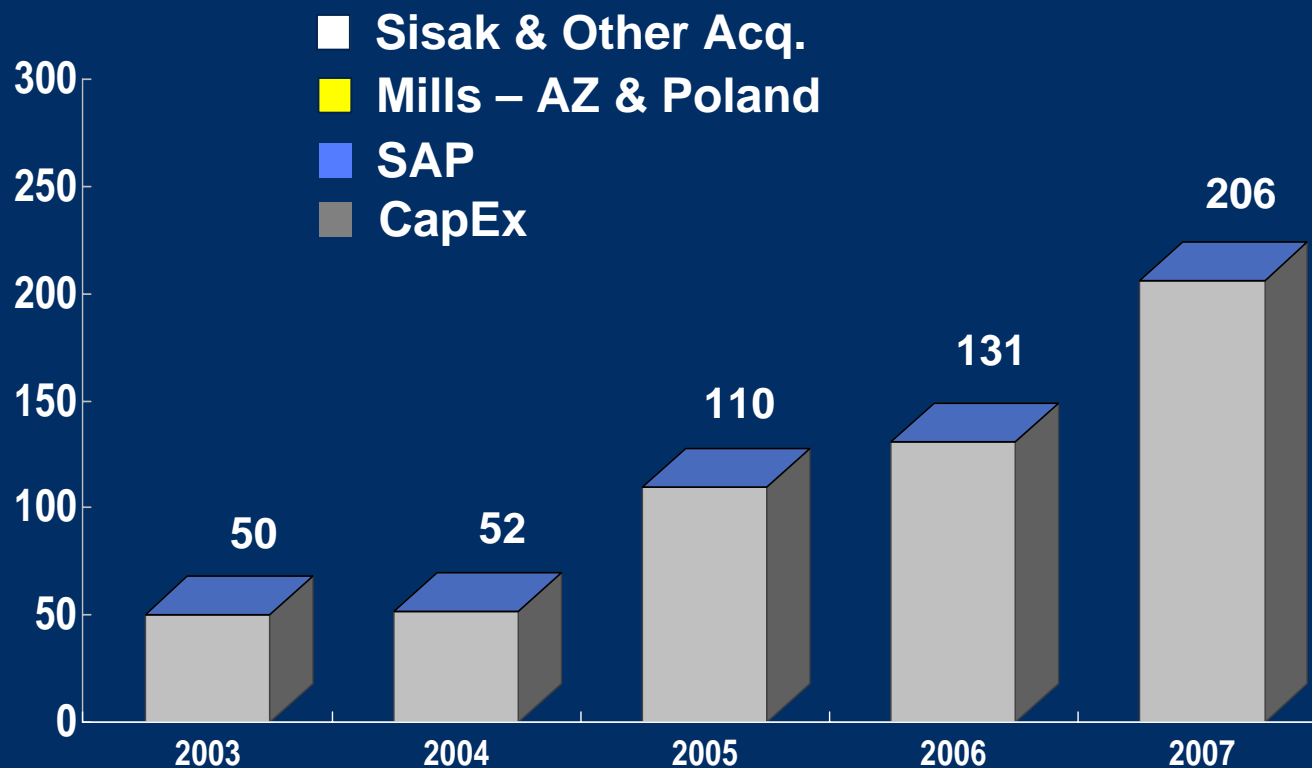


	2002	2007
Commercial Metals Company	\$100.00	\$648.86
S&P 500	\$100.00	\$176.25
S&P Steel Industry Group	\$100.00	\$561.57



Investments

(\$ in Millions)



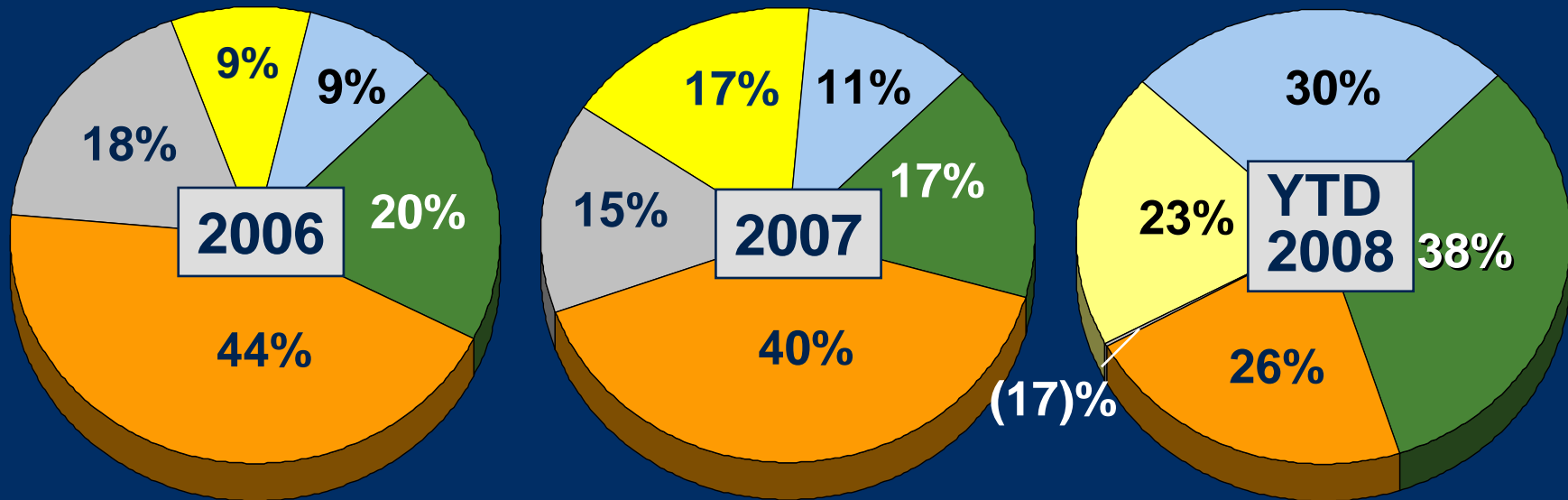
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Note: Excludes Acquisitions



Adjusted Operating Profit by Segment



Americas Recycling

Americas Mills

Americas Fab & Distribution

International Mills

International Fab & Distribution

Note: 2008 for nine months YTD 5/31/2008