



Conserving Resources. Improving Life.

# Investor Day

March 6, 2018



## Forward-looking Statement Disclosure

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These slides contain (and the accompanying oral discussion will contain) “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements involve known and unknown risks, uncertainties and other factors that could cause the actual results of the Company to differ materially from the results expressed or implied by such statements, including general economic and business conditions, conditions affecting the industries served by the Company and its subsidiaries, conditions affecting the Company’s customers and suppliers, competitor responses to the Company’s products and services, the overall market acceptance of such products and services, the integration of acquisitions and other factors disclosed in the Company’s periodic reports filed with the Securities and Exchange Commission. Consequently such forward-looking statements should be regarded as the Company’s current plans, estimates and beliefs. The Company does not undertake and specifically declines any obligation to publicly release the results of any revisions to these forward-looking statements that may be made to reflect any future events or circumstances after the date of such statements or to reflect the occurrence of anticipated or unanticipated events.

# Agenda

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|   |                                     |          |
|---|-------------------------------------|----------|
| <b>Introductions</b>                                | Renee Campbell & Jeff Laudin – IR   | 8:30 AM  |
| <b>Company Overview &amp; Strategy</b>              | Steve Kaniewski – President & CEO   |          |
| <b>Operational Transformation</b>                   | Doug Bryson – SVP, Steel Operations |          |
| <b>Engineered Support Structures (ESS) Overview</b> | Barry Ruffalo – Group President     |          |
| <b>Q&amp;A</b>                                      |                                     | 9:45 AM  |
| <b>BREAK</b>  |                                     | 10:00 AM |
| <b>Coatings Overview</b>                            | Rick Cornish – Group President      | 10:15 AM |
| <b>Utility Support Structures (USS) Overview</b>    | Aaron Schapper – Group President    |          |
| <b>Irrigation Overview</b>                          | Lennie Adams – Group President      |          |
| <b>Financial Overview</b>                           | Mark Jaksich – EVP & CFO            |          |
| <b>Closing Remarks</b>                              | Steve Kaniewski – President & CEO   |          |
| <b>Q&amp;A</b>                                      |                                     | 11:55 AM |
| <b>Leadership Luncheon</b>                          |                                     | 12:15 PM |



# COMPANY OVERVIEW & STRATEGY

Steve Kaniewski | President & CEO





## Key Messages

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Transforming Our Company while Maintaining Philosophy on Total Value Impact

Talent Development to Strengthen Our Culture of Accountability, Excellence, and Collaboration

Expanded View of Addressable Market; Strategies in Place to Capture Growth

We Have Launched a Central-Led Operating Model

Executing a Balanced Capital Allocation Plan to Support Growth Initiatives

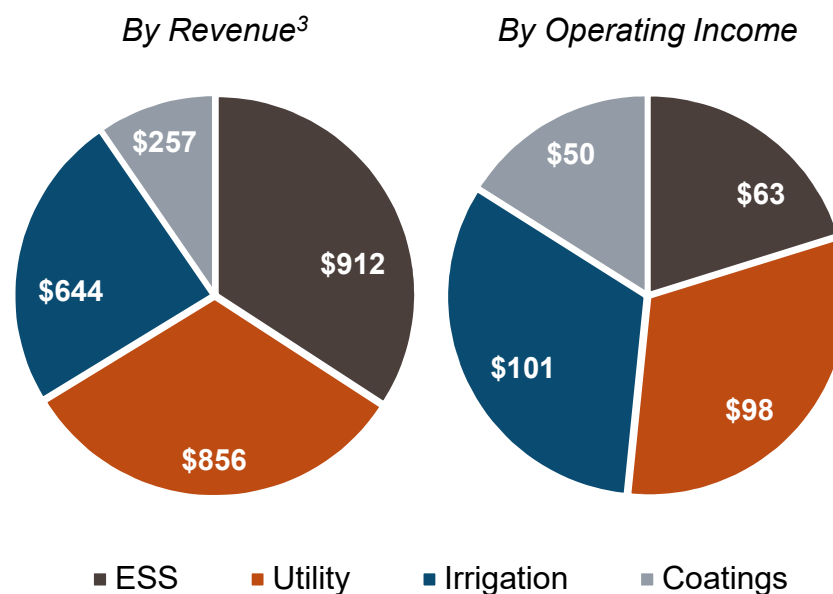


## Valmont at a Glance

### Company Profile

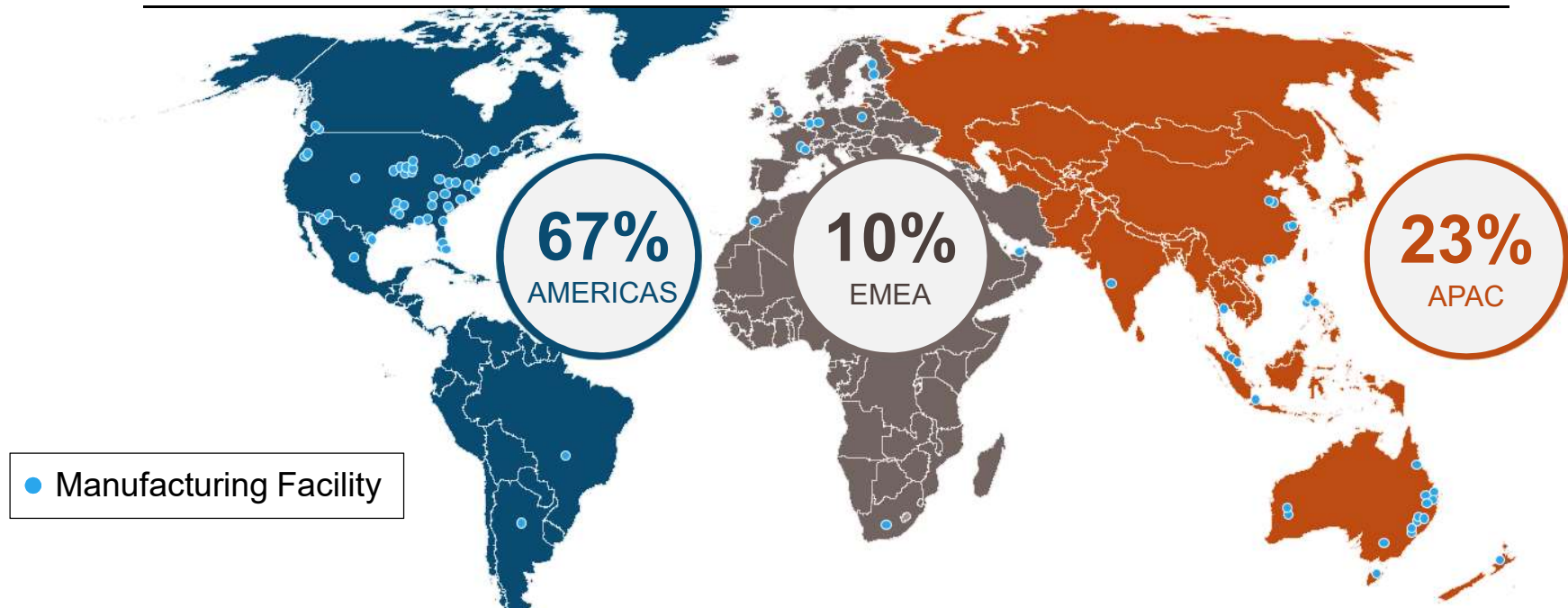
|                        |                     |
|------------------------|---------------------|
| Headquarters           | Omaha, NE           |
| 2017 Sales             | \$2.7B <sup>1</sup> |
| Market Cap             | \$3.3B <sup>2</sup> |
| Countries of Operation | 23                  |
| Manufacturing Sites    | 86                  |
| Total Employees        | 10,700              |

### 2017 Mix (\$M)







# Broad Global Footprint is a Competitive Differentiator

## 2017 Revenue by Geography



**#1 or #2 in All Markets We Serve within Our Industries**

# Products Serving Agriculture and Infrastructure Development

| ENGINEERED SUPPORT STRUCTURES (ESS)   | UTILITY SUPPORT STRUCTURES (USS)   | COATINGS    | IRRIGATION    |
|--|--|--|--|
| <ul style="list-style-type: none"> <li>• Lighting and traffic structures</li> <li>• Highway safety products</li> <li>• Wireless communications products and components</li> <li>• Industrial and architectural access systems</li> </ul> | <ul style="list-style-type: none"> <li>• Transmission poles</li> <li>• Substations</li> <li>• Distribution poles</li> <li>• Engineering and support services</li> <li>• Renewable generation support structures</li> </ul> | <ul style="list-style-type: none"> <li>• Galvanizing</li> <li>• Applied Coatings: anodizing, electro-deposition (e-coat), liquid, powder, and duplex</li> <li>• Value-added services (e.g., fabrication, shipping, storage)</li> </ul> | <ul style="list-style-type: none"> <li>• Center pivots, linears, pumping stations, sprinklers, drive trains, flotation, and traction</li> <li>• Technology solutions</li> <li>• Water delivery and management</li> </ul> |
| <p><i>Providing Structures Essential for Supporting Global Infrastructure Growth</i></p>   | <p><i>Enabling Power to be Transferred from the Generation Facility to the Customer</i></p>  | <p><i>Extending the Life, Value, and Aesthetic Properties of Metal Products</i></p>  | <p><i>Improving Farm Productivity through Efficient Delivery of Fresh Water</i></p>  |

## When You Look Closely...



## Valmont Products Are Everywhere...



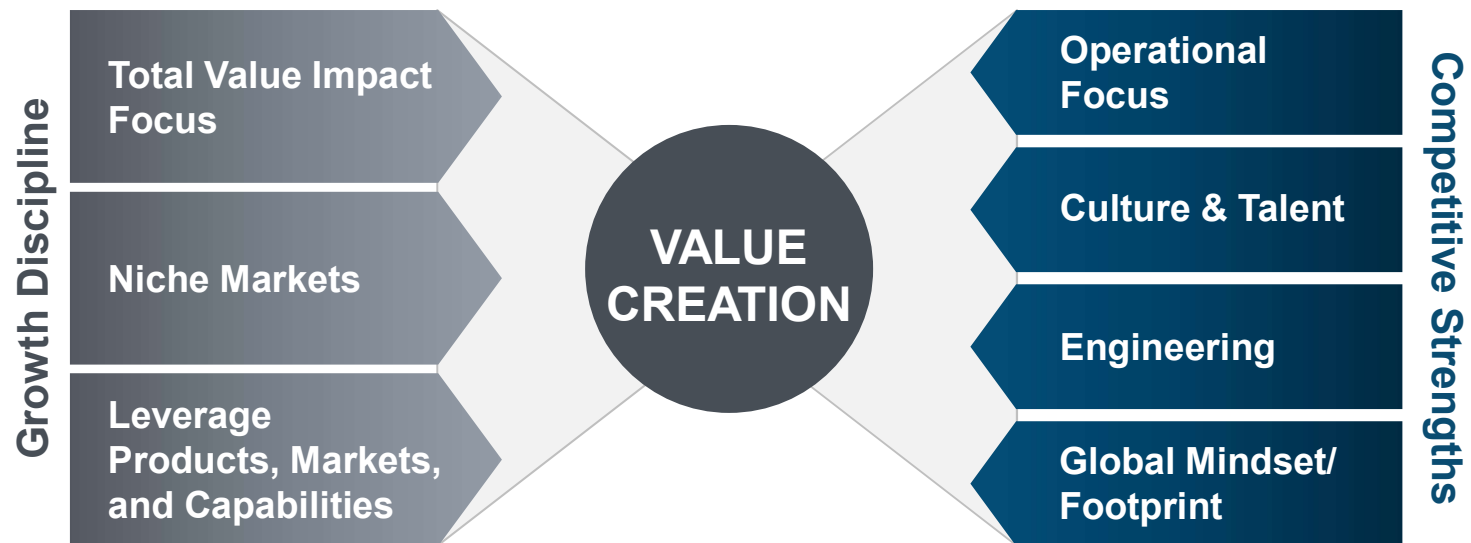


## ...Even from the Air



# Valmont Business Model

## Strong, Global, and Enduring Drivers



**16.5% Total Compounded Annualized Return Over the Past 15 Years<sup>1</sup>**



# Energized Management Team Driving Results



## President & CEO

Steve Kaniewski  
Joined: 2010



## EVP & CFO

Mark Jakisch  
1983



## SVP, Human Resources

Vanessa Brown  
1973



## SVP, IT & CIO

John Kehoe  
2014



## SVP, Steel Operations

Doug Bryson  
2013



## VP, Global Taxation

Ellen Dasher  
1996



## VP & Corp. Controller

Tim Francis  
2014



## VP, Legal & Compliance

Andy Massey  
2006



## VP, Head of Audit

Darrel Moreland  
2004

## Group Presidents



## President, ESS

Barry Ruffalo  
2015



## President, Utility

Aaron Schapper  
2011





## President, Coatings

Rick Cornish  
1996



## President, Irrigation

Lennie Adams  
1979

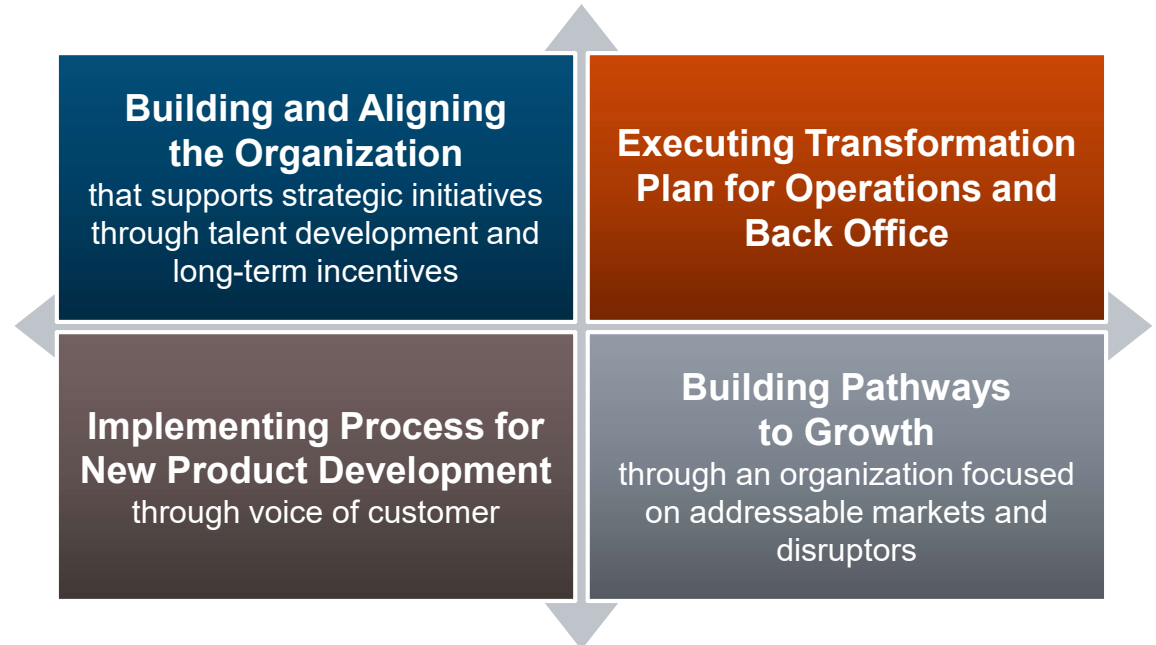
-  New to VMI within last 5 years
-  New to role within last 2 years

# Significant Accomplishments Since 2016 Investor Day

## *Steps Taken to Transform Organization*

- Completed Restructuring Program; Delivered \$30M+ Annualized Cost Savings
- Simplified Reporting Structure to 4 Segments
- Enhanced Commitment to Corporate Sustainability
- Accelerated Lean and Agile Deployments
- New Product Development Velocity
- Executed Successful CEO Transition; Developing Next Generation of Leaders

## *Strategic Focus Going Forward*



## Elevating Our Commitment to Corporate Sustainability

- ✓ **Aggregating global data** for improved measurement
- ✓ **Green Teams** in every facility
- ✓ **Reductions** in electricity consumption and landfill waste
- ✓ **Elevating** sustainability throughout our organization
- ✓ **Enhanced global data analytics** and metrics to establish and track sustainability goals
- ✓ **Strengthening reporting**
- ✓ **Supplier sustainability commitment**

### FUTURE

Self-Sustaining  
Program  
Disseminating  
Throughout the  
Organization

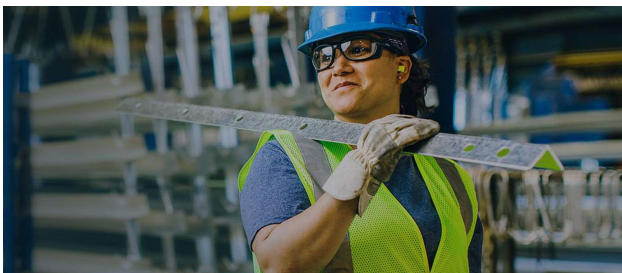
**Increasing Our Dedication to Corporate Responsibility Over Time**



# Building and Aligning the Organization

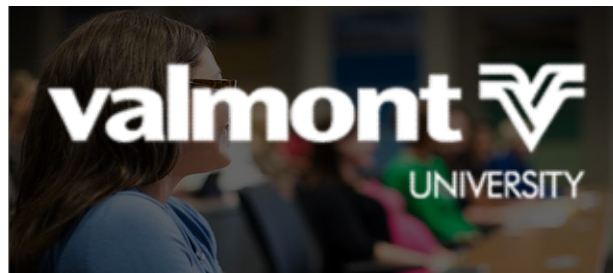
## Shift to a Market-Focused Organization

Requires product line management  
Rethinking how we manage countries and regions  
Managing manufacturing workforce challenges  
Compensation realignment



## Training and Safety

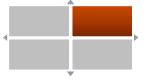
Living as a Leader™ management development  
Over 81,000 training courses completed in 2017, more than double the previous year



## Talent Management

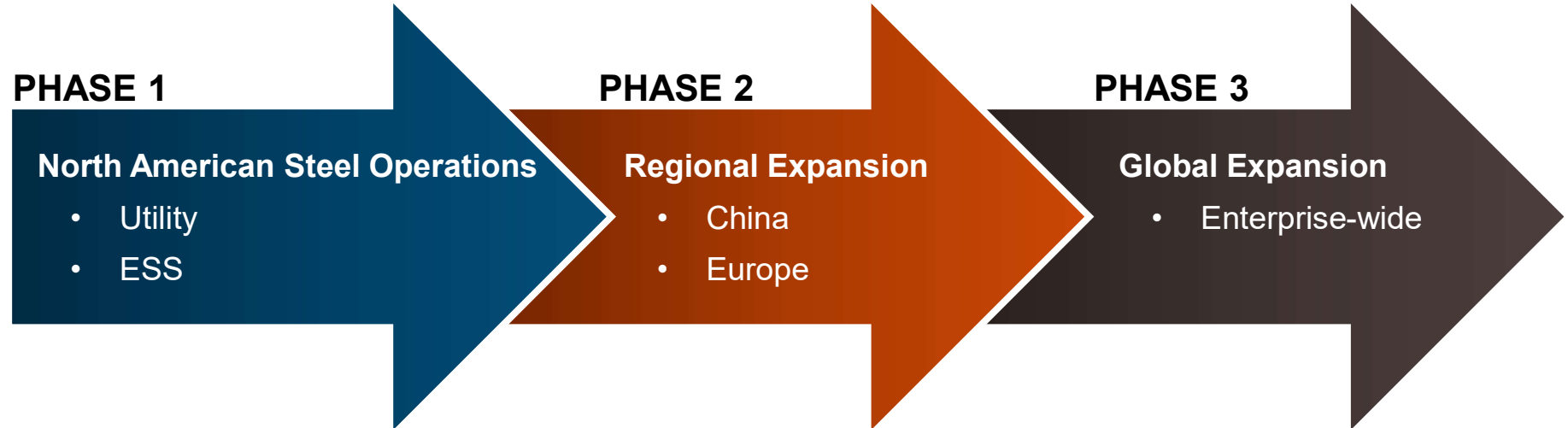
*Attract* | Employer of choice  
*Retain* | Employee value proposition  
*Develop* | Promote from within





# Operational Transformation

## Staged Rollout of a Central-Led Operations Model



**Build on Distinct Competitive Advantage of Our Global Footprint**



## Recap of 2018 Restructuring Plan

- **Consolidation of operations and other cost-reduction activities**
- **Expected Charges: \$10M**
  - **Cash: \$8.5M**
  - **Non-Cash: \$1.5M**
- **Expected Payback:** Approx. \$10M, 12-18 months from January 2018

**Continue to Pursue Opportunities to Improve Profitability**



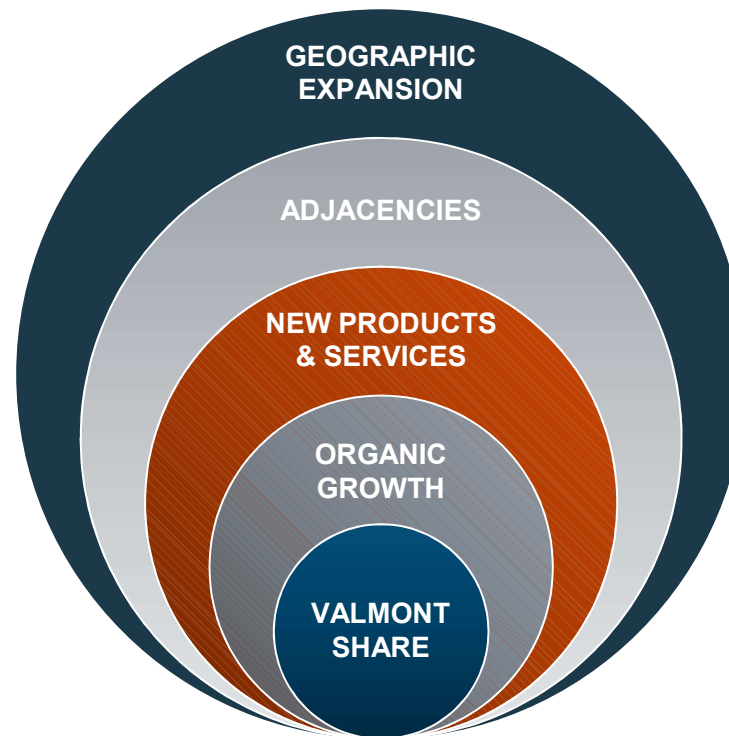
## Formalizing Process for New Product Development

**Our Broader View of the Total Addressable Market Has Led Us to Identify Additional Product and Service Offerings and Adjacencies**



## Expanding View of Our Addressable Market

~\$37B<sup>1</sup> | Addressable Market Increased 3X







## Company Targets

|     |                             | Long-Term Goal      |
|-----|-----------------------------|---------------------|
|     | Revenue Growth <sup>1</sup> | 5% - 10%            |
|     | EPS Growth                  | > 10%               |
|     | ROIC                        | > 10%               |
|     | FCF Conversion              | > 1.0x Net Earnings |
| NEW | Operating Margin            | > 12%               |



# OPERATIONAL TRANSFORMATION

Doug Bryson | SVP, Steel Operations



## Key Messages

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Newly-Created, Central-Led Global Operations Role

We Are Changing the Way We Manage Our Factories

Focused on Cost Reductions and Working Capital Optimization

Strategic Deployment, Lean, and Agile Are How We Operate;  
SQDC Are Our KPIs

## Evolution of Our Operational Foundation; 2017 was Pivotal

### Identified the Opportunity

- Underutilized capacity in strategic regional locations
- Cultural silos masked capacity utilization opportunities

Established new corporate executive role in February 2017

### IDENTIFIED INITIAL CHALLENGES

- Developed timing of rollout
- Identified team members
- Established goal to be cost and headcount-neutral

**ASSEMBLED THE TEAM,  
ESTABLISHED STANDARD  
PROCESSES AND METRICS**



**We Have Made Significant Progress in a Short Period of Time**

## Critical Focus Areas



### Centralized Organizational Responsibilities Leveraging Existing Talent

- Environmental Health & Safety (EHS)
- Operations management
- Sales & Operations Planning (S&OP)
- Creation of a global supply chain organization
- Quality and capital management



### Rolled Out Standard Operating Procedures and KPIs Across North America Steel Operations

- Focused on cost center metrics (SQDC)
- Aligned long-term compensation and incentives
- Commenced strategic rollout of operational excellence and Lean

## Thoughtful and Strategic Rollout

# Leveraging Our Manufacturing Footprint

## ► COMPANY CHALLENGE

Before, business units managed factories independently and along product lines



## OUR SOLUTION

- Factories are product agnostic and now handle multiple product lines depending on market demand
- Increased flexibility to react quicker and improve lead times
- Increased ability to expand capacity without capital investment

## REAL-WORLD EXAMPLE

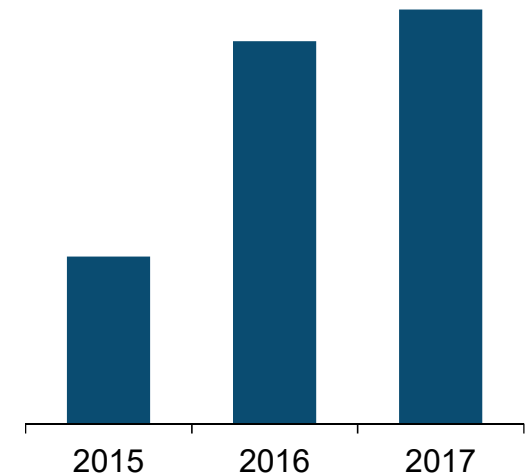
Communication Tower Case Study

**Broke Down Entrenched Barriers with Early Successes**

# Supply Chain Transformation of North America Steel Ops

- Implemented sourcing strategy
  - Materials council comprising senior management and segment leadership directing raw materials sourcing
  - Centralized raw material sourcing across North America steel sites
- Logistics and freight – Inbound and Outbound
  - **Inbound:**
    - Before, suppliers managed freight leading to suboptimal load sizes
    - Now, load sizes are internally managed resulting in better utilization
  - Currently focusing on **Outbound:**
    - Combining loads, routes and carriers to service all North American segments
- Aggregating MRO purchases for volume leverage

**Inbound Freight  
Avg. Weight (lbs.)/Load**

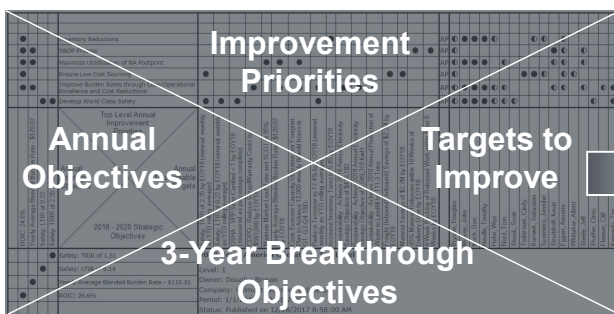


## Leveraging Volumes Across Segments

# Strategic Deployment for Organizational Alignment

- Strategic deployment aligned as of January 1, 2018
- Cascading action plans based on strategic initiatives
- Structured monthly business unit reviews: Plan, Do, Check, and Act (PDCA)

## X-Matrix



## Action Plan

Current Sort Order: Actual Start Ascending. User-Defined Sort Ascending. Most Recent Task Update: 12/29/2017

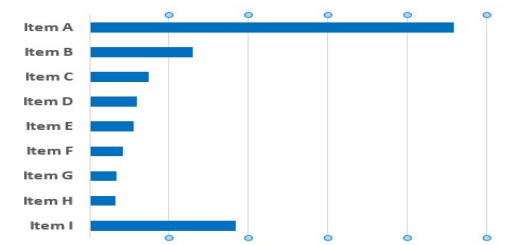
Drag a column header and drop it here to group by that column

Add Tasks Edit All Edit Selected Delete Selected Cancel Edit Save All Add Alignment Project

| ID | Sort | PI | Group Name<br>Task Description  | Owner/Assists      | Planned Start<br>Actual Start | Planned End<br>Actual End | % Comp | Cur<br>Imp | Ann<br>Imp |
|----|------|----|---|--------------------|-------------------------------|---------------------------|--------|------------|------------|
| 1  | 1    | Y  | Proactive Identification and Resolution of Safety Hazards, Use of SW, LSW, and SOPs<br>Identify team members  | Hernandez, Antonio | P1/8/2018<br>A1               | P1/22/2018<br>A1          | 0%     | 0 ea       | 0 ea       |
| 2  | 2    | Y  | Proactive Identification and Resolution of Safety Hazards, Use of SW, LSW, and SOPs<br>Program of meetings  | Hernandez, Antonio | P1/8/2018<br>A1               | P1/22/2018<br>A1          | 0%     | 0 ea       | 0 ea       |
| 3  | 3    | Y  | Proactive Identification and Resolution of Safety Hazards, Use of SW, LSW, and SOPs<br>Update the disciplinary actions vs EH&S rules, post an info table in plant | Hernandez, Antonio | P1/8/2018<br>A1               | P1/21/2018<br>A1          | 0%     | 0 ea       | 0 ea       |

## Tracking Results toward Goals

### Pareto of Q4 2017 COPQ Items



**Complete Alignment from CEO to Site Location**



## X-Matrix - CEO

## X-Matrix - Segment

## X-Matrix - Site

| Index               | Metric  | 2017-2018 |   |   |   |   |   |   |   |   |    |
|---------------------|---|-----------|---|---|---|---|---|---|---|---|----|
|                     |   | 1         | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| Inventory Reduction | Optimization of Material Releases   |           |   |   |   |   |   |   |   |   | AP |
|                     | Implement Standardized Production Schedule  |           |   |   |   |   |   |   |   |   | AP |
|                     | Visual Management of Staffing by Job Function and Position                              |           |   |   |   |   |   |   |   |   | AP |
|                     | Improved Site Productivity  |           |   |   |   |   |   |   |   |   | AP |
|                     | Cost Reductions to Cover Operational Inflation  |           |   |   |   |   |   |   |   |   | AP |
| Inventory Reduction | Cost Reductions to Cover Operational Inflation  |           |   |   |   |   |   |   |   |   | AP |
|                     | Result in Quality Sustained by LSW and Visual Management                                |           |   |   |   |   |   |   |   |   | AP |
|                     | Proactive Identification and Classification of Safety Hazards, Use of SW, LSW, and SOPs |           |   |   |   |   |   |   |   |   | AP |
|                     | 2nd Level Annual Improvement Priorities   |           |   |   |   |   |   |   |   |   | AP |
|                     | Top Level Annual Strategic Objectives   |           |   |   |   |   |   |   |   |   | AP |
| Inventory Reduction | Inventory Reduction through Lean Principles   |           |   |   |   |   |   |   |   |   | AP |
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# Lean Training is Critical for Operational Excellence

- Globally centralized Lean team



The cornerstone of the process

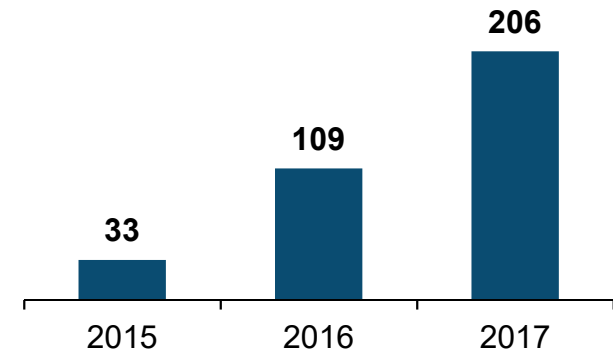
A systematic and standardized training system developed internally; deployed online and in-person

Rigorous requirements for certification

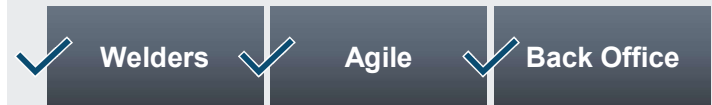
Annual continuing education and project completion required to retain credentials

- Building a self-sustaining cadre of lean experts
- Encouraging development of Lean leadership pipeline

**Valmont University Lean Training**  
# of Associates Trained



**Valmont University Additional Training:**



**Creating a Way of Life**

## Driving SQDC Throughout Our Organization

### SAFETY



Focusing on  
Leading  
Indicators

### QUALITY



Responding  
to Voice of  
Customer

### DELIVERY



Driving Speed  
and Flexibility

### COST



Reducing  
Manufacturing  
Costs

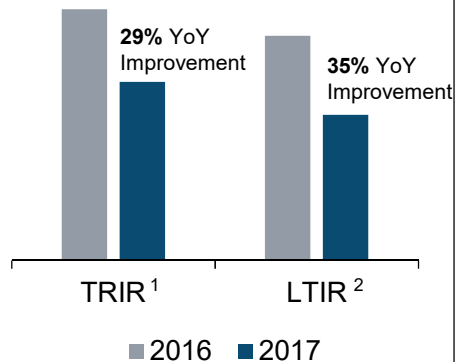
How We Are “Playing Our Position”

# Case Study: Operational Excellence in Utility

## SAFETY

- Focus on leading indicators
- Share Best Practices
- Standardize Critical Processes

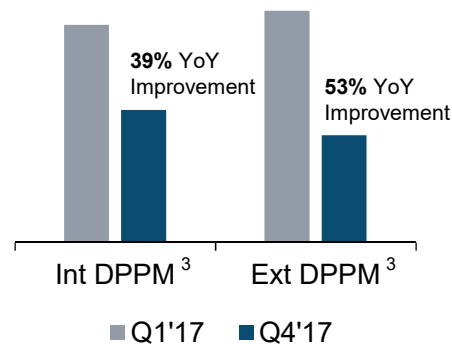
### Safety Performance



## QUALITY

- Internal and External Focus
- Data-Driven Focus
- Utilize Lean Methodologies

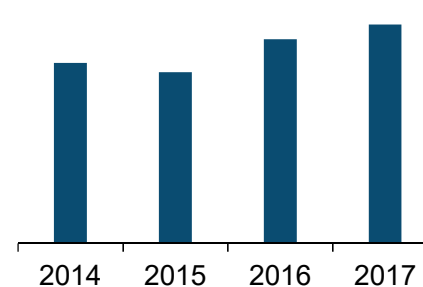
### Quality Performance



## DELIVERY

- Leverage footprint
- Become Fast and Flexible
- Improve Lead-Times

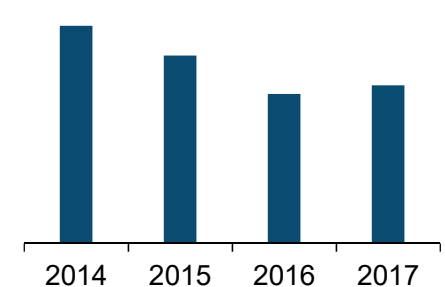
### Capacity: Recovered Hours



## COST

- Eliminate Waste
- Fully Load Low-Cost Sites
- Maximize Asset Capacity

### Utility: Steel Conversion Cost All NA Sites



## 2020 Strategic Goals

### SAFETY



Reduce  
Reportable  
Incidents

### QUALITY



Reduce  
Internal and  
External  
DPPM<sup>1</sup>

### DELIVERY



Reduce Lead  
Times

### COST



Offset  
Inflation and  
Improve by  
2%

## Key Takeaways



A Meaningful Transformation in the Way We Operate



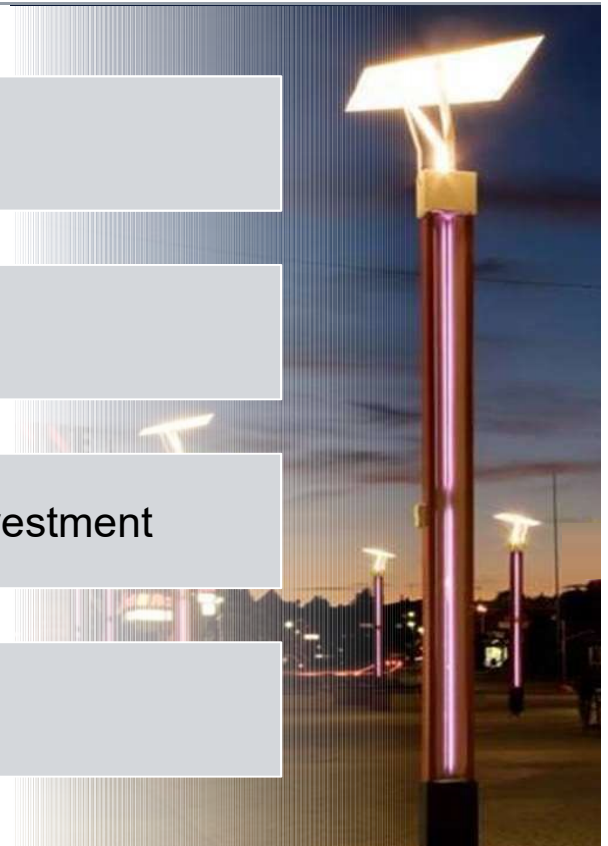
We Are Aligned with SQDC



Maximizing Capacity while Minimizing Additional Capital Investment



We Are Building a Model that Can be Replicated Globally





# ENGINEERED SUPPORT STRUCTURES (ESS)

Barry Ruffalo | Group President



## Key Messages

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We Can Participate in Infrastructure Growth around the World

Only Player with Multiple Differentiators; Engineering, Footprint, and Complete Product Lines

Leveraging Global Supply Chain to Lower Manufacturing and Delivery Costs

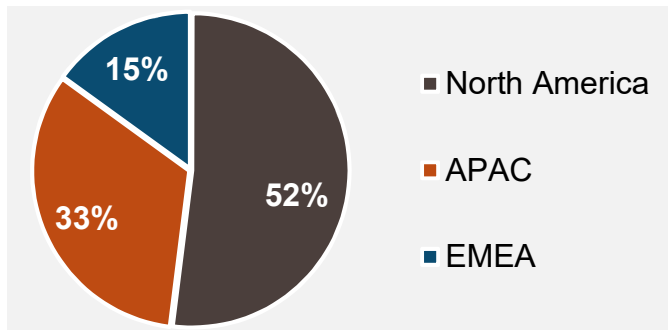


# ESS at a Glance

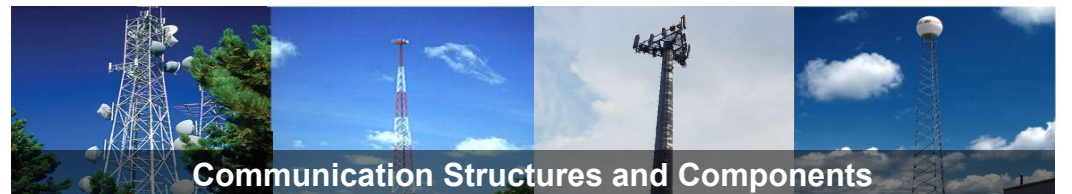
## Business Profile

|                 |        |
|-----------------|--------|
| 2017 Revenue    | \$938M |
| Mfg. Facilities | 40     |
| Countries       | 17     |
| Employees       | 4,000  |

## Revenue by Region



## Product Portfolio





## How Do We Differ?

---

### Core Strengths

**Engineering  
Strength and  
Depth**

**Global Supply  
Chain**

**Leading Designs  
in Decorative  
Products**

**Global Reach  
Local Presence**



### Competitive Differentiators

**Most Complete  
Product Line**

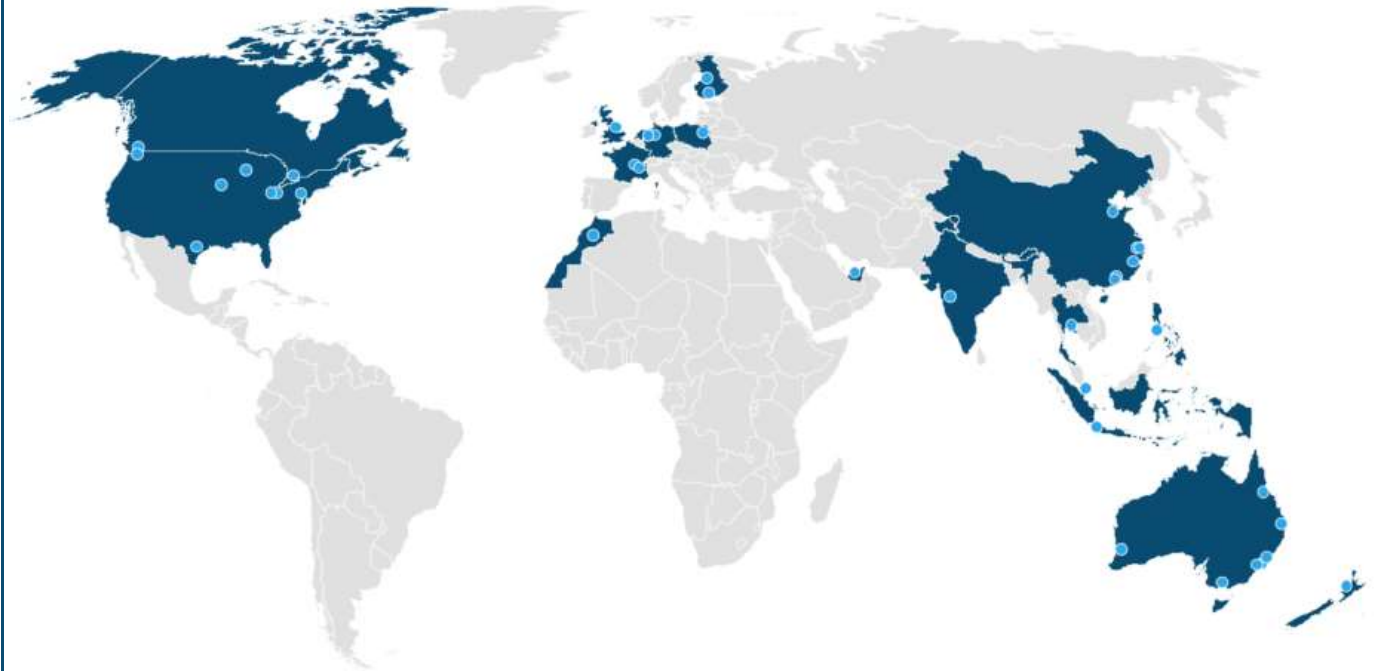
**Broadest Global  
Footprint**

**Innovative  
Engineering  
Solutions**

**Demonstrated  
Large Project  
Management  
Capability**

## Geographic Footprint

- Scale and footprint provide unmatched advantages
  - Flexible capacity
  - Competitive lead times



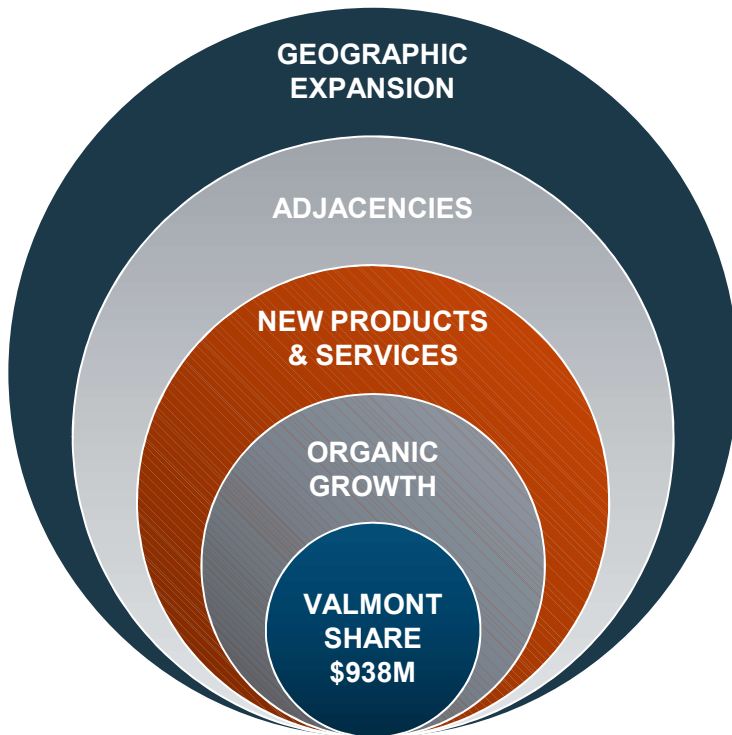
● Manufacturing Facility

## Market Drivers

- **Need for increased spend on transportation**
  - Globally, new road construction by 2030 is projected to be \$101B<sup>1</sup>
  - Infrastructure renewal in developed economies; new road construction in developing economies
  - Demand for safer roads
  - Urbanization
- **Explosion of demand on wireless networks**
  - Data
  - Connectivity
  - Access points
  - Streaming video
  - Internet of Things (IoT)
- **Shift to 5G will drive network upgrades**
- **Demand for integrated solutions will continue to develop and evolve**



## Expanding Our Total Addressable Market



### AREAS OF OPPORTUNITY \$11B

Sign Structures

Telecommunications Products & Components

Architectural Components

Smart Pole Solutions

Highway Safety



# Geographic Expansion

- **Telecommunication products and components**
  - Leverage engineering expertise and customer collaboration
  - Develop innovative solutions for 5G expansion
  - Expand components go-to-market model
  - Bring existing products to new markets
- **Architectural components: decorative sunscreens on buildings**
  - Migrate Australian business model to U.S. markets
- **Highway safety**
  - Take next-generation of proprietary technology to more markets
- **Middle East growth**
  - Implement a systematic and strategic go-to-market approach
  - Leverage full suite of Valmont products and services



# Adjacencies



- **Sign structures: regional to national expansion**
  - Specified market plays to our engineering, manufacturing, and galvanizing strengths
  - Opportunity to cross-sell and bundle with our transportation product line
  - Leverage our engineering and drafting talent
- **Smart (multi-function) pole solutions**
  - Municipalities demand single structures with smart functions (e.g., lighting, traffic control, 5G, cameras, and EV charging)
  - We have leading domain expertise in telecom and street lighting, the two most common applications
- **Architectural components**
  - Building a sales organization targeting architects and specifiers
  - Ability to offer turnkey solutions
  - Targeting sun belt markets



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## New Product & Service Development

- **Smart pole (multi-function) solutions**
  - Being the integrator will disrupt the market
- **Highway safety**
  - Rigorous standards and long incubation times are barriers to entry
  - We have next-generation products already in pipeline
- **Mitigator™**
  - Innovative solution in high wind markets
  - Extends the fatigue life of new and existing structures
  - Reduces vertical motion for clearer traffic monitoring



**Vibration Mitigation  
Devices**





# ESS Strategic Initiatives

- **Building and aligning the organization**
  - Realigning market focus to 3 core markets; transportation, communication and architectural
  - Reorganizing European and Asia Pacific management structures and repurposing capacity
  - Dedicating segment-level resources to market development
- **Operations**
  - Optimizing capacities in Europe for efficient deployment
  - Creating reliable, low-cost production in strategic locations
- **Commercial excellence**
  - Driving standard work through the organizations
    - Marketing data, pricing, lead generation and follow-up

## Valmont Strategic Focus Going Forward



# Case Study: Parking Garage – Sunscreen and Safety Barrier

## CUSTOMER NEED

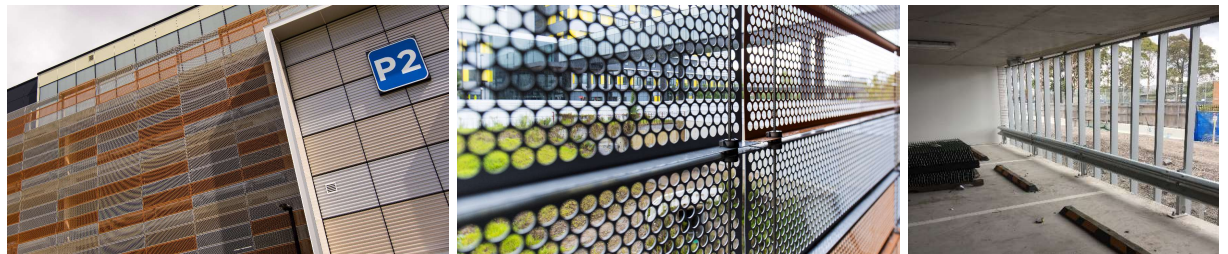
**Project Name:** Royal North Shore Hospital

**Location:** Sydney, New South Wales







Customer required a decorative façade and sunscreen to also serve as a pedestrian barrier for a new, 7-level parking structure

## Our Solution

- Only provider who offered a combined package façade and safety barrier
- Atmosphere™ façade system provided design flexibility and fast and efficient installation
- Strong partnerships with builder and architect provided efficient project management and delivery



## 2016-2017 Lean/Operational Excellence Metrics

|  Safety   |  Talent Development |  Accounts Receivable |  Inventory |  Cost Reductions  |  Productivity |
|--|--|---|---|--|--|
| <p>Total Recordable Incident Rate (TRIR): 12% reduction</p> <p>Lost Time Injury Rate (LTIR): 43% reduction</p> <p>40% reduction in hand injuries</p> | <p>Lean trainings held on-site in Europe and Australia</p>   | <p>Continued focus on improving quality of A/R</p> <p>Global DSO improvement by 15%</p>               | <p>Optimizing inventory by leveraging global supply chain</p>                                 | <p>Building Poland Mfg. Center of Excellence; production transition, COGS reduction</p> <p>Improving SG&amp;A productivity through shared services</p> | <p>European functional organization agenda</p> <p>Implementing quote to cash best practices</p>  |

## Margin Improvement Initiatives

### Price

**Exercise price leadership in a fragmented market**

**Engineering as a value proposition**

**Value selling (e.g., quality, delivery)**

### Cost

**Leveraging back office and manufacturing capacity**

**Rationalize global footprint**

**Regionalize organization for maximum scale benefits (North America, EMEA, APAC)**

**Expand global sourcing initiatives**

### Productivity

**Institutionalize Agile and Lean in the organization**

**Reduce complexity of order-to-cash process**

**Streamline engineering systems**



## Key Takeaways

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Infrastructure Development is Critical to Economic Expansion



Geographic Expansion Taking Existing Products into New Markets



Smart Infrastructure Provides Growth and Value Expansion Opportunities



Driving Value Proposition through Solutions-Based Selling



# Q&A

**BREAK**



# COATINGS

Rick Cornish | Group President





## Key Messages

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Galvanizing Protects Steel for Generations

Robust Global Pipeline of Acquisitions and New Construction Opportunities

Expanding Our Addressable Market through Innovative Use of Technology and Applied Coatings

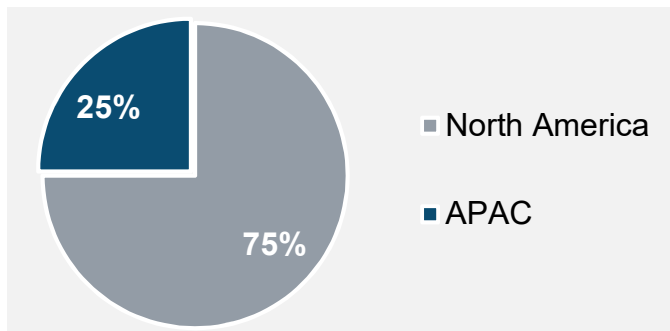
We Find Value-Add Opportunities by Understanding Voice of Customer

# Coatings at a Glance

## Business Profile

|               |        |
|---------------|--------|
| 2017 Revenue  | \$319M |
| Service Sites | 33     |
| Countries     | 6      |
| Employees     | 2,000  |

## Revenue by Region



## Services Portfolio





## How Do We Differ?

---

### Core Strengths

**Highly Diversified  
Customer /  
Market Base**

**Seamless  
Multi-Plant  
Inter-Operability**

**Internal  
Baseload**

**Valmont Coatings  
Operating System**

### Competitive Differentiators

**Customer-Centric  
Partnerships**

**Lean Deployment  
Unrivaled in the  
Industry**

**Unmatched  
Product Breadth,  
Capabilities, and  
Services**

**Innovative Use of  
Technologies**

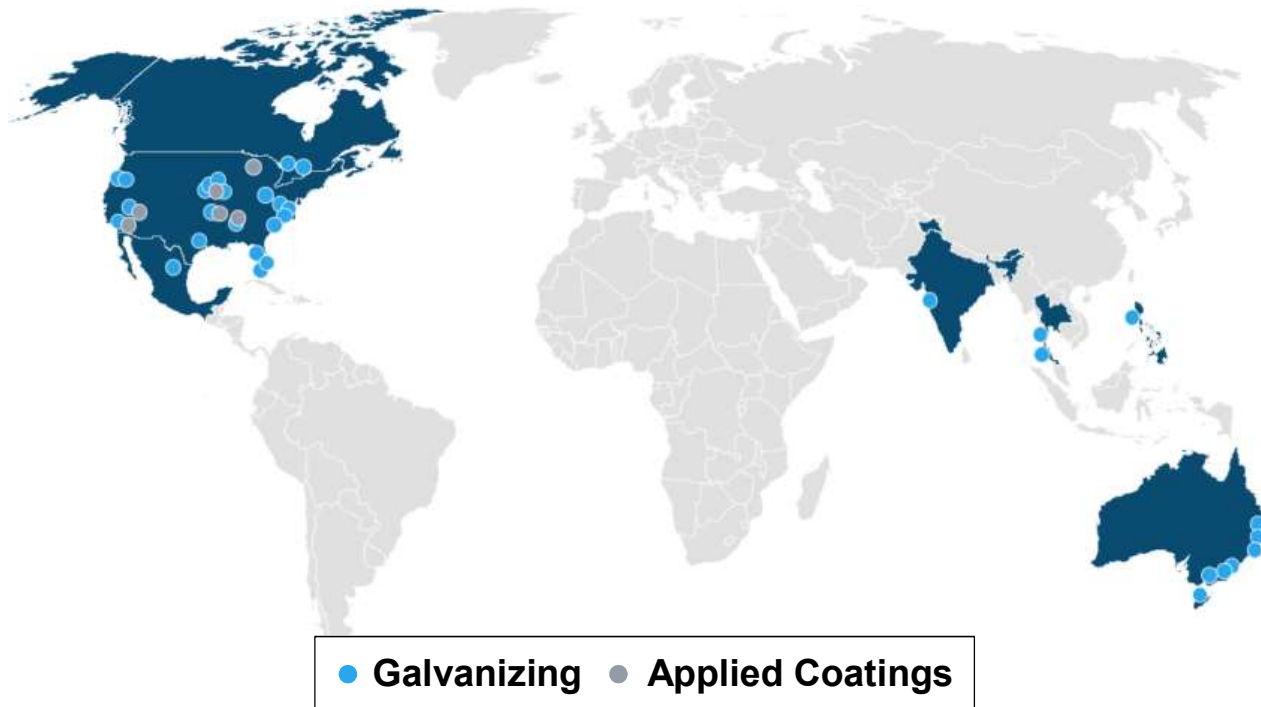
## Demonstrating Our Unique Capabilities

### American Galvanizing Association (AGA) Award | City of San Jose

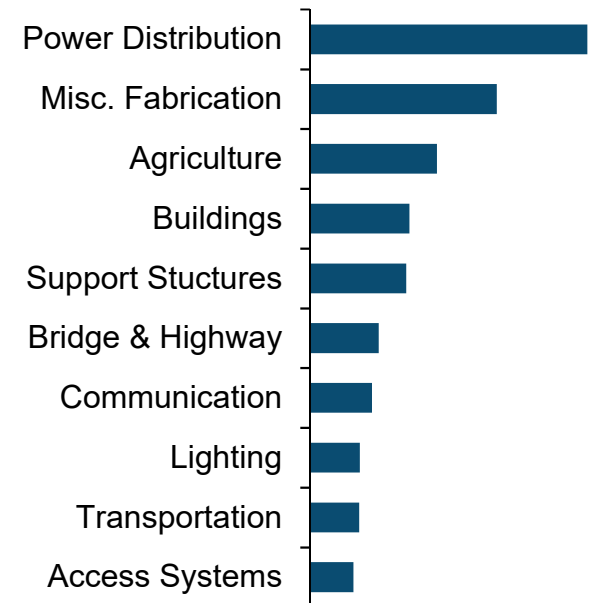


- City of San Jose public art collection in collaboration with the city's trails program
- Showcases our ability to galvanize anything

## Global Coatings Footprint



### Global Markets Served: 2017<sup>1</sup>



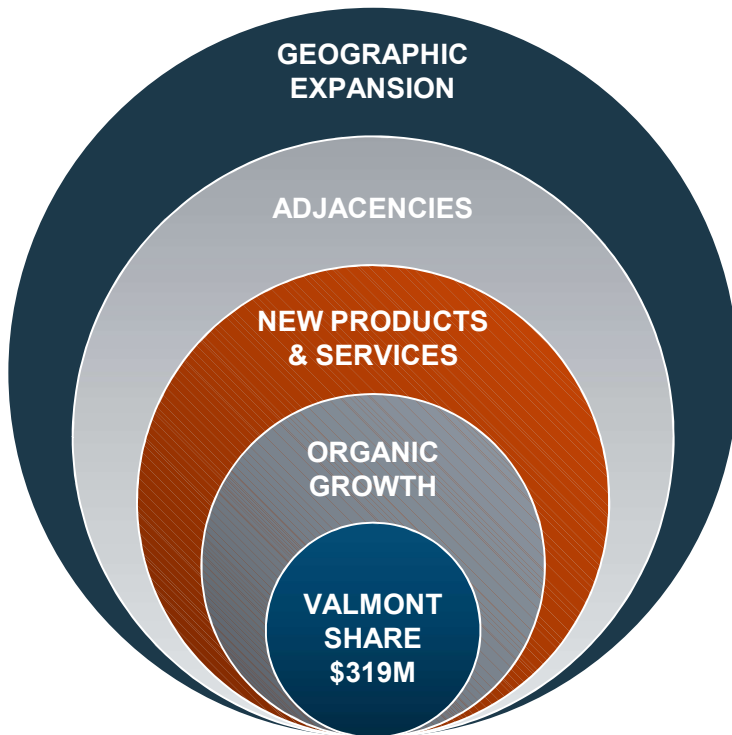
**Broad Footprint to Effectively Serve Our Customers**

## Market Drivers

- **Coatings demand is typically correlated to industrial production**
  - Valmont sales can lag the Industrial Production Index (IPI)
- **Infrastructure investments promote coatings demand**
- **Cost of corrosion is a major financial burden on economies**
  - Total annual estimated cost in the U.S. is \$276B or 3.1% of GDP<sup>1</sup>



## Expanding Our Total Addressable Market



### AREAS OF OPPORTUNITY \$3B

Acquisitions and New Construction

Applied Coatings

Value-Added Services





## Geographic Expansion

- **Targeted acquisitions in galvanizing and applied coatings**
  - Expand market share where we operate currently
  - Enter developing markets
  - Build upon Valmont's in-country presence when expanding to international markets
- **New construction in targeted markets**
  - Target existing Valmont manufacturing locations to baseload demand
  - Identify strategic gaps in our existing footprint



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# Adjacencies



- **Applied Coatings**

- Rebar – “100 Year Bridge”
- Thermal Applications
- Plating

- **Managed Operations**





## New Product and Service Development



**OUR TECHNOLOGY WILL BE A DISRUPTOR**

**Valmont Coatings  
Connector™**

**EXTERNAL**

**GalvTrac™**

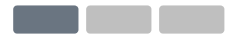
**Valmont Coatings  
Business Intelligence  
& Analytics Dashboard**

**INTERNAL**



# Valmont Coatings Connector (VCC)

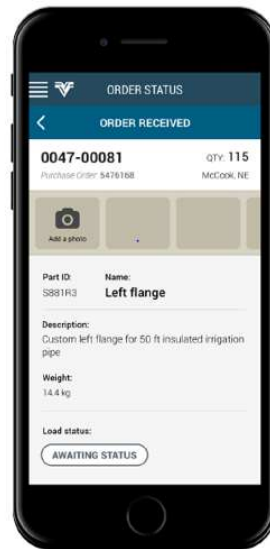
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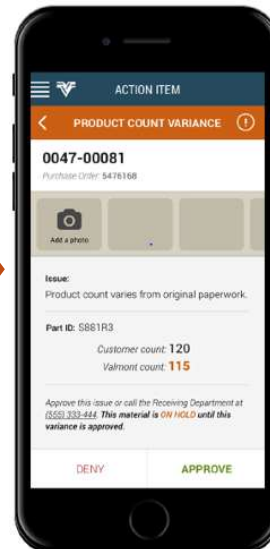
- **Customer-driven app**
  - Customer sought visibility at every stage of the process
- **VCC provides real-time product visibility**
  - Order status & updates, action item resolution, request, and schedule product pickup and/or delivery
  - System generates notifications through text and/or email
  - Order step/status updates and customer service interactions
- **Additional features**
  - GPS-enabled facility locator, galvanizing fit calculator, services, and featured products

# Valmont Coatings Connector (VCC)

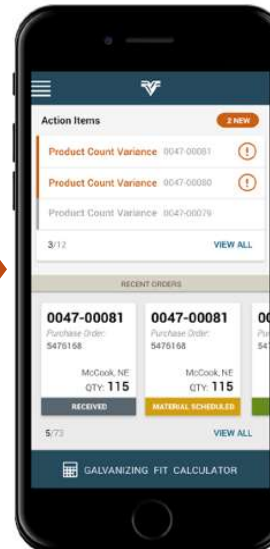
Providing Customers Real-Time Visibility of Their Product in Every Valmont Facility



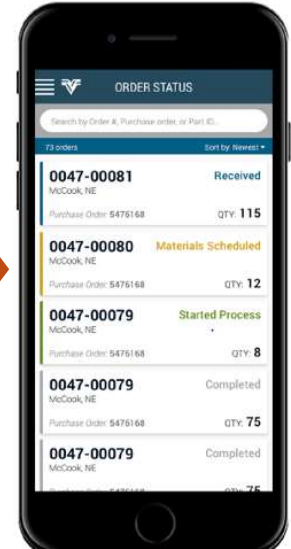
ORDER STATUS - DETAIL VIEW



ACTION ITEM - DETAIL VIEW



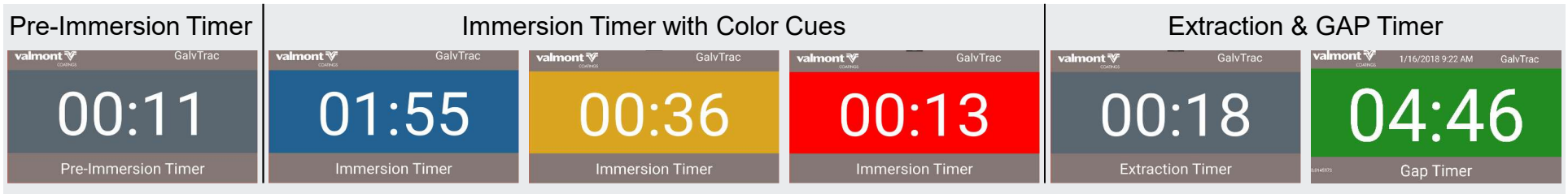
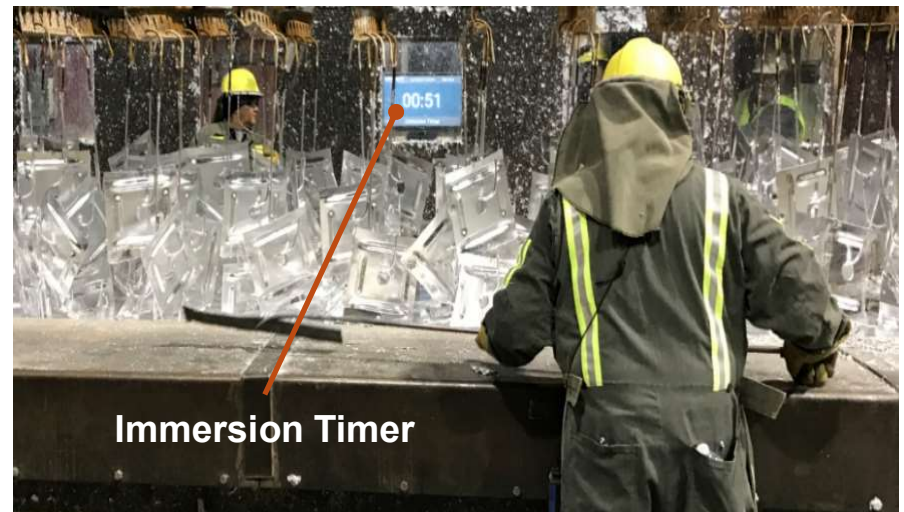
DASHBOARD



ORDER STATUS - LIST VIEW

# GalvTrac™ Proprietary Visual Management Tool

- Precise, proven, and repeatable recipes per customer product
- Lean-optimized: standard work, visual management, and cost reduction
- Minimizes material usage
- Maximizes available process time
- Continuously improving/shared globally





## Valmont Coatings Operating System Business Intelligence and Analytics

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- Numerous acquisitions required implementation of a single operating system
- Finely-tuned combination of operations, finance, communications, and performance management/development
- Produces data and analysis on market trends, customer requirements, and other internal metrics
- Continuously refined to respond to Voice of Customer
- Easily implemented in new locations
- Data enables a deep understanding of our micro-markets, allowing price maximization, capacity utilization, and workforce planning

**Analyze and Address Customer Needs**




# Coatings Strategic Initiatives

- **Building and aligning organization**
  - Identify managers for Leadership track
  - Dedicated business development resource
- **Operations transformation**
  - Drive Agile and Lean throughout the organization
- **Expand process to identify new services and products plus expand value added activities**
  - Further resource innovation efforts
  - Voice of Customer

## *Valmont Strategic Focus Going Forward*



## 2016-2017 Lean/Operational Excellence Metrics

| <br><b>Safety</b>  | <br><b>Talent Development</b>   | <br><b>Operational Metrics</b>  |
|---|--|--|
| <p><b>Total Recordable Incident Rate (TRIR) declined 9% from 5.33 to 4.83<sup>1</sup></b></p> <p><b>Lost Time Injury Rate (LTIR) declined 18% from 0.67 to 0.55<sup>1</sup></b></p> <p><b>Hand Injuries reduced by 65%</b></p> <p><b>Identification of safety hazard reports increased 30% to 2,309</b></p> | <p><b>Lean training held in the U.S. and Australia certifying 25 individuals including two trainers</b></p> <p><b>Participants completed 110 Lean events</b></p> | <p><b>Shipped Complete On Time (SCOT) improvement to 96.2%</b></p> <p><b>119 Kaizen events conducted – increase by 17%</b></p> <p><b>Material productivity (pounds/volume processed) improved by 2.2%</b></p> <p><b>Labor efficiency improved 1.3%</b></p> |



## Margin Improvement Initiatives

### Price

**Micro-market analytics to understand customer/ market needs**

#### **Pricing leadership**

- Value-added services command premium pricing
- Ability to quickly pass on cost increases (inflation) to market

### Cost

**Standard work eliminates waste**

**Product recipes optimize material usage and flow**

**Continuously adjusting staffing levels to the workload**

### Productivity

**Improving pounds per man hour**

**Product recipes increase kettle availability and capacity**

**Joint kaizen events with customers to eliminate waste**



## Key Takeaways

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Driving Growth through Acquisitions and New Construction



Using Technology in a Creative Way to Enhance Results



Broadest Portfolio of Services and Capabilities Attracts Customers



Profitable Business that Levers Well with Volume





# UTILITY SUPPORT STRUCTURES

Aaron Schapper | Group President



## Key Messages

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Customers Value Expertise in Engineering, Project Management, & Execution

Customer Relationships Enhanced by Valuable Alliance Contracts

International Market Expansion is a Focus Area

Adding New Product Lines as Part of Our Global Growth Strategy

# Utility Support Structures at a Glance

## Business Profile

**2017 Revenue  
(Mainly U.S.)**

\$859M

**Manufacturing  
Facilities**

16<sup>1</sup>

**Countries**

4<sup>1</sup>

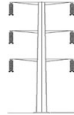

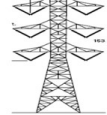
**Employees**

2,900

## Product Portfolio



# Complete Portfolio of Transmission Products

|                                    | <br><b>Monopoles</b> | <br><b>PyraMAX™</b> | <br><b>Lattice</b> |   |
|------------------------------------|---|--|---|---|
| >500KV                             |   | ✓  | ✓   | <ul style="list-style-type: none"> <li>Monopole applications favor <b>expensive</b> labor and land costs</li> <li>Lattice applications favor <b>inexpensive</b> labor and land costs</li> </ul> |
| 500KV – 230KV (Developed Country)  | ✓   | ✓  |   |   |
| 500KV – 230KV (Developing Country) |   |  | ✓   |   |
| Urban Setting                      | ✓   | ✓  |   |   |
| Rural Setting                      |   |  | ✓   |   |
| Difficult Terrain                  |   | ✓  | ✓   |   |



## How Do We Differ?

---

### Core Strengths

Utility Engineering  
Expertise

Breadth of  
Products / Multiple  
Solutions

Flexibility of  
Manufacturing  
Footprint

40 Years of  
Proven, Reliable  
Designs

### Competitive Differentiators

Fast Turnaround  
from Specification  
to Design

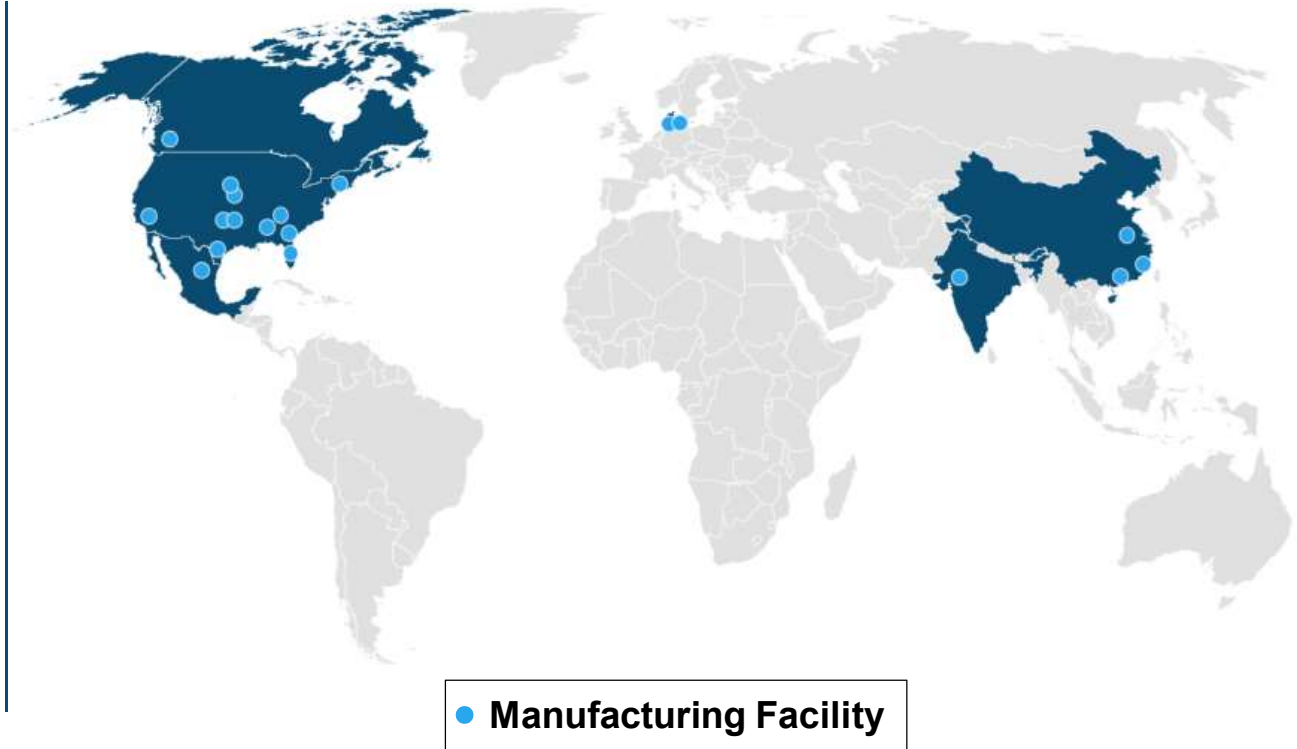
Innovative New  
Products and  
Materials

Broad  
Manufacturing  
Capabilities with  
Global Footprint

Recognized for  
Reliability and  
Performance

## Geographic Footprint

- Current business is ~ 90% in North America
- Leveraging global manufacturing and engineering
- Footprint provides global growth opportunities and cost advantages



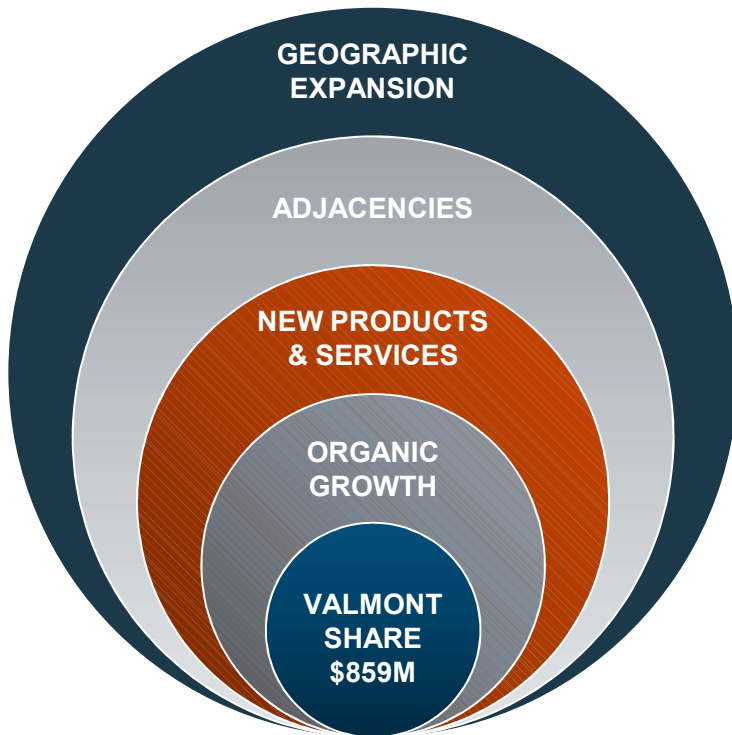


## Market Drivers

- **Reliability, grid hardening, regulatory impetus, and renewable generation**
  - Historical underinvestment in the grid and aging infrastructure
  - Increase in renewable and distributed generation will continue to drive new additions to the grid
  - Demand for uninterrupted power
  - Wood transmission pole and distribution pole replacement represents a sizeable market opportunity



## Expanding Our Total Addressable Market



### AREAS OF OPPORTUNITY \$12B

Global Expansion & Acquisitions

Lattice

Pre-Packaged Substations

Concrete for Grid Hardening & Distribution

Technology Services as a Disruptor

# Geographic Expansion



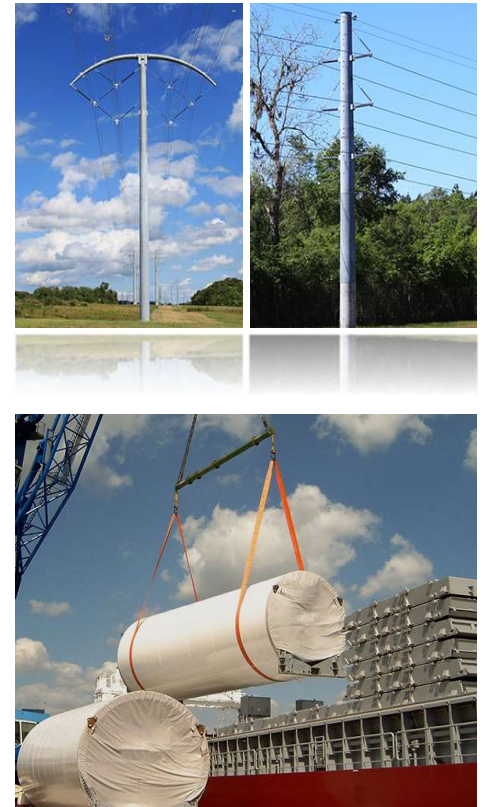
- **Add lattice capabilities**
  - Opens international markets
  - Ability to leverage our existing alliances
- **Increase round pole opportunities in Europe**
- **Further expand Middle East and Africa markets**
- **Enter Latin and South America**





## Adjacencies

- **Services will become an important part of our differentiation strategy**
  - Advanced Technology: Drone inspections for engineering and coatings
- **Add lattice capabilities in U.S.**
  - Completes Valmont transmission product line
  - Strengthens Alliance opportunities
  - Uses existing SG&A and sales channels
- **Offshore-to-onshore wind in Europe**



# Case Study: Drone Inspection



## CUSTOMER NEED

Accurate and timely inspections that were cost-efficient and reduced the risk of injury in high-wind conditions

## Our Solution

- Implement use of drones using high-definition optics for visual review on energized lines
- Use LIDAR<sup>1</sup> capabilities for line design and to tag right-of-way intrusions
- Ability to fly in adverse weather conditions, day or night



# New Product & Service Development



- **Pre-packaged substation**
  - Pre-assembled kits easily transportable and erected in the field
  - Results in better control of project management
- **Concrete distribution poles**
  - Spun concrete and concrete/steel combination
  - Narrows the cost gap with wood inclusive of installation
  - Investing in capacity and equipment
- **Active new product pipeline**
- **PyraMAX™ continues to gain market acceptance; >\$20M annual sales globally**



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# Utility Support Structures Strategic Initiatives

- **Supply electric grid designs and structures anywhere in the world**
  - Enabled by successful M&A execution
  - Enables greater participation in system upgrades
- **Building and aligning the organization**
  - Promoted 3 business line/product line managers
  - Dedicated a business development resource
  - Created global engineering and drafting team
- **Enhancing process for new product development**
  - Dedicated Agile leadership and management tools
  - Partnering with key customers on engineering and product solutions
- **Operations transformation**
  - Continued move to shared enterprise services

## *Valmont Strategic Focus Going Forward*





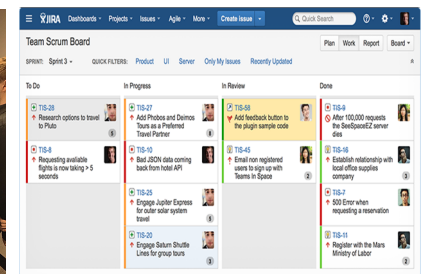
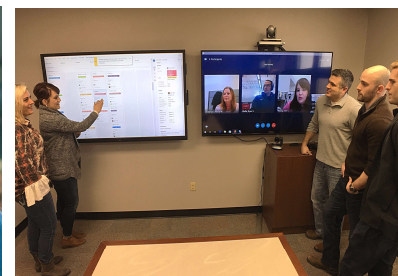
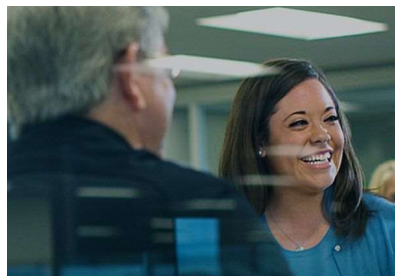
# Case Study: Agile Methodology Success

## CUSTOMER NEED

Reduced design and cycle time with better visibility of engineering status

## Our Solution

- Implemented Agile methodology, leading to self-managing fast and flexible teams
- Digital Kanban for Engineering
  - Multiple, global teams with self-prioritized work
  - Vastly improved order status visibility to customers
  - Led to improved engineering capacity planning
  - Recognized 20% productivity improvement, headcount-neutral





## Margin Improvement Initiatives

### Price

**Implement a discriminating and balanced approach to customer mix**

**Introduce innovative products to increase margins**

**Bundle material, product, and service solutions**

### Cost

**Leverage back office and manufacturing capacity**

**Utilize raw material efficiently in designs**

**Automate manufacturing**

### Productivity

**Drive Agile and Lean further into the organization**

**Further optimize operations to reduce conversion costs and SG&A**



## Key Takeaways

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Favorable End Market Conditions Globally



Geographic Expansion for Revenue Growth



Product Innovations Gaining Momentum



Pursuing Growth through Acquisitions





# IRRIGATION

Lennie Adams | Group President



## Key Messages

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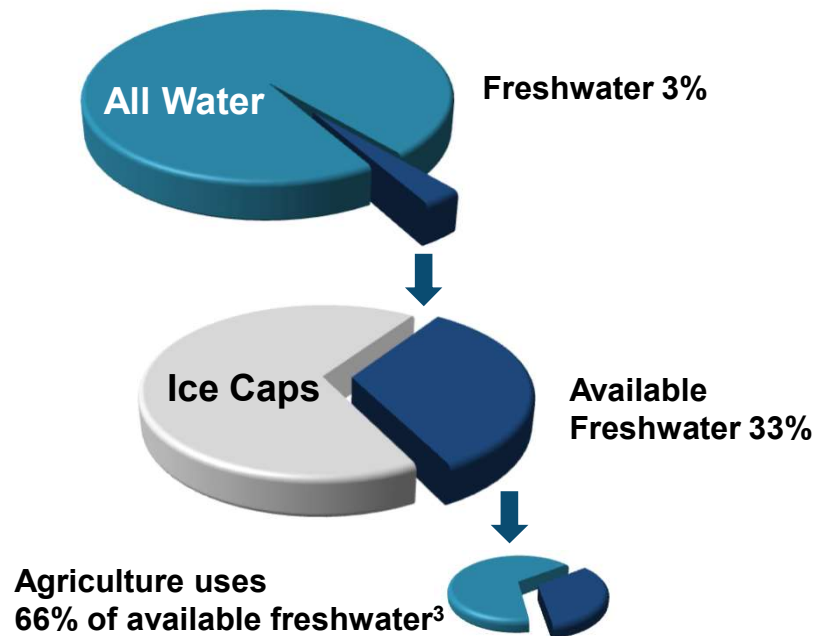
Population Growth and Dietary Improvement Drive Long-Term Demand

Brand Recognition Earned through Reliability, Innovation, Durability, and Global Dealer Network

Technology Leadership is Providing Growth Opportunities

International Markets Growing Faster than North America

# The Irrigation Story



**Irrigated Land Produces More Crop & More Value**

- Irrigated farms are more productive
  - Globally, 18% of farmland is irrigated, yet produces 40% of the total crop<sup>1</sup>
- Reduced tillage / soil erosion, run-off, and energy costs
- Proven yield increases across all crops

## Greater Water Efficiencies from Mechanized Irrigation<sup>2</sup>

**Gravity/Flood**

50% - 85%

**Drip**

75% - 95%

**Mechanized (Pivot)**

75% - 95%

# Irrigation at a Glance | Valley

## Business Profile

**2017 Revenue**

\$652M

**Facilities**

(Mfg., Warehouse, & Distribution)

21

**Countries**

8

**Employees**

1,600

**Global Dealerships**

>500 Dealers<sup>2</sup>

## Products & Services





## How Do We Differ?

---

### Core Strengths

**Brand Recognition  
and Global  
Footprint**

**Dealer  
Development**

**Most Connected,  
Reliable, Durable  
Pivots in Market**

**Focus on  
Voice of Grower**

### Competitive Differentiators

**Global Dealer  
Network**

**Technology  
Leadership**

**Valley University™**

**Global  
Response Time**

## Geographic Footprint

- #1 global market share in mechanized irrigation
- Manufacturing facilities target key regions and offer flexibility
- Global demand can be sourced from any facility



**Manufacturing Network is a Competitive Advantage**



## Market Drivers

- **Long-term**

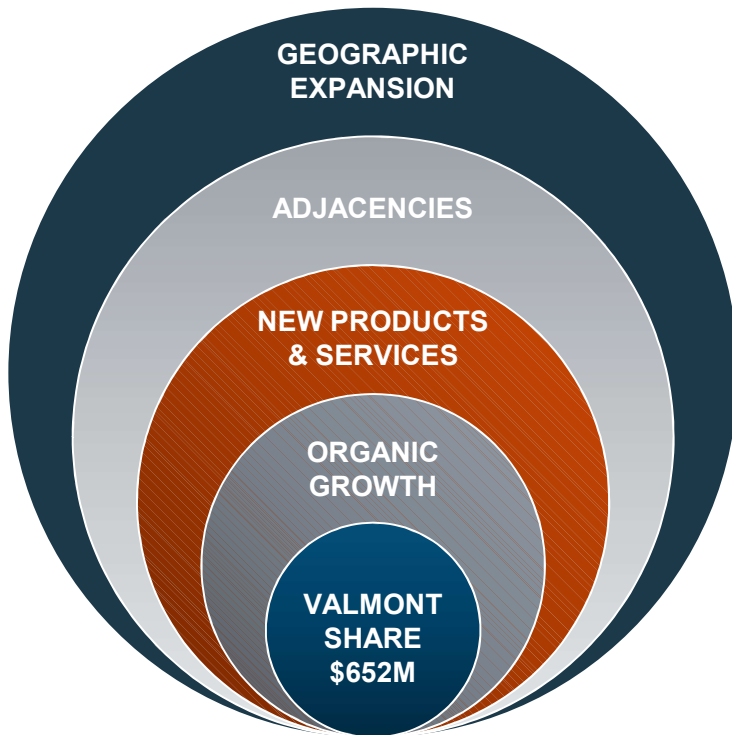
- Constraints on fresh water resources
  - 1B people live in water-scarce regions, growing to 3.5B by 2025<sup>1</sup>
- Governments' desire to become more self-sufficient in food production
- Demand on food production
  - 35% population growth by 2050; food production must grow 70%<sup>1</sup>
  - Increased economic prosperity
  - Limited arable land
- Large installed base of machines creates replacement opportunity

- **Short-term**

- Commodity prices and net farm income
- Availability of farm labor



## Expanding Our Total Addressable Market



### AREAS OF OPPORTUNITY \$11B

International Growth

Full Service Water Management for Ag

Focus on Higher Value Crops

Enhanced Technology Solutions

## Geographic Expansion: International Growth



- **Targeting markets with a mix of the following qualities**
  - Population growth
  - Arable land
  - Available water
  - Desire for self-sufficiency and political policies that support agricultural development
- **Localized product development through voice of grower**
- **Support new technology rollouts with in-country training**



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# Adjacencies: Full Service Water Management for Ag



- **Engineered turnkey irrigation solutions**

- Water delivery from source to field
- Enhanced products and consulting services
- Integrate Valley Water Management as a solution into more platforms
  - Scheduling, monitoring, and pumping controls
- Aid the grower in managing increasing regulatory and compliance requirements
  - Cascade Earth Sciences

**Valley Pumping Station**



**Valley Scheduling Software**



**Strong  
Brand  
Portfolio**

**AGSENSE**

**CES**

**IRRIGER**

**VALLEY**  
WATER MANAGEMENT

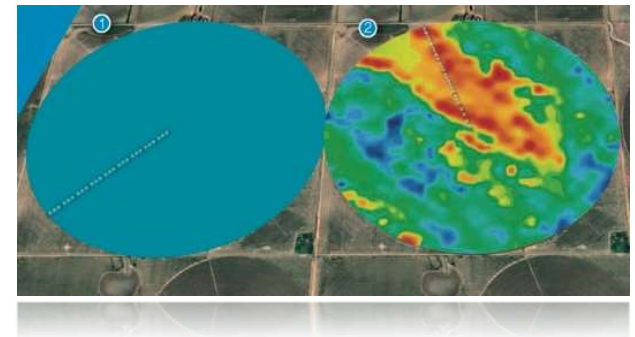
**TORRENT** Engineering & Equipment

## Adjacencies: Expand Markets to Higher Value Crops



- **Expand from traditional crops of corn & soybeans to other high-value specialty crops such as potatoes, carrots, sugar cane, and alfalfa**
- **High-value crops require more precise irrigation management**
- **Created specialized products and solutions for high-values crops**
  - Variable rate irrigation
  - X-Tec high-speed drive train
  - Chemigation and fertigation can be applied through the pivot

Variable Rate Irrigation



X-Tec



# New Product Development: Enhanced Technology Solutions



- **Drive adoption of Valley Irrigation integrated technology solutions**
  - Deliver labor savings and increase the quality of life for our growers
  - AgSense
- **Increase adoption of Valley ICON™ smart panels**
  - Simplified, intuitive user experience
  - Mobile, desktop, and in-field applications
- **Valley Irrigation Exchange™**
  - Interfaces with other major farm equipment vendors
  - Shares data across platforms
  - Open architecture



# Irrigation Strategic Initiatives

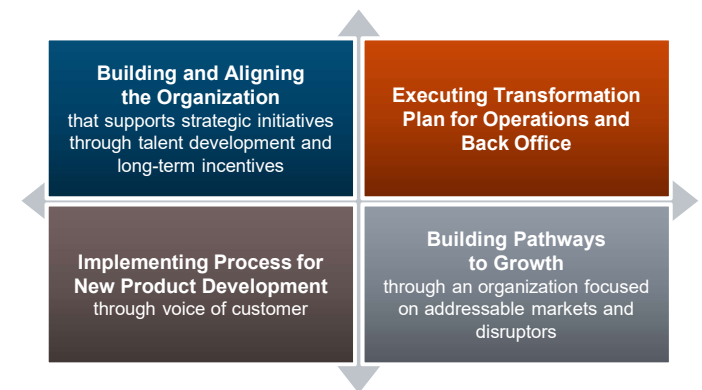
- **Building and aligning organization**
  - Increased focus on talent management
  - Established Valley Water Management group
  - Strategic regional leadership
  - Dedicated business development resource
- **Operations transformation**
  - Agile and Lean organization
- **Commercial operations**
  - Large farms/key account management
  - Aftermarket parts growth



1,120 courses offered in 5 languages  
100,000 courses completed over 5 years

- **Refining process for new product development**
  - Voice of grower included in every step of new product development







## Valmont Strategic Focus Going Forward



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## 2016-2017 Lean/Operational Excellence Metrics

|   |                                        |           |  |  |  |
|--|---|--|---|---|---|
| Safety   | Talent Development  | Inventory  | Cost Reductions   | Productivity  | Tubing Scrap  |
| <p>Total Recordable Incident Rate (TRIR) declined 33% from 2.18 to 1.45<sup>1</sup></p> <p>Lost Time Injury Rate (LTIR) declined 78% from 0.91 to 0.20<sup>1</sup></p> <p>Identification of safety hazard reporting from better engagement: 36% to 1,856; 95% closed</p> | <p>Global Training held in UAE, Brazil and U.S.</p> <p>Each participant created 5 value stream improvement projects</p> | <p>Global turn improvement by 11%</p> <p>33 more intra-site Kanban activities per site</p> | <p>55% improvement in cost reductions in 2017</p>                                   | <p>Hours per span shipped improved 29% globally</p>                                 | <p>11% reduction in process scrap: from 5.9% to 5.26%</p>                           |
| <sup>1</sup> Rate per 200,000 hours.   |   |  |   |   |   |



## Margin Improvement Initiatives

### Price

**Superior product, service, and support enable price leadership**

**Dealer development and pricing education empowers dealers to command premium price**

### Cost

**Material optimization**

**Continue to build upon Lean successes**

**Sourcing flexibility from multiple locations**

**Leverage back office and manufacturing capacity**

### Productivity

**Supervisor training**

**Continued automation of processes**

**Evolution in our sourcing strategy**

**Reducing process waste (Lean for the office)**



## Key Takeaways

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We Are Driving Growth, Not Waiting for Market Rebound



Market-Leading Technology



International Sales Expected to Exceed North America Over Time



Good Business in Down Markets, Great Business in Good Markets



# FINANCIAL OVERVIEW

Mark Jaksich | EVP & CFO



## Key Messages

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Improved Financial Performance Since 2015 Trough

Strong Balance Sheet with Liquidity to Fund Growth

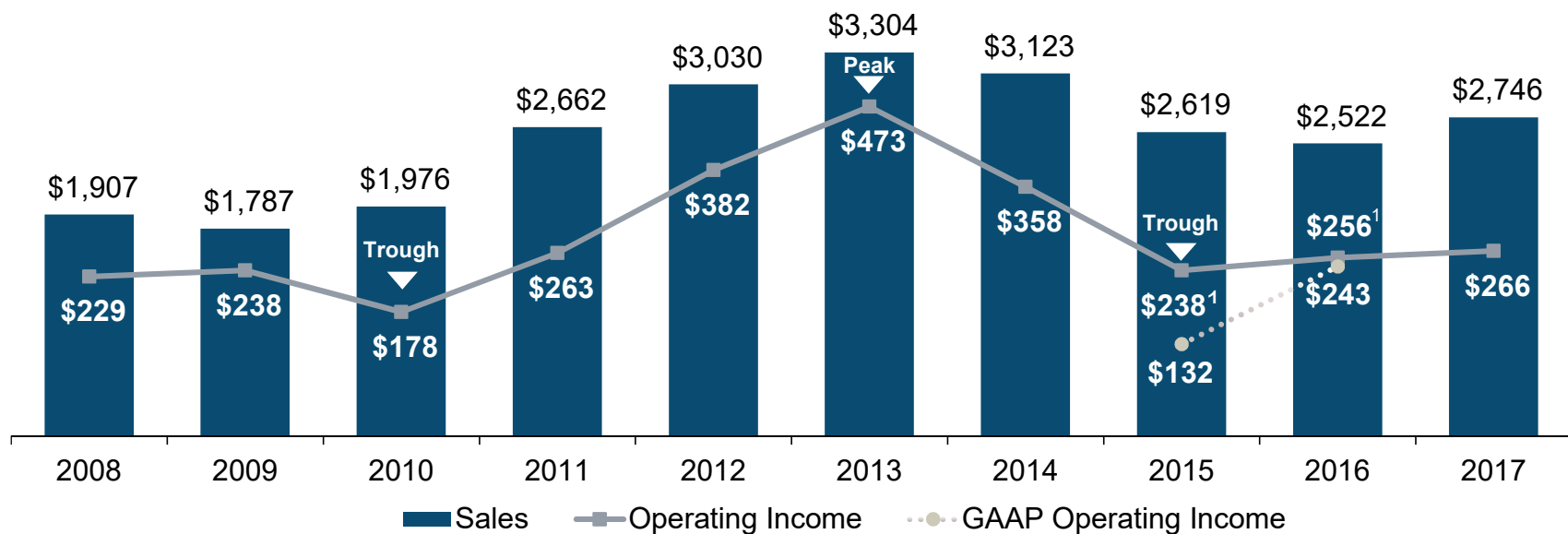
We Measure Our Success Using ROIC and Operating Income Growth

Building an Organization to Support Growth and Acquisition Activity

# Strong Peak to Trough Performance

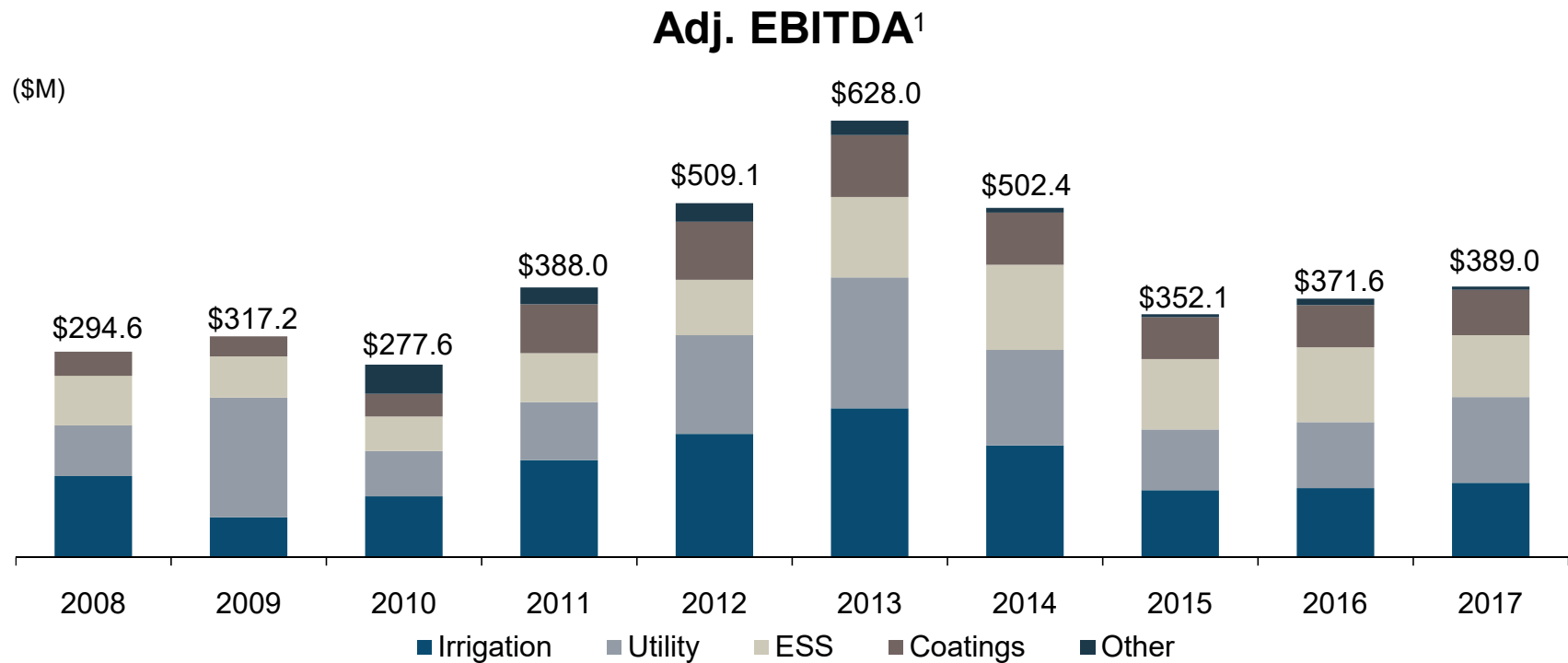
## Sales and Operating Income<sup>1</sup>

(\$M)



<sup>1</sup> Excludes restructuring charges, impairments and significant one-time adjustments. Please see Company's Reg. G table at end of presentation.

## Independent Segment Drivers Provide Stability Over Time



106 | March 6, 2018 | Valmont Industries, Inc. <sup>1</sup> Totals are exclusive of Corporate expense. Excludes restructuring charges, impairments and significant one-time adjustments. Please see Company's Reg. G table at end of presentation.

## Strong and Flexible Balance Sheet

### 2017 Debt and Liquidity

|                           |   |
|---------------------------|---|
| Free Cash Flow            | \$90M   |
| Cash at 12/31             | \$493M (\$406M ex. US)  |
| Total Debt                | \$755M  |
| Revolving Credit Facility | \$600M<br>\$200M Accordion Feature<br>\$0 Drawn; Expires 2022 |

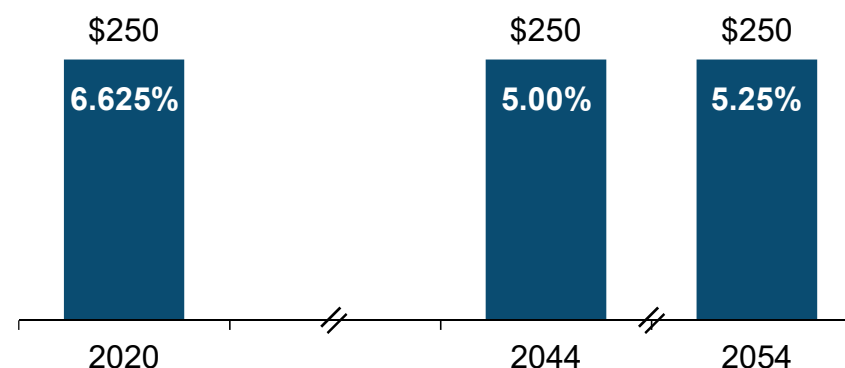
### 5-Year Historical Debt/Adjusted EBITDA<sup>2</sup>

|             |             |             |             |             |
|-------------|-------------|-------------|-------------|-------------|
| 0.9x        | 1.9x        | 2.7x        | 2.3x        | 2.2x        |
| <b>2013</b> | <b>2014</b> | <b>2015</b> | <b>2016</b> | <b>2017</b> |

### Credit Rating

|         |      |                     |
|---------|------|---------------------|
| S&P     | BBB+ | Stable <sup>1</sup> |
| Moody's | Baa3 | Stable              |

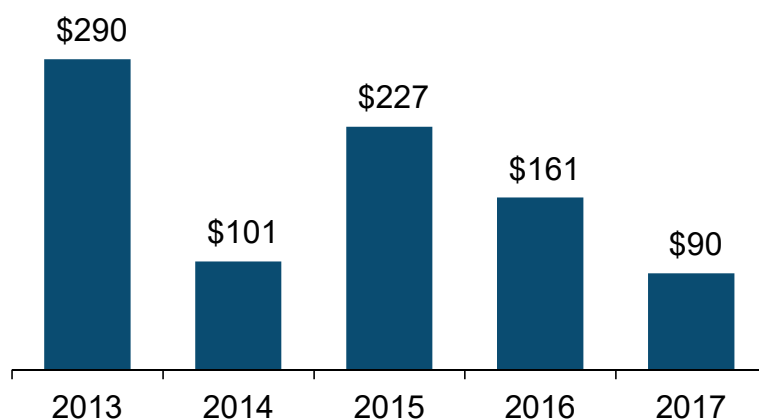
### Debt Maturities (\$M)



**Maintain Investment Grade Rating; Target Debt/EBITDA of 1.5-2.5x**

# Strong Free Cash Flow Supports Capital Deployment

Free Cash Flow (\$M)

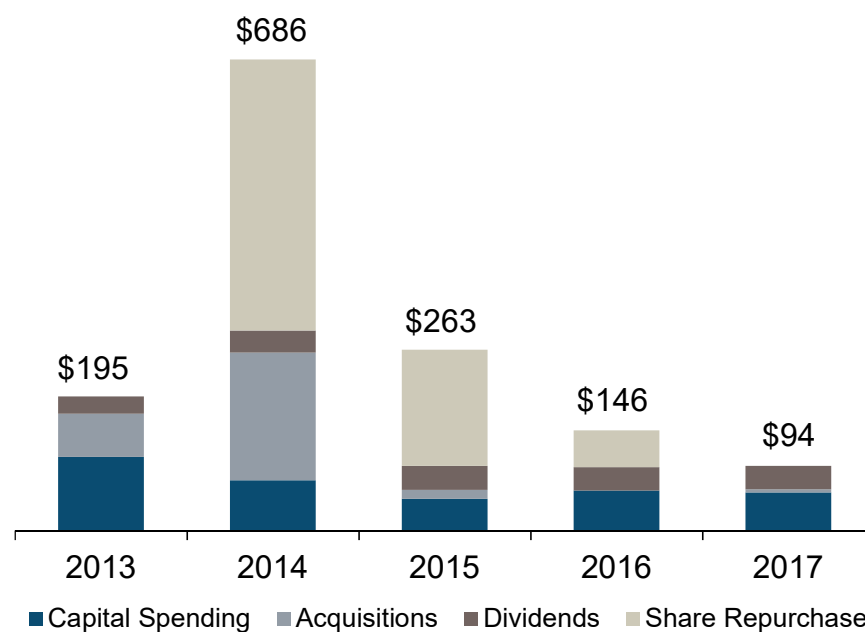


FCF Conversion by Year<sup>1</sup>

| GAAP | 1.04x | .55x | 5.65x | .93x  | .78x |
|------|-------|------|-------|-------|------|
| Adj. | 1.04x | .55x | 1.71x | 1.11x | .57x |

5-Year Average Adj. FCF Conversion of 1.0x<sup>1</sup>

Capital Deployment Track Record (\$M)





## Capital Allocation Priorities

### Support Growth & Operations of Existing Businesses

- Working capital investment to support sales growth
- Capital expenditures \$65M – \$75M annually

### Acquisitions

- Strategic fit – leverage
- Clear path to returns exceeding cost of capital within 3 years

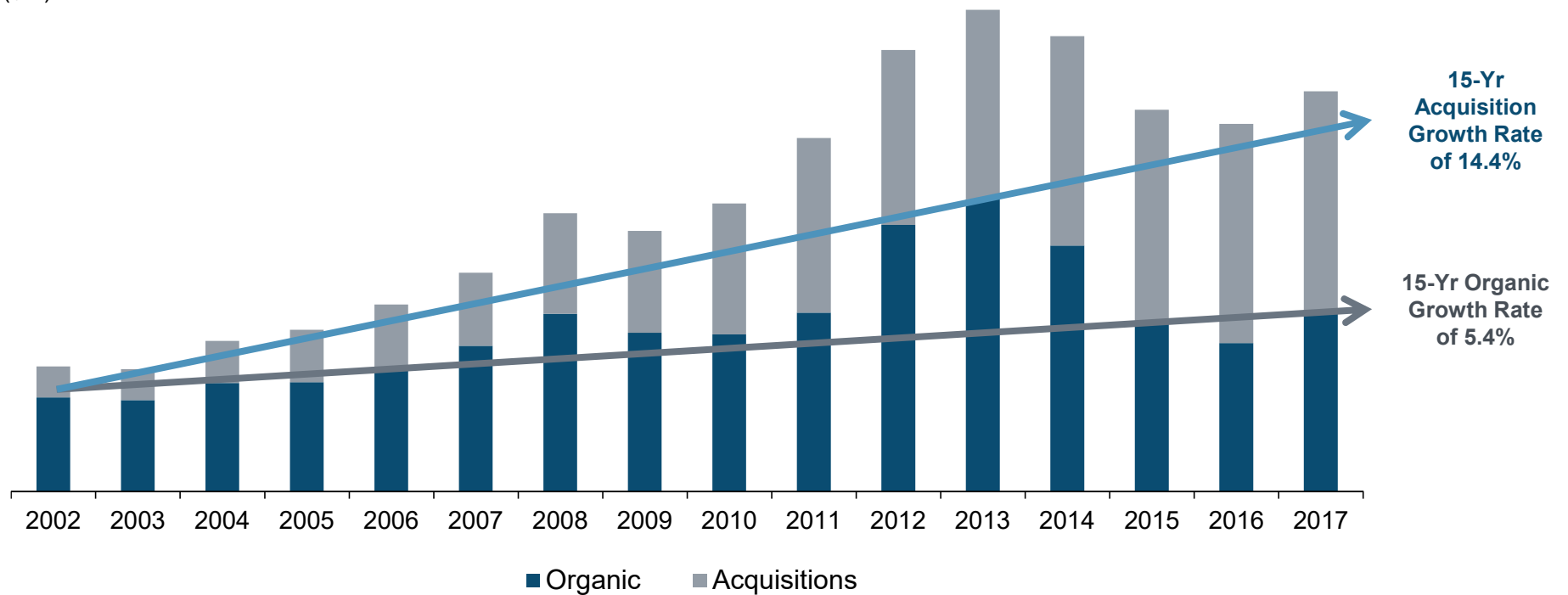
### Return Cash to Shareholders

- Dividends – targeted payout ratio of 15% of earnings
- Opportunistic share repurchase; \$132M remaining on authorization

## Growth Track Record: Organic and Acquisition

### Sales

(\$M)



## Disciplined and Strategic M&A Approach

| 1. Identify Opportunity & Synergies   | 2. Financial Justification  | 3. Evaluation Phase   | 4. Integration and Post-Evaluation   |
|---|---|---|--|
| Market, customer, and/or product<br><br>Operational and supply chain<br><br>Core competencies and synergies | Financial performance of target over the cycle<br><br>Path to exceed after-tax cost of capital of 8.5% over 3 years | Additional focus on identifying, measuring, and committing to synergies | More formal and structured integration planning<br><br>Review within 2 years post-transaction<br><br>Measure results: <ul style="list-style-type: none"><li>– Financial</li><li>– Strategic</li><li>– Operational</li><li>– Market</li></ul> |

**Identify Key Learnings to Modify and Enhance the Process Going Forward**

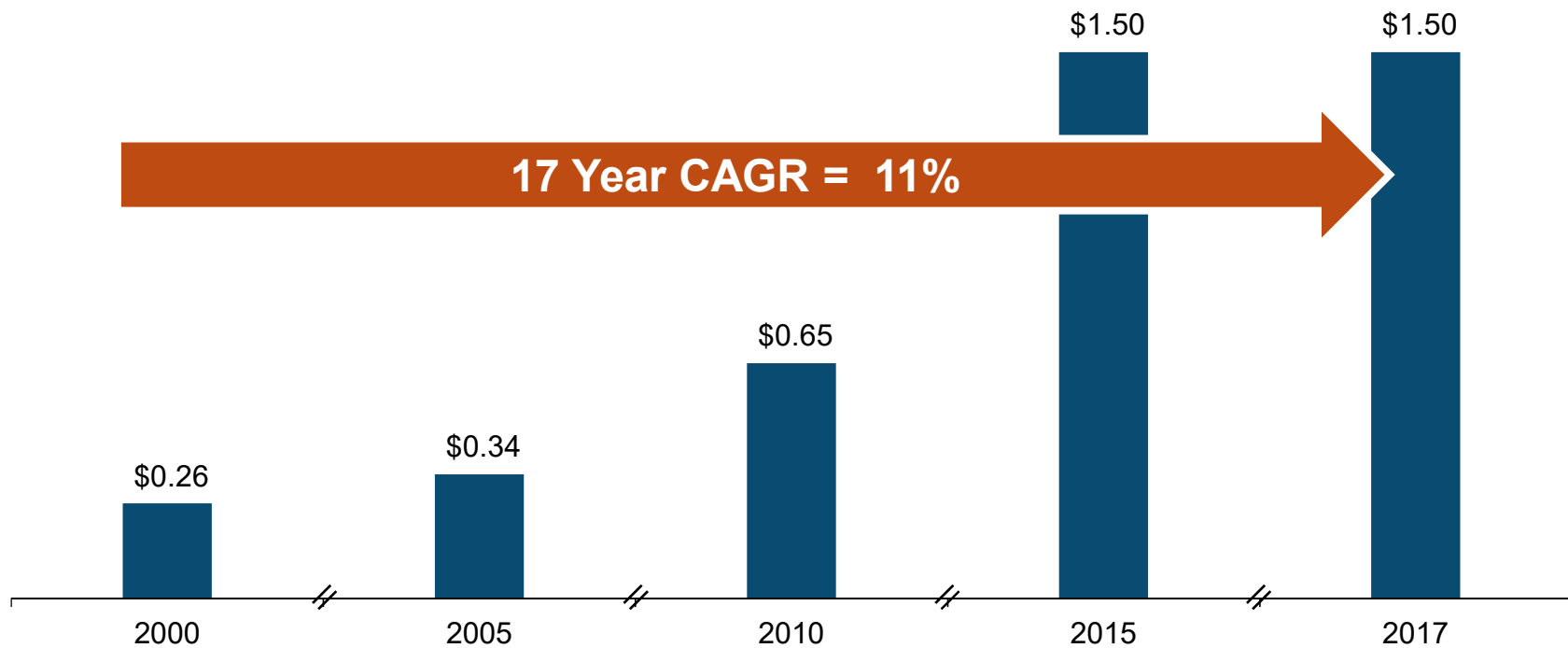
## M&A Scorecard

| Acquired            | Dec. 2012   | Feb. 2013                          | Dec. 2013   | Mar. 2014                      | Aug. 2014                                     | Oct. 2014                                | Sep. 2015                                     |
|---------------------|---|------------------------------------|---|--------------------------------|---|--|---|
| Segment             | Coatings  | ESS                                | ESS   | Utility                        | Irrigation                                    | ESS                                      | Coatings                                      |
| Location            | Canada  | Australia                          | New Zealand   | Denmark                        | U.S. (SD)                                     | U.S. (SC)                                | U.S. (NJ)                                     |
| Strategic Rationale | Establish Canadian Presence in Galvanizing  | Market Expansion of Access Systems | Acquire Highway Safety Technology and Expand Product Offering | Offshore Engineered Structures | Irrigation Controls and Monitoring Technology | Strengthen Composite Structures Offering | Galvanizing Geographic Expansion into NE U.S. |
| Purchase Price      | \$45.7M   | \$53.2M                            | \$10.0M   | \$120.5M                       | \$17.0M                                       | \$48.2M                                  | \$12.8M                                       |
| % Acquired          | 100%  | 100%                               | 100%  | 95%                            | 51%   | 100%                                     | 100%  |
| Lessons Learned     | <ul style="list-style-type: none"> <li>• Deeper analysis of markets/submarkets over longer historical time period to better validate sales forecast</li> <li>• Develop better action plans to address customer concentration risks</li> <li>• More in depth operational review to sharpen future capital spending needs</li> <li>• Operational integration plans – more willing to reassess post-acquisition</li> </ul> |                                    |   |                                |   |  |   |



## Dividend is an Important Commitment

Dividend per Share





# Finance Function Transformation

## Realign Finance Resources for Better Organizational Support and to Enable Growth

### Finance Business Partner

- Strengthen FP&A function
  - Focus on pricing, cost drivers, and customer metrics (i.e., costs to serve)
- Enhance financial forecasting
  - Standardize processes
  - Improve demand predictability
  - Build on S&OP processes
- Provide greater support to businesses on acquisition initiatives

**Finance Teams Dedicated to BU Leaders to Provide Key Finance Support**

### Regional Shared Services

- Centralizing common functions
  - Transactional – A/P, A/R, and financial closings
  - Credit control
  - Global IT
- Enhancing controls, eliminating unneeded control procedures, reducing IT instances (i.e., complexity reduction)
- Streamlining and standardizing processes
- Platform for leveraging future growth (M&A integration)

**Centralize Key, Common Finance, and Accounting Functions on a Regional Basis**

► **RESULTS:** *Australia:* Transitioned in 2016/17 | *North America:* In-Process



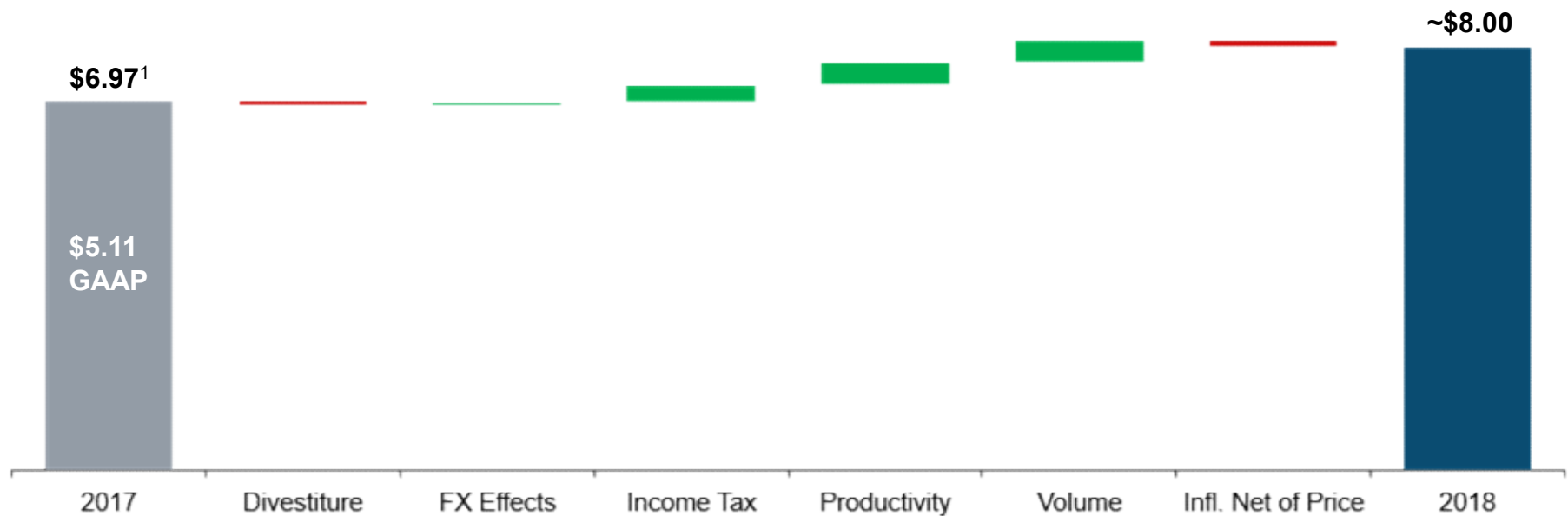
## Tax Reform

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- 2017 transitional effect: \$42M<sup>1</sup> – \$1.84 per share
  - Re-measurement of net deferred tax assets: \$20.4M – non-cash
  - Deemed repatriation of foreign earnings ~\$21.6M
- Effective tax rate for 2018 going forward expected to be ~25%<sup>1,2</sup>
- Cash mobility will improve
  - Repatriate \$75M – \$100M foreign cash to U.S. – under review
  - Reinvest excess foreign cash in growth and M&A
- Approach to capital investment unchanged – tax law change will improve ROIs

## 2018 EPS Guidance

### Adjusted EPS Walk | 2017-2018



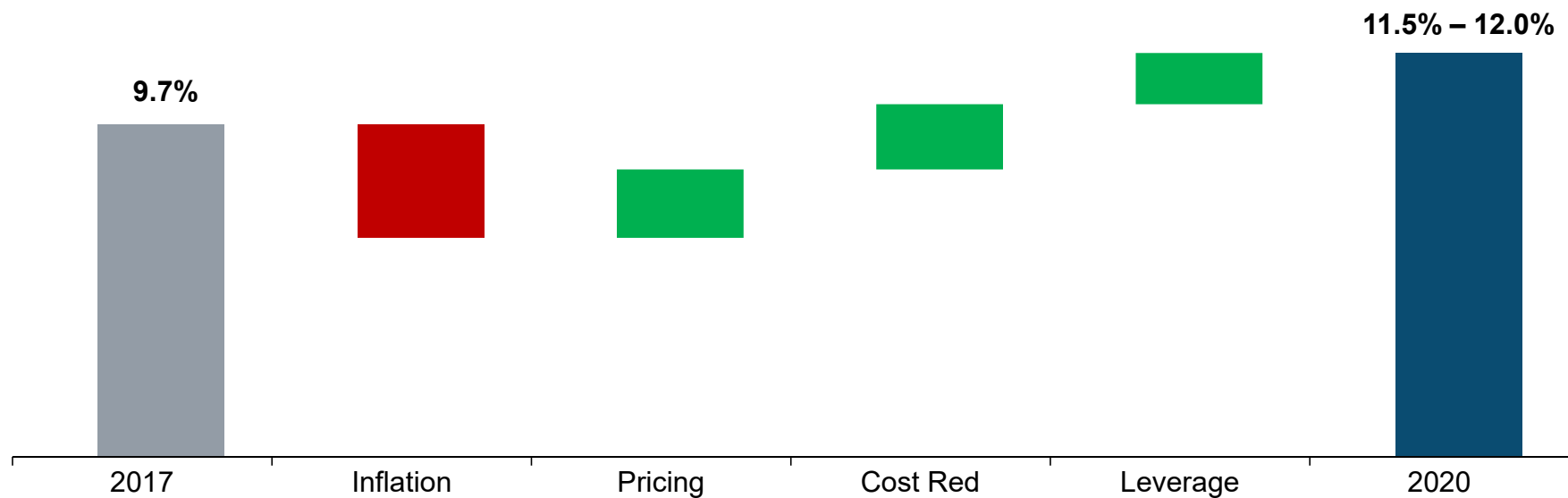
**General Assumptions:** FX Rates Similar to Current Rates | Inflationary Effects Recovered through Pricing and Productivity | Excludes M&A





# Margin Walk 2017-2020

## Margin Walk | 2017-2018



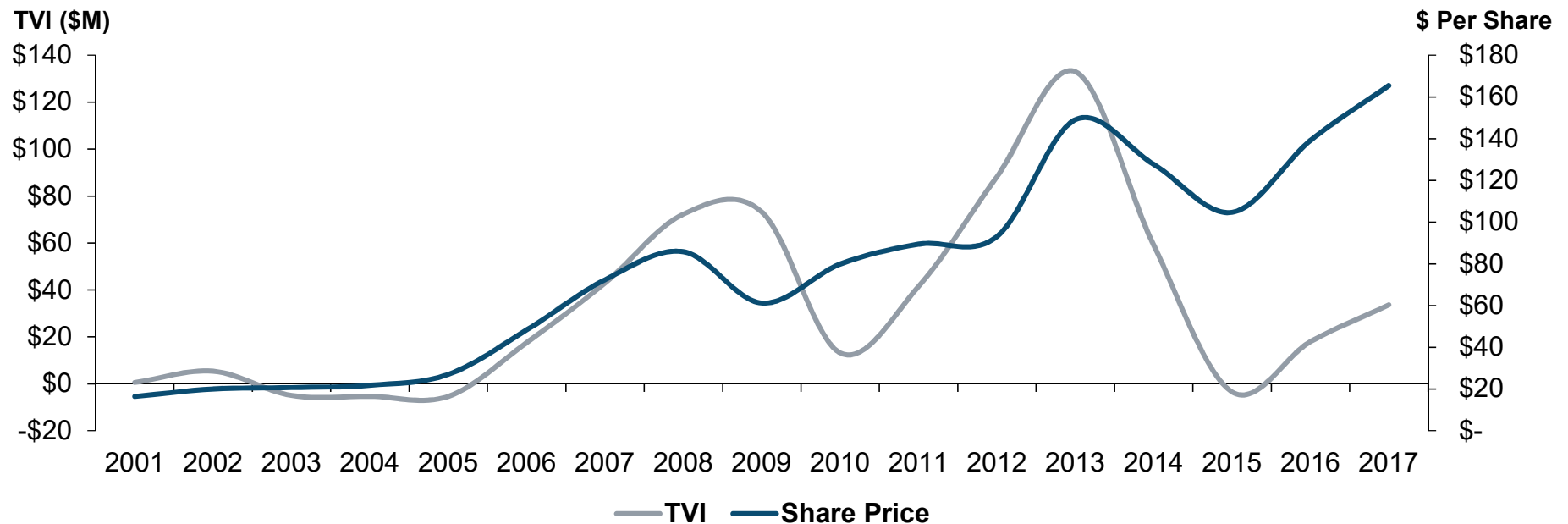
**General Assumptions:** Inflation Offset by Cost Reductions and Pricing | Volume Leverage from Growth Initiatives | Excludes M&A

## Long-Term Company Targets

|                                     | Goal                   | 2016   | 2017    | 2016<br>Adjusted | 2017 <sup>2</sup><br>Adjusted | 2018 <sup>2,3</sup><br>Projected |
|-------------------------------------|------------------------|--------|---------|------------------|-------------------------------|----------------------------------|
| <b>Revenue Growth<sup>1</sup></b>   | 5% – 10%               | (3.7%) | 9.0%    | (3.7%)           | 9.0%                          | 7.0%                             |
| <b>EPS Growth</b>                   | > 10%                  | 346.2% | (33.0%) | 14.0%            | 8.6%                          | ~14.8%                           |
| <b>ROIC<sup>2</sup></b>             | > 10%                  | 9.5%   | 7.7%    | 10.0%            | 10.3%                         | > 10.0%                          |
| <b>FCF Conversion<sup>2</sup></b>   | > 1.0x<br>Net Earnings | 0.9x   | 0.8x    | 1.1x             | 0.6x                          | > 1.0x                           |
| <b>Operating Margin<sup>2</sup></b> | > 12%                  | 9.7%   | 9.7%    | 10.1%            | 9.7%                          | 10.2%                            |

# Strong Correlation of Total Value Impact (TVI) & Share Price

TVI<sup>1</sup> vs. Share Price

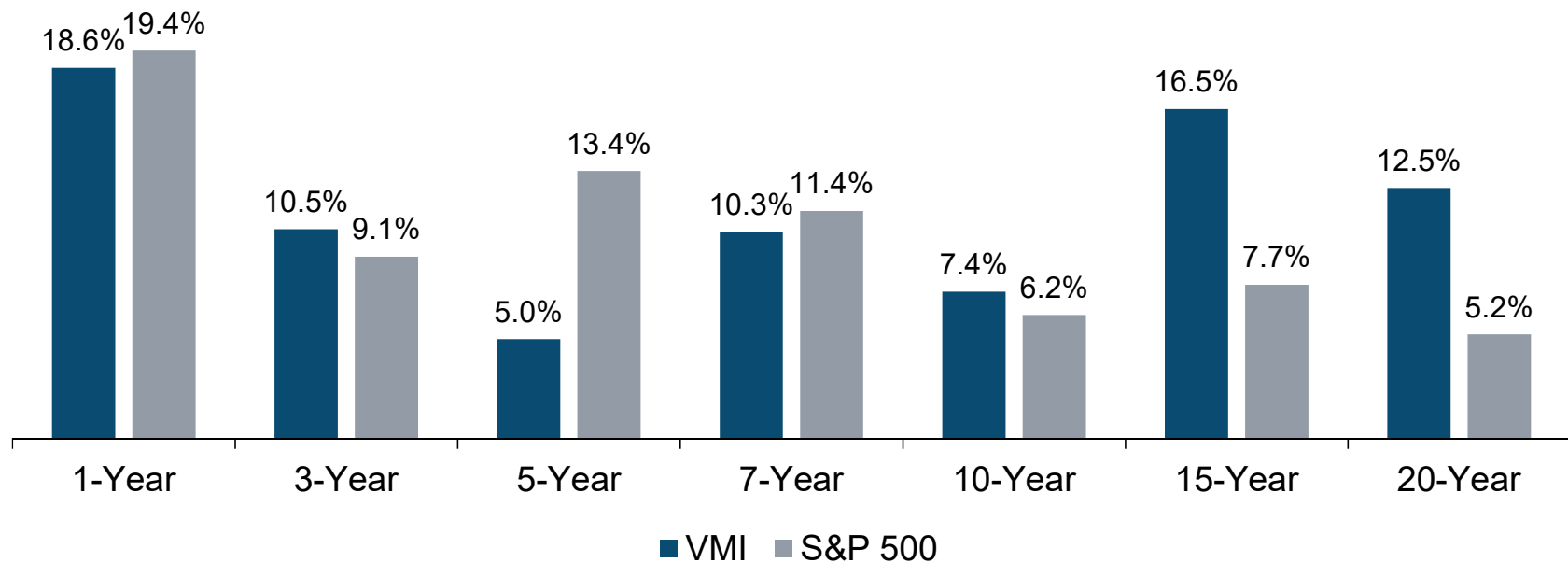


## Returns that Exceed Cost of Capital Drive Shareholder Value

119 | March 6, 2018 | Valmont Industries, Inc. <sup>1</sup> Total Value Impact (TVI) = Net operating profit after tax – cost of capital (8.5%). See the Company's table for TVI calculation at the end of this presentation. Delta acquisition disrupted the financial calculation in a significant way for 2010.

## Continuing to Create Long-Term Shareholder Value

### Total Shareholder Return<sup>1</sup> (As of 12/31/17)





## Key Takeaways

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Transforming Finance Function; Significant Opportunities Ahead



Balance Sheet Appropriately Levered Given Cyclical Businesses



Capital Allocation Philosophy Balanced between Growth and Returning Cash to Shareholders



Continued Focus on ROIC and Increasing Long-Term Shareholder Value



# CLOSING REMARKS

Steve Kaniewski | President & CEO



## Why Valmont?

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Management Team is Reshaping the Organization to Align with Growth



Expanding Our View of Addressable Market to Leverage Existing Global Platform



Agriculture and Infrastructure Provide Good Investment Opportunities



Sensible Capital Allocation and ROIC Focus Will Remain



# Q&A



# APPENDIX

# Reg G Reconciliation

## VALMONT INDUSTRIES, INC. AND SUBSIDIARIES SUMMARY OF EFFECT OF SIGNIFICANT NON-RECURRING ITEMS ON REPORTED RESULTS (Dollars in thousands, except per share amounts) (unaudited)

The non-GAAP tables below disclose the impact on (a) diluted earnings per share of (1) tax expense attributed to the Tax Cuts and Job Act ("2017 Tax Act"), (2) restructuring costs, (3) deferred income tax (benefit) expense arising from changes in foreign tax rates and an international legal reorganization and (4) other non-recurring expenses (including the reversal of a contingent liability), and (b) segment operating income of restructuring costs, impairments, and non-recurring expenses. Amounts may be impacted by rounding. We believe it is useful when considering company performance for the non-GAAP adjusted net earnings and operating income to be taken into consideration by management and investors with the related reported GAAP measures as a number of non-recurring transactions were recognized in 2017 and 2016, some of which are non-cash.

|  | YTD<br>12'30'17   | Diluted<br>EPS |
|--|-------------------|----------------|
| Net earnings/(loss) attributable to Valmont Industries, Inc. - as reported | \$ 116,240        | \$ 5.11        |
| Remeasurement of deferred tax assets attributed to 2017 Tax Act            | 20,372            | 0.90           |
| Non-recurring tax expense attributed to 2017 Tax Act                       | 21,564            | 0.95           |
| Fair market value adjustment, Delta EMD                                    | 236               | 0.01           |
| Net earnings attributable to Valmont Industries, Inc. - Adjusted           | <u>\$ 158,412</u> | <u>\$ 6.97</u> |
| Average shares outstanding (000's) - Diluted                               |                   | 22,738         |
|  | YTD<br>12'31'16   |                |
| Net earnings/(loss) attributable to Valmont Industries, Inc. - as reported | \$ 173,232        | \$ 7.63        |
| Restructuring expenses   | 12,425            | 0.55           |
| Reversal of contingent liability   | (16,591)          | (0.73)         |
| Fair market value adjustment, Delta EMD                                    | 586               | 0.03           |
| Total pre-tax adjustments  | (3,580)           | (0.16)         |
| Tax effect of adjustments <sup>1</sup>                                     | (3,180)           | (0.14)         |
| Deferred income tax benefit - non-recurring                                | (20,705)          | (0.91)         |
| Net earnings attributable to Valmont Industries, Inc. - Adjusted           | <u>\$ 145,767</u> | <u>\$ 6.42</u> |
| Average shares outstanding (000's) - Diluted                               |                   | 22,709         |

<sup>1</sup> The tax effect of adjustments is calculated based on the income tax rate in each applicable jurisdiction, except the reversal of the contingent liability in 2016, which is not taxable.

# Reg G Reconciliation – Continued

## VALMONT INDUSTRIES, INC. AND SUBSIDIARIES SUMMARY OF EFFECT OF SIGNIFICANT NON-RECURRING ITEMS ON OPERATING INCOME REG G RECONCILIATION (Continued)

| <u>Operating Income Reconciliation</u>           | <u>YTD<br/>12'31'16</u> | <u>YTD<br/>12'26'15</u> | <u>Increase 2016<br/>from 2015</u> |
|--|-------------------------|-------------------------|------------------------------------|
| Operating income (loss) - as reported            | \$ 243,504              | \$ 131,695              | \$ 111,809                         |
| Restructuring expenses                           | 12,425                  | 39,852                  |                                    |
| Impairment of goodwill and trade names           | -                       | 41,970                  |                                    |
| Other non-recurring charges <sup>1</sup>         | -                       | 24,010                  |                                    |
| Adjusted Operating Income                        | \$ 255,929              | \$ 237,527              | \$ 18,402                          |
| Net Sales  | \$ 2,521,676            | \$ 2,618,924            |                                    |
| <i>Operating Income as a % of Sales</i>          | <b>9.7%</b>             | <b>5.0%</b>             |                                    |
| <i>Adjusted Operating Income as a % of Sales</i> | <b>10.1%</b>            | <b>9.1%</b>             |                                    |

<sup>1</sup> Other non-recurring charges (pre-tax) in 2015 are the \$17,000 provision for a Utility commercial settlement and the \$7,010 recognized allowance for doubtful China receivable (Irrigation).

# Reconciliation of Adjusted EBITDA to GAAP Figures

Earnings before Interest, Taxes, Depreciation and Amortization (Adjusted EBITDA) is one of our key financial ratios in that it is the basis for determining our maximum borrowing capacity at any one time. We calculate "Further Adjusted EBITDA" by adding back cash restructuring and non-recurring expenses to Adjusted EBITDA, as management finds these alternate measures of EBITDA useful to the company's performance from different aspects, and we believe investors will also.

|   | 2008              | 2009              | 2010              | 2011              | 2012              | 2013              | 2014              | 2015              | 2016              | 2017              |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Net earnings attributable to Valmont Industries, Inc. | \$ 132,397        | \$ 150,562        | \$ 94,379         | \$ 228,308        | \$ 234,072        | \$ 278,489        | \$ 183,976        | \$ 40,117         | \$ 173,232        | \$ 116,240        |
| Interest expense                                      | 18,267            | 15,760            | 30,947            | 36,175            | 31,625            | 32,502            | 36,790            | 44,621            | 44,409            | 44,645            |
| Income tax expense                                    | 70,213            | 72,894            | 55,008            | 4,590             | 126,502           | 157,781           | 94,894            | 47,427            | 42,063            | 106,145           |
| Depreciation and amortization expense                 | 39,597            | 44,748            | 59,663            | 74,560            | 70,218            | 77,436            | 89,328            | 91,144            | 82,417            | 84,957            |
| EBITDA  | 260,474           | 283,964           | 239,997           | 343,633           | 462,417           | 546,208           | 404,988           | 223,309           | 342,121           | 351,987           |
| Impairment of goodwill and intangible assets          | -                 | -                 | -                 | -                 | -                 | -                 | -                 | 41,970            | -                 | -                 |
| Restructuring and PP&E impairment expense             | -                 | -                 | -                 | -                 | -                 | -                 | -                 | 19,836            | 1,099             | -                 |
| Reversal of contingent liability                      | -                 | -                 | -                 | -                 | -                 | -                 | -                 | -                 | (16,591)          | -                 |
| EBITDA from acquisitions                              | -                 | -                 | -                 | -                 | -                 | -                 | 8,696             | -                 | -                 | -                 |
| Adjusted EBITDA                                       | <u>\$ 260,474</u> | <u>\$ 283,964</u> | <u>\$ 239,997</u> | <u>\$ 343,633</u> | <u>\$ 462,417</u> | <u>\$ 546,208</u> | <u>\$ 413,684</u> | <u>\$ 285,115</u> | <u>\$ 326,629</u> | <u>\$ 351,987</u> |
| Other non-recurring transactions <sup>1</sup>         | -                 | -                 | -                 | -                 | -                 | -                 | -                 | \$ 24,003         | -                 | -                 |
| Debt refinancing costs, pre-tax                       | -                 | -                 | -                 | -                 | -                 | -                 | 38,704            | -                 | -                 | -                 |
| Cash Restructuring Expense                            | -                 | -                 | -                 | -                 | -                 | -                 | -                 | 20,016            | 11,306            | -                 |
| Further Adjusted EBITDA                               | <u>\$ 260,474</u> | <u>\$ 283,964</u> | <u>\$ 239,997</u> | <u>\$ 343,633</u> | <u>\$ 462,417</u> | <u>\$ 546,208</u> | <u>\$ 452,388</u> | <u>\$ 329,134</u> | <u>\$ 337,935</u> | <u>\$ 351,987</u> |
| EBITDA from Corporate/LIFO Expense                    | \$ (34,132)       | \$ (33,211)       | \$ (37,558)       | \$ (44,319)       | \$ (46,688)       | \$ 81,789)        | \$ (49,989)       | \$ (22,956)       | \$ (33,675)       | \$ 37,049)        |
| Total Adjusted EBITDA Provided by Segments            | <u>\$ 294,606</u> | <u>\$ 317,175</u> | <u>\$ 277,555</u> | <u>\$ 387,952</u> | <u>\$ 509,105</u> | <u>\$ 627,997</u> | <u>\$ 502,377</u> | <u>\$ 352,090</u> | <u>\$ 371,610</u> | <u>\$ 389,036</u> |
| Total interest-bearing debt                           |                   |                   |                   |                   |                   | \$ 486,685        | \$ 774,074        | \$ 758,971        | \$ 756,392        | \$ 755,015        |
| Leverage Ratio  |                   |                   |                   |                   |                   | 0.89              | 1.87              | 2.66              | 2.32              | 2.15              |

<sup>1</sup> Other non-recurring transactions in 2015 are the \$7,003 allowance for doubtful accounts recorded in the Irrigation segment and the \$17,000 accrual recorded for the utility commercial settlement.

## Calculation of Free Cash Flows

We believe that Free Cash Flow is a useful performance measure for management and useful to investors as the basis for comparing our performance with other companies. Our measure of Free Cash Flow may not be directly comparable to similar measures used by other companies.

|  | 2013       | 2014       | 2015       | 2016       | 2017       |
|--|------------|------------|------------|------------|------------|
| Net Cash Flows from Operations                               | \$ 396,442 | \$ 174,096 | \$ 272,267 | \$ 219,168 | \$ 145,716 |
| Purchase of Plant, Property, and Equipment                   | (106,753)  | (73,023)   | (45,468)   | (57,920)   | (55,266)   |
| Free Cash Flows  | \$ 289,689 | \$ 101,073 | \$ 226,799 | \$ 161,248 | \$ 90,450  |
| Net Earnings Attributed to Valmont Industries, Inc.          | \$ 278,489 | \$ 183,976 | \$ 40,117  | \$ 173,232 | \$ 116,240 |
| Adjusted Net Earnings Attributed to Valmont Industries, Inc. | N/A        | N/A        | \$ 131,798 | \$ 145,767 | \$ 158,412 |
| Free Cash Flow Conversion - GAAP                             | 104%       | 55%        | 565%       | 93%        | 78%        |
| Free Cash Flow Conversion - Adjusted                         | N/A        | N/A        | 171%       | 111%       | 57%        |

## Calculation of Return on Invested Capital

Return on Invested Capital is calculated as Operating Income (after-tax) divided by the average of beginning and ending Invested Capital. Invested Capital represents total assets minus total liabilities (excluding interest-bearing debt). Return on Invested Capital is one of our key operating ratios, as it allows investors to analyze our operating performance in light of the amount of investment required to generate our operating profit. Return on Invested Capital is also a measurement used to determine management incentives. Return on Invested Capital is a non-GAAP measure. Accordingly, Invested Capital and Return on Invested Capital should not be considered in isolation or as a substitute for net earnings, cash flows from operations or other income or cash flow data prepared in accordance with GAAP or as a measure of our operating performance or liquidity. The table below shows how Invested Capital and Return on Invested Capital are calculated from our income statement and balance sheet.

|   | 2017                | 2016                |
|---|---------------------|---------------------|
| Operating Income                        | \$ 266,432          | \$ 243,504          |
| Adjusted Effective Tax Rate             | 28.1%               | 30.8%               |
| Tax Effect on Operating Income          | 74,867              | 74,999              |
| After-tax Operating Income              | 191,565             | 168,505             |
| Average Invested Capital                | \$ 1,858,249        | \$ 1,767,316        |
| Return on Invested Capital              | 10.3%               | 9.5%                |
| Total Assets                            | \$ 2,602,250        | \$ 2,391,731        |
| Less: Accounts and Income Taxes Payable | (227,906)           | (177,488)           |
| Less: Accrued Expenses                  | (165,455)           | (162,318)           |
| Less: Defined Benefit Pension Liability | (189,552)           | (209,470)           |
| Less: Deferred Compensation             | (48,526)            | (44,319)            |
| Less: Other Noncurrent Liabilities      | (20,585)            | (14,910)            |
| Less: Dividends Payable                 | (8,510)             | (8,445)             |
| Total Invested Capital                  | 1,941,716           | 1,774,781           |
| Beginning of Year Invested Capital      | \$ 1,774,781        | \$ 1,759,851        |
| Average Invested Capital                | <u>\$ 1,858,249</u> | <u>\$ 1,767,316</u> |

<sup>1</sup> The adjusted tax for 2017 excludes the \$41,935 of tax expense associated with the 2017 Tax Act. The effective tax rate in 2017 including these items is 46.5%. Fiscal 2016 also excludes the reversal of a contingent liability that was recognized as part of the Delta purchase accounting of \$16,591, which is not taxable. The effective tax rate in 2016 including these items is 19.1%.

# Calculation of Annual Total Value Impact (TVI)

TVI is calculated as Operating Income (after-tax) less 8.5% times the average of beginning and ending Invested Capital. Invested Capital represents total assets minus total liabilities (excluding interest-bearing debt).

## Total Value Impact (TVI) Calculation

|  | 2001       | 2002       | 2003       | 2004       | 2005       | 2006       | 2007         | 2008         | 2009         |
|--|------------|------------|------------|------------|------------|------------|--------------|--------------|--------------|
| Operating Income                         | \$ 65,021  | \$ 70,289  | \$ 54,623  | \$ 70,112  | \$ 82,863  | \$ 110,085 | \$ 155,626   | \$ 228,591   | \$ 237,994   |
| Tax rate                                 | 36.9%      | 36.5%      | 36.3%      | 36.0%      | 37.8%      | 32.0%      | 31.4%        | 34.2%        | 32.2%        |
| Tax effected Operating Income            | \$ 41,028  | \$ 44,634  | \$ 34,795  | \$ 44,872  | \$ 51,541  | \$ 74,858  | \$ 106,759   | \$ 150,413   | \$ 161,360   |
| Total Assets                             | \$ 588,897 | \$ 578,571 | \$ 604,797 | \$ 836,108 | \$ 802,042 | \$ 892,310 | \$ 1,052,613 | \$ 1,326,288 | \$ 1,302,169 |
| Less: Accounts payable                   | (57,027)   | (55,198)   | (63,256)   | (69,979)   | (90,674)   | (103,319)  | (128,599)    | (136,868)    | (118,210)    |
| Less: Accrued expenses                   | (58,042)   | (69,828)   | (55,856)   | (66,506)   | (67,869)   | (79,699)   | (102,198)    | (119,858)    | (122,532)    |
| Less: Dividends Payable                  | (1,598)    | (1,792)    | (1,921)    | (1,932)    | (2,107)    | (2,437)    | (2,724)      | (3,402)      | (3,944)      |
| Less: Defined benefit pension obligation | -          | -          | -          | -          | -          | -          | -            | -            | -            |
| Less: Deferred compensation              | -          | -          | -          | -          | -          | -          | (18,309)     | (16,721)     | (20,503)     |
| Less: Other non-current liabilities      | -          | -          | -          | -          | -          | -          | (5,977)      | (5,755)      | (7,010)      |
| Invested Capital                         | \$ 472,230 | \$ 451,753 | \$ 483,764 | \$ 697,691 | \$ 641,392 | \$ 706,855 | \$ 794,806   | \$ 1,043,684 | \$ 1,029,970 |
| Average Invested Capital                 | \$ 475,920 | \$ 461,992 | \$ 467,759 | \$ 590,728 | \$ 669,542 | \$ 674,124 | \$ 750,831   | \$ 919,245   | \$ 1,036,827 |
| Cost of Capital                          | 8.5%       | 8.5%       | 8.5%       | 8.5%       | 8.5%       | 8.5%       | 8.5%         | 8.5%         | 8.5%         |
| Required Capital                         | \$ 40,453  | \$ 39,269  | \$ 39,759  | \$ 50,212  | \$ 56,911  | \$ 57,300  | \$ 63,821    | \$ 78,136    | \$ 88,130    |
| TVI in Excess of Cost of Capital         | \$ 575     | \$ 5,364   | \$ (4,965) | \$ (5,340) | \$ (5,370) | \$ 17,557  | \$ 42,939    | \$ 72,277    | \$ 73,230    |

## Calculation of Annual Total Value Impact (TVI) – Continued

| <b>Total Value Impact (TVI) Calculation</b>    | <b>2010</b>             | <b>2011</b>      | <b>2012</b>      | <b>2013</b>       | <b>2014</b>      | <b>2015</b>               | <b>2016</b>             | <b>2017</b>             |
|--|-------------------------|------------------|------------------|-------------------|------------------|---------------------------|-------------------------|-------------------------|
| Operating Income                               | \$ 193,720              | \$ 263,310       | \$ 382,296       | \$ 473,069        | \$ 357,716       | \$ 237,520                | \$ 243,504              | \$ 266,432              |
| Adjusted Effective Tax Rate <sup>2, 3, 4</sup> | 36.0%                   | 30.2%            | 35.2%            | 35.1%             | 33.4%            | 32.0%                     | 30.8%                   | 28.1%                   |
| Tax Effected Operating Income                  | \$ 123,981 <sup>5</sup> | \$ 183,790       | \$ 247,728       | \$ 307,022        | \$ 238,239       | \$ 161,039 <sup>1,2</sup> | \$ 168,505 <sup>3</sup> | \$ 191,565 <sup>4</sup> |
| Total Assets                                   | \$ 2,090,743            | \$ 2,306,076     | \$ 2,568,551     | \$ 2,776,494      | \$ 2,729,668     | \$ 2,399,428              | \$ 2,391,731            | \$ 2,602,250            |
| Less: Accounts Payable                         | (179,814)               | (234,537)        | (212,424)        | (216,121)         | (196,565)        | (179,983)                 | (177,488)               | (227,906)               |
| Less: Accrued Expenses                         | (153,686)               | (157,128)        | (180,408)        | (194,527)         | (176,431)        | (175,947)                 | (162,318)               | (165,455)               |
| Less: Dividends Payable                        | (4,352)                 | (4,767)          | (6,002)          | (6,706)           | (9,086)          | (8,571)                   | (209,470)               | (189,552)               |
| Less: Defined Benefit Pension Obligation       | (104,171)               | (68,024)         | (112,043)        | (154,397)         | (150,124)        | (179,323)                 | (44,319)                | (48,526)                |
| Less: Deferred Compensation                    | (23,300)                | (30,741)         | (31,920)         | (39,109)          | (47,932)         | (48,417)                  | (14,910)                | (20,585)                |
| Less: Other Non-current Liabilities            | (47,713)                | (41,418)         | (44,252)         | (51,731)          | (45,541)         | (40,290)                  | (8,445)                 | (8,510)                 |
| Invested Capital                               | \$ 1,577,707            | \$ 1,769,461     | \$ 1,981,502     | \$ 2,113,903      | \$ 2,103,989     | \$ 1,766,897              | \$ 1,774,781            | \$ 1,941,716            |
| Average Invested Capital                       | \$ 1,303,839            | \$ 1,673,584     | \$ 1,875,482     | \$ 2,047,703      | \$ 2,108,946     | \$ 1,935,443              | \$ 1,770,839            | \$ 1,858,249            |
| Return on Invested Capital                     | 9.5%                    | 11.0%            | 13.2%            | 15.0%             | 11.3%            | 8.3%                      | 9.5%                    | 10.3%                   |
| Cost of Capital                                | 8.5%                    | 8.5%             | 8.5%             | 8.5%              | 8.5%             | 8.5%                      | 8.5%                    | 8.5%                    |
| Required Capital                               | \$ 110,826              | \$ 142,255       | \$ 159,416       | \$ 174,055        | \$ 179,260       | \$ 164,513                | \$ 150,521              | \$ 157,951              |
| TVI in Excess of Cost of Capital               | <u>\$ 13,155</u>        | <u>\$ 41,536</u> | <u>\$ 88,312</u> | <u>\$ 132,967</u> | <u>\$ 58,978</u> | <u>\$ (3,474)</u>         | <u>\$ 17,983</u>        | <u>\$ 33,613</u>        |

<sup>1</sup> Figure reported for 2015 is adjusted operating income. GAAP operating income for 2015 was \$131,695. For purposes of this calculation, management has added back \$41,970 of goodwill and intangible asset impairments, \$39,852 of restructuring expense, \$17,000 of expense related to the utility commercial settlement, and an \$7,003 allowance for a Chinese receivable. <sup>2</sup> The adjusted effective tax rate in 2015 excludes the effects of the goodwill impairments which are not deductible for income tax purposes and the \$7.1M deferred income tax expense recognized as a result of the U.K. corporate tax rate decreasing from 20% to 18%. The effective tax rate in 2015 including these items is 50.7%. <sup>3</sup> The adjusted effective tax rate for 2016 excludes deferred income tax benefit of \$30,590 resulting primarily from the re-measurement of the deferred tax asset for the Company's U.K. defined benefit pension plan. In addition, fiscal 2016 excludes \$9,888 recorded as a valuation allowance against a tax credit asset. Fiscal 2016 also excludes the reversal of a contingent liability that was recognized as part of the Delta purchase accounting of \$16,591, which is not taxable. <sup>4</sup> The adjusted effective tax rate for 2017 excludes the \$41,935 of tax expense associated with recording the impact of the 2017 Tax Act. The effective tax rate in 2017 including these items is 46.5%. <sup>5</sup> The Company incurred certain expenses in 2010 associated with the acquisition of Delta plc (Delta). The expenses included \$15,307 of SG&A expenses related to the Company's evaluation of Delta and other required expenses associated with the Company's offer ongoing integration. GAAP operating income for 2010 was \$178,413.



## Biographies



### **STEVE KANIEWSKI**

#### **PRESIDENT & CHIEF EXECUTIVE OFFICER**

Stephen G. Kaniewski was appointed President and Chief Executive Officer of Valmont in 2018. Prior to that, he was President and Chief Operating Officer (COO) after serving as group president of the Utility Support Structures division and vice president of global operations for the Irrigation division, where he put an emphasis on further developing the global supply chain, deployment of Lean manufacturing processes, and a cost of goods sold (COGS) focus on all plants. Steve joined Valmont in 2010, where he led the corporate IT group.

Steve's career has given him varied experiences in international manufacturing, marketing and IT. Over half of his career has been focused running operations and half in the IT space working with industrial goods manufacturers. During his time at Belden, he served as vice president of Global IT Applications, leading the company's phased rollout of SAP. Prior to that, he was vice president of operations for Belden's Specialty Division and country director for Mexico. He worked with union and government representatives to establish new legal entities, obtain tax concessions, and establish initial labor and operating contracts with the various government entities.

Before Belden initiated a merger with CDT (Cable Design Technologies) in 2005, Steve worked as vice president of operations for CDT's specialty division in Mexico and the US. Prior to CDT, Steve worked as a technology consultant for companies implementing ERP systems and as manager of fulfillment operations for National Media, a direct marketing company.

Steve currently serves as the chairman of the board of directors for the AIM Institute in Omaha, a not-for-profit organization dedicated to promoting vibrant communities through technology and as a board member for United Way of the Midlands.

He received a B.S. in Sociology degree from Santa Clara University in 1994.

## Biographies



# MARK JAKSICH

## EXECUTIVE VICE PRESIDENT & CHIEF FINANCIAL OFFICER

As Chief Financial Officer (CFO), Mark's responsibilities include oversight of all financial operations specifically, Treasury, Internal Audit, Information Technology, Taxation, Investor Relations, and Accounting.

Throughout his 34-year career with Valmont, Mark has held a number of finance and accounting positions, including assistant corporate controller, manager of internal audit and divisional controller of international. During his tenure as international controller, Valmont expanded international business operations in China, Europe, and Brazil. Mark was promoted to vice president and corporate controller in 2000 and served in that capacity until his appointment to CFO in February of 2014.

Mark has been a long-time board member of the Nebraska Chapter of Financial Executives International and has served as a past chapter president. Mark was named as a Distinguished Alumnus of the University of Nebraska-Omaha (UNO) College of Business Administration in 2012. Mark currently serves on UNO's College of Business Administration and School of Accountancy advisory boards and is a member of the finance committee and board of directors with Catholic Charities of Omaha.

Mark graduated from the University of Nebraska-Omaha in 1979 with a B.S. in Business Administration degree, earning his M.B.A. degree from UNO in 1992.

## Biographies



### **DOUG BRYSON**

#### **SENIOR VICE PRESIDENT, STEEL OPERATIONS**

As Senior Vice President, Steel Operations, Doug's responsibilities include oversight for all steel structure manufacturing and supply chain management in North America. Doug also has global responsibility for Logistics, Environmental, and Health and Safety organizations.

Doug joined Valmont in February 2013 as vice president of operations for the Utility Division's Eastern Region. In 2015, Doug assumed responsibility of all Utility Division's North American Steel manufacturing locations, S&OP, Supply Chain, and Logistics organizations.

Before Valmont, Doug helped lead the Philip Services Corporation as a vice president of operations. He had direct oversight of 15 locations across North America with a focus on improving operations and customer service. Prior to that, he was senior director of operations with Pinnacle Foods and director of operations with Thomas and Betts, a leading manufacturer of electrical components and steel structures.

Doug is a past member of the board of directors of the NW Arkansas Salvation Army and American Cancer Society Relay for Life where he was a past co-chair. Doug was also supportive of United Way, providing corporate sponsorships for the Day of Caring.

Doug graduated from Jacksonville State University with a B.S. in Industrial Engineering Technology. He completed a Leadership Training Program, in conjunction with the University of Michigan, receiving an Executive Management certificate in Operations Management. Doug has also completed his Lean Six Sigma Green Belt training from HLS.

## Biographies



### **BARRY RUFFALO**

#### **GROUP PRESIDENT, ENGINEERED SUPPORT STRUCTURES**

In his current role as group president, Barry is accountable for the Engineered Support Structures global business effectiveness and growth. Before being named to his current position in 2017, Barry served as group president of Global Energy and Mining, which is based in Australia, New Zealand, China, Southeast Asia and Europe. Barry joined Valmont in 2015 as an executive vice president of operational excellence.

After over a decade at Case Corporation/Case Hew Holland, Barry took a position of Director – North America Operations at Joy Global in 2007. There, he had accountabilities over nine facilities throughout North America, which served customers worldwide. Later that same year, the role of President – Irrigation at Lindsay Corporation was offered to Barry and he accepted. In September 2013, Barry assumed the role of president – infrastructure, which he held until joining Valmont in 2015.

Barry received his B.S. and Master of Science in Industrial Engineering from the University of Wisconsin in 1996.

## Biographies



# AARON SCHAPPER

## GROUP PRESIDENT, UTILITY SUPPORT STRUCTURES

In his role as group president of the Utility Support Structures group, Aaron is responsible for setting global strategy for the Utility division and leading the business to increased performance and profitability. Aaron joined Valmont in 2011, as the vice president and general manager, International Irrigation. In 2015, he added the responsibilities of global engineering oversight before being named to his current position in 2016.

In 1999, Aaron started his engineering career in the composites industry, creating carbon fiber structures for various industries. In 2002, Aaron moved to China and was hired to create and lead the engineering department at Shanghai, China-based Orbit Irrigation. His roles quickly grew to encompass quality, operations, marketing, and Asia sales. Aaron was promoted to general manager in 2007 and his duties expanded to include acquisitions and the establishment of the company's green-field manufacturing sites in Taipei, Taiwan and Ningbo, China. Aaron served in that capacity until joining Valmont in 2011.

Aaron has earned numerous degrees, including a B.A. in Mandarin Chinese and a B.S. in Mechanical Engineering from the University of Utah; and an M.B.A. from Northwestern University's Kellogg School of Management.

## Biographies



### **LENNIE ADAMS**

#### **GROUP PRESIDENT, IRRIGATION**

Lennie Adams's responsibilities include the Global Irrigation Division, Valmont Tubular Products, and Cascade Earth Sciences (CES, a water reuse company located in Oregon).

Lennie began his career at Valmont in 1978 upon graduation from college. He has held numerous accounting and controller positions in the Poles and Tubing divisions. In 1995, he accepted the role of vice president of operations in the Poles Division. This was followed by the roles of vice president and general manager of the Industrial Products Division and subsequently the position of president for the Coatings and Tubing Division. In 2005, Lennie became president of the North American Irrigation and Tubing Divisions. In January 2009, he accepted the role of group president for Global Irrigation.

Lennie served two terms on the Fremont Area United Way Board, with one term as president. He has also served for six years on the Fremont Area Community Foundation board. Currently he serves on the board of directors for the College World Series of Omaha, Inc.

Lennie received his B.S. in Accounting from Wayne State College (Nebraska) in 1978. In 1991, he obtained a C.P.A. designation, and in 1996 he completed the executive M.B.A program from Stanford University.

## Biographies



### **RICK CORNISH**

#### **GROUP PRESIDENT, COATINGS**

In 1996, Rick Cornish joined Valmont as Director of Business Development for a new company business initiative. Challenged with the opportunity to grow the Valley Galvanizing facility, then a one location cost center, into a profitable business segment, the Coatings Division was launched on January 1, 1997. Today Rick is the group president of Valmont's Global Coatings Segment.

Rick's leadership experience in the corrosion protection industry began in 1988, when he accepted a position with the Kinark Corporation as operations manager, at their Boyles Galvanizing facility in Denver, CO. Advancing through that organization, Rick was promoted to vice president of galvanizing operations, at that time the largest custom galvanizer in North America, where he remained until 1996.

Rick served on the Board of Directors of the American Galvanizing Association from 1998 to 2015 and is a past President. He is also on the Board of Directors for the Nebraska Chamber of Commerce and serves as the Chairman of the Manufacturers Council.

Rick attended the University of Kansas and was in the Naval ROTC Program. Upon graduation in 1978, with a B.S. in Business, he was commissioned an Ensign and attended the U. S. Navy's Surface Warfare School in Newport, RI. Rick had multiple overseas deployments while on active duty and continued his affiliation with the Naval Reserve through 2000. His final assignment was at the Pentagon Navy Command Center, achieving the rank of Captain. Rick received his M.B.A. from the University of Tulsa in 1987.

## Biographies



# RENEE CAMPBELL

## DIRECTOR, INVESTOR RELATIONS & CORPORATE COMMS

Renee Campbell is the Director of Investor Relations and Corporate Communications at Valmont. In her role, Renee is one of Valmont's primary points of contact with external stakeholders and the investor community. She is also responsible for leading the development of Valmont's public relations, media relations, and internal communications strategies.

Before rejoining Valmont in September 2017, Renee was the Corporate Treasury Director at West Corporation, and Vice President of Cash Operations at ACI Worldwide. Prior to her role at ACI, Renee held several segment financial roles at Valmont over a period of 20 years, including Director of Finance for the U.S. Lighting & Traffic business and increasingly responsible roles in credit, business integration, international trade finance, and corporate treasury.

Renee holds a Bachelor of Science degree in Business Administration/Finance from the University of Nebraska – Lincoln. She currently serves on the Board of Directors of Lauritzen Gardens, and has held previous Board positions with Child Saving Institute and the Midwest International Trade Association. She is a member of the Association of Financial Professionals and the National Investor Relations Institute.



## Biographies



### **JEFF LAUDIN**

#### **MANAGER, INVESTOR RELATIONS**

Jeffrey Laudin has been Manager of Investor Relations at Valmont in Omaha, Nebraska for 20 years. As investor relations manager, Jeff is responsible for communicating the investment characteristics of Valmont to shareholders, investors, analysts, and portfolio managers.

Prior to joining Valmont, Jeff held a similar position at CalEnergy Company in Omaha, Nebraska. Before that, Jeff was a stock and commodity broker as well as a Certified Financial Planner. Jeff earned his Illinois Certified Public Accounting Certificate in 2003, his MBA in Decision Sciences from the University of Nebraska in 1982, and a BA in Economics from the State University of New York College at Oneonta in 1975.

Jeff has served as adjunct instructor in the Finance and Banking department at the University of Nebraska at Omaha, and in the Finance and Economics departments at the University of Phoenix.