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## **REINFORCING PRODUCTS** Harris Steel fabricates rebar for highways, bridges and other infrastructure, as well as commercial and multi-tenant residential construction markets.

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### **OPERATIONS**

In February 2004, Nucor acquired a one-half interest in Harris Steel, Inc., the U.S. reinforcing steel (“rebar”) fabrication business of Harris Steel Group, Inc. (“Harris Steel”), for a cash purchase price of approximately \$21.0 million. After three successful years working together in this joint venture, in March 2007, Nucor acquired Harris Steel for a cash purchase price of approximately \$1.06 billion with \$68.4 million in debt assumed related to the net assets acquired. Harris Steel now operates as a subsidiary of Nucor, fabricating products in Canada and the U.S. At the acquisition date, Harris Steel had rebar fabrication annual capacity of about 770,000 tons per year. Harris Steel is operating as a growth platform within Nucor and completed the following rebar fabrication acquisitions in 2007: South Pacific Steel Corporation in June, Consolidated Rebar, Inc. in August and Rockford Fabricators in December. In November 2007, Harris Steel obtained a 90% equity interest in Barker Steel LLC, an entity created by combining the rebar operations of Barker Steel Company Inc. and Harris Steel locations in the northeastern U.S. The Harris Steel rebar fabrication business has grown by over 37% to an annual capacity of about 1,058,000 tons. Sales of fabricated rebar were 583,000 tons during the nine months that Harris Steel operated as a subsidiary of Nucor.

### **MARKETS AND MARKETING**

Reinforcing products are essential to concrete construction. They supply tensile strength as well as additional compressive strength, and protect the concrete from cracking. Harris Steel bids on and executes a wide variety of construction work primarily classified as infrastructure, including highways, bridges, reservoirs, utilities, hospitals, schools, airports and stadiums. Harris Steel is also active in commercial office building and multi-tenant residential (high-rise) construction. In most markets, Harris Steel sells reinforcing products on an installed basis; i.e., Harris Steel fabricates the reinforcing products for a specific application and performs installation. Harris Steel operates facilities across the U.S. and Canada, with each facility serving a local market.

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## **STEEL MESH, GRATING AND FASTENER** Nucor and its subsidiaries manufacture wire products, grating and industrial bolts.

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### **STEEL MESH**

Harris Steel produces steel mesh at its Laurel Steel and Laurel-LEC Steel operations. Nucor also produces steel mesh at Nucor Steel Connecticut, Inc. In October 2007, Nucor acquired substantially all of the assets of steel mesh producer Nelson Steel, Inc. (“Nelson”) for a cash purchase price of approximately \$53.2 million. Nelson currently operates as Nucor Wire Products of Pennsylvania, Inc. The combined annual production capacity of the steel mesh facilities is approximately 233,000 tons.

### **GRATING**

With the acquisition of Harris Steel, Nucor continued to expand existing product offerings by entering into the steel grating market. Fisher & Ludlow, a division of Harris Steel, fabricates steel and aluminum bar grating, safety grating and expanded metal products in facilities located throughout North America. Fisher & Ludlow serves the new construction and maintenance-related markets with annual production capacity of approximately 90,000 tons.

### **FASTENER**

Nucor Fastener’s state-of-the-art steel bolt-making facility in Indiana produces standard steel hexhead cap screws, hex bolts, structural bolts and custom-engineered fasteners. Fasteners are used in a broad range of markets, including automotive, machine tools, farm implements, construction and military applications. Annual capacity is more than 75,000 tons. Nucor Fastener’s dedication to quality, on-time delivery and exceptional customer service yields a competitive advantage in a very import-sensitive market. Nucor Fastener obtains much of its steel from the Nucor bar mills.