



## **Nucor to Acquire Independence Tube Corporation**

CHARLOTTE, NORTH CAROLINA, September 19, 2016 – Nucor Corporation (NYSE: NUE) announced today that it has agreed to acquire Independence Tube Corporation (ITC), a leading independent manufacturer of hollow structural section (HSS) steel tubing, for \$435 million, or approximately 6x average EBITDA over the 2013-2015 period.

“Independence Tube is a natural fit with Nucor. Their business model is similar to ours with extremely efficient manufacturing facilities and a highly variable cost structure. Our companies’ cultures are also similar, sharing a belief in continual improvement, operating efficiency and the value of our employees,” said John Ferriola, Chairman, CEO and President of Nucor. “This acquisition is another important step in our long-term strategy to increase the number of value-added products we can offer our customers. It also adds to our portfolio another growth platform for our team to use to grow our company.”

HSS is used in a broad array of structural and mechanical applications including nonresidential construction, infrastructure, and agricultural and construction equipment end-use markets. ITC has the second highest market share in HSS, selling its products primarily through service centers, which are also an important channel to market for Nucor. ITC is primarily a producer of HSS and does not focus on products for energy or other pipe and tube segments. The addition of ITC to Nucor’s portfolio will allow Nucor to offer a wider selection of products to its fabricator and service center customers and strengthens the company’s presence in the key nonresidential construction market.

ITC and Nucor are highly complementary. Nucor is installing a large diameter tube mill at an existing facility in Iuka, Mississippi. Adding large size HSS to ITC’s already comprehensive product line will create the widest product offering in North America for HSS solutions. Nucor is North America’s most comprehensive provider of steel solutions to the construction and infrastructure markets with leadership positions in plate, bar and structural steels, as well as joist, decking, metal buildings and rebar fabrication. The addition of HSS further differentiates Nucor from its steel competitors as the leader in providing solutions to its customers.

ITC operates four strategically located state-of-the-art facilities in Illinois and Alabama that annually produce roughly 600,000 tons and employ approximately 335 teammates. ITC purchases hot-



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rolled coil from suppliers to produce its HSS steel tubing. The company's manufacturing plants are located in close proximity to Nucor's sheet mills in Decatur, Alabama; Crawfordsville, Indiana; and Ghent, Kentucky.

Nucor and its affiliates are manufacturers of steel products, with operating facilities primarily in the U.S. and Canada. Products produced include: carbon and alloy steel -- in bars, beams, sheet and plate; steel piling; steel joists and joist girders; steel deck; fabricated concrete reinforcing steel; cold finished steel; steel fasteners; metal building systems; steel grating; and wire and wire mesh. Nucor, through The David J. Joseph Company, also brokers ferrous and nonferrous metals, pig iron and HBI/DRI; supplies ferro-alloys; and processes ferrous and nonferrous scrap. Nucor is North America's largest recycler.

Certain statements contained in this news release are "forward-looking statements" that involve risks and uncertainties. The words "believe," "expect," "project," "will," "should," "could" and similar expressions are intended to identify those forward-looking statements. 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 competition from imports and substitute materials; (2) the sensitivity of the results of our operations to prevailing steel prices and the changes in the supply and cost of raw materials, including scrap steel; (3) market demand for steel products; and (4) energy costs and availability. These and other factors are discussed in Nucor's regulatory filings with the Securities and Exchange Commission, including those in Nucor's fiscal 2015 Annual Report on Form 10-K, Item 1A. Risk Factors. The forward-looking statements contained in this news release speak only as of this date, and Nucor does not assume any obligation to update them.