



Conserving Resources. Improving Life.

ANNUAL REPORT 2008



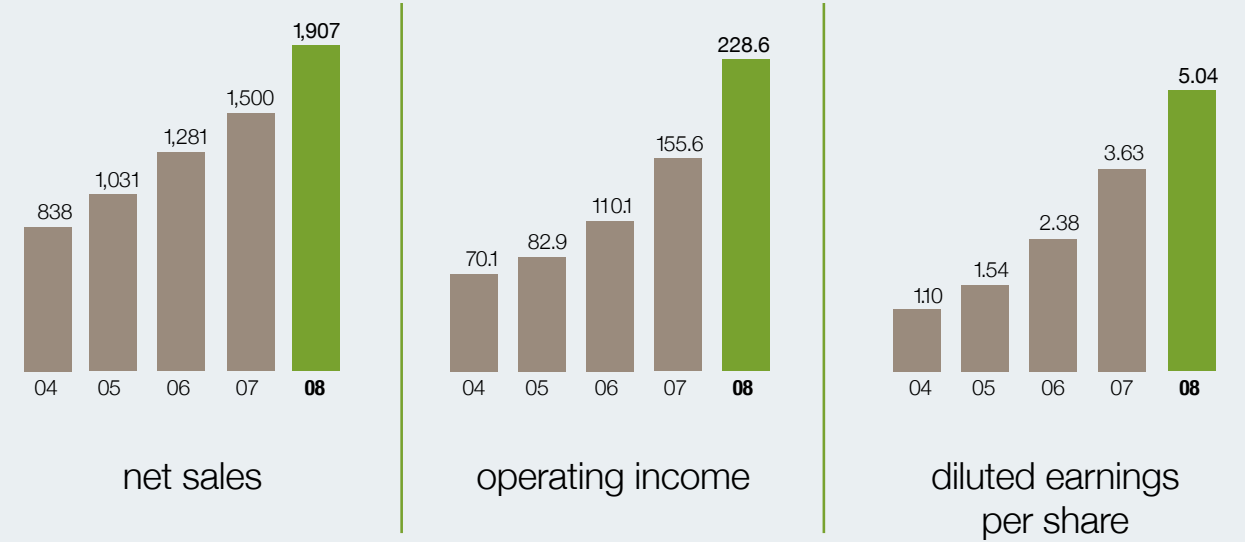
global leverage
at work

financial highlights

DOLLARS IN MILLIONS, EXCEPT PER SHARE AMOUNTS

	2008	2007	2006
Operating Results			
Net sales	\$ 1,907.3	\$ 1,499.8	\$ 1,281.3
Operating income	228.6	155.6	110.1
Net earnings	132.4	94.7	61.5
Diluted earnings per share	5.04	3.63	2.38
Dividends per share	0.495	0.410	0.370
Financial Position			
Shareholders' equity	\$ 624.1	\$ 510.6	\$ 401.3
Long-term debt as a % of invested capital ¹	31.7%	27.3%	31.3%
Operating Profits			
Gross profit as a % of net sales	26.8%	26.7%	25.5%
Operating income as a % of net sales	12.0%	10.4%	8.6%
Net earnings as a % of net sales	6.9%	6.3%	4.8%
Return on beginning equity	25.9%	23.6%	18.7%
Return on invested capital ¹	16.0%	14.0%	11.1%
Year-End Data			
Shares outstanding (000)	26,168	25,945	25,634
Approximate number of shareholders	5,800	5,800	5,600
Number of employees	7,380	6,029	5,684

¹ See footnote (a) on page 32 of this document and item 6 on pages 22 through 24 of the Company's Form 10-K



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Our strong market positions in our core businesses persist. **Our business drivers** are global, compelling and enduring. **Our knowledge** is a platform from which we build our businesses.



Valmont's Executive Team, from left to right: Earl Foust, Group President, Utility Support Structures; Mogens Bay, Chairman and Chief Executive Officer; Leonard Adams, Group President, Global Irrigation; Terry McClain, Senior Vice President and Chief Financial Officer; Thomas Spears, Group President, North American Structures; Victor Grizzle, Group President, International Structures, Coatings and Tubing; and Robert Meaney, Senior Vice President and Corporate Secretary

Valmont is recognized throughout the world as an industry leader in engineered support structures and services for infrastructure, and water management for agriculture. We grow our businesses by leveraging our existing products, markets and processes. We recognize that our growth will only create shareholder value if, at the same time, we exceed our cost of capital. Essential to our success is a company-wide commitment to customer service and innovation, and the ability to be the best cost producer for all products and services we provide. Recognizing that our employees are the cornerstone of our accomplishments, we pride ourselves on being people of passion and integrity who excel and deliver results.

valmont's vision

message to fellow shareholders



The year 2008 was yet another record year for Valmont, with a 39 percent increase in earnings per share on a 27 percent increase in revenue.

Although all segments contributed to revenue and earnings growth, the irrigation, utility and coatings segments contributed the vast majority of improvements.

Our operating income as a percentage of sales rose to 12 percent, and our return on invested capital reached 16 percent. These are results our organization can be proud of, particularly in a year that presented significant challenges, from rapidly increasing raw material and component costs, to a near collapse of the global banking system during the second half of the year.

Our Irrigation Segment had a spectacular year with operating income growth of 69 percent on a 45 percent increase in revenue. I cannot remember a year when the drivers have better aligned for global production agriculture. For several years, global consumption of major agricultural commodities outstripped production. In 2008, rapidly rising commodity prices led to record net farm income in many parts of the world. This resulted in farmers making significant investments in capital equipment. This favorable market environment enabled us to pass on our inflationary cost increases and improve the size and quality of our earnings.

In 2008, our Utility Segment, which serves the North American electric utility market, continued its history of rapid growth in both revenue and earnings as its many utility customers and strategic partners accelerated their investments in upgrading and expanding the transmission and distribution grid. Revenues increased 34 percent and operating income rose 46 percent. As with our other businesses, the utility segment was faced with increasing input costs, particularly steel. The contractual and alliance relationships we have developed with most customers allowed us to pass on these additional input costs.

Early in 2008, we acquired the assets of PennSummit Tubular LLC, a successful business that serves both the utility and wireless communication markets. Located in Hazleton, Pennsylvania, PennSummit's production facilities are now fully integrated into our network of utility plants, adding an important geographic location serving the northeastern U.S. market. Our utility organization has done an excellent job of serving the North American utility industry and is earning an increased share of this business.

Our Engineered Support Structures Segment, which serves the lighting, traffic, wireless communication and specialty structures markets and international utility markets, had strong revenue growth of 22 percent, but minor earnings growth of 1 percent. Globally, it was a challenge to recover rapidly increasing input costs—steel in particular—which led to compressed margins.

In North America, we saw our specialty structures operations improve and make a positive contribution to segment profitability. Our lighting and traffic business experienced a number of operational issues, which negatively affected their performance, particularly in the second half of the year. We are addressing these issues.

During the first quarter, we acquired West Coast Engineering Group, Ltd., headquartered in Delta, BC, Canada. This investment broadened Valmont's customer base in North America and opened up new product and business opportunities for our steel lighting and wireless communication structures business. In the third quarter, we acquired Site Pro 1, Inc., a wireless communication components company headquartered in New York.

Our international structures operation continued its growth in sales and operating profit. China had yet another record year in revenue and contributed to the increase in segment profitability, despite start-up expenses in connection with the opening of our third plant in the Shandong province in August. In Europe, revenues also increased, and we were pleased with the full-year contributions of our Tehomet acquisition in Finland, as well as by the fourth quarter addition of our joint venture with Mitas in Turkey. In the fourth quarter, we also acquired Stainton Metal Co., Ltd., the largest pole company in the U.K., which further strengthened our ability to serve our international customers.

Our coatings business had a good year, with a 38 percent increase in operating income on a 5 percent increase in sales. In contrast to our other businesses, input costs decreased due to lower average zinc costs. Volumes were higher for the year as industrial demand and internal demand were strong.

In my previous annual letter to you, I mentioned our initiative to become a truly lean enterprise. This initiative, which we call The Valmont Way, represents a set of operating principles that will allow us to operate more efficiently to provide greater value to our customers. Through the use of lean tools in our plants and offices worldwide, Valmont employees at every level are engaged in ongoing training to ferret out waste and eliminate those activities that do not add value for our customers. The Valmont Way is an outgrowth of the corporate values by which we live every day: passion for our products and for serving our customers; our commitment to the pursuit of

excellence through continuous improvement; our high standards for integrity and ethical behavior; and, delivering results. The Valmont Way will add more discipline and process to the way we conduct our business.

Our commitment to our employees and communities for safe and healthy environments has prompted us to combine the Safety and Environmental Departments to take advantage of the synergies created by combining skill sets, computerized systems, and staff. In addition, divisional and facility safety programs have been reenergized. The new combined Environmental Health and Safety Department is already demonstrating benefits through streamlined reporting, improved communication and training, and self-auditing. This emphasis will continue as we embark on The Valmont Way.

It remains a pleasure for me to visit our facilities in the U.S. and around the world, affording me the opportunity to meet and thank each employee for their daily efforts. We are a good worldwide team, with great passion for our products and markets, and for serving our customers better than any of our competitors. I am proud of our accomplishments as a global team, and I thank each one of my fellow employees for what they do for Valmont every day.

Early in 2009, we welcomed Ambassador Clark (Sandy) T. Randt, Jr., to our board of directors. Recently retired after eight years of service, Sandy was the longest serving United States Ambassador to the People's Republic of China. Sandy has lived and worked in China for over 30 years, and we look forward to benefiting from his insights and experience. In 2008, we bid farewell to John E. Jones, who retired from

our board after 15 years of service. John provided great insights and guidance to Valmont, and we thank him for his many contributions.

The global economic uncertainty makes it difficult to predict Valmont's results with a great level of confidence as we enter 2009. The liquidity crisis that the world is facing and the level of uncertainty will no doubt impact our businesses negatively in some parts of the world and in some industries. We have already seen a slowdown in irrigation orders. On the other hand, we continue to grow our utility business. Yet, even in this difficult environment, I can say with confidence that I like the industries and businesses in which we participate. People are going to continue to eat, and there will be pressure on world agriculture to increase food production while conserving water. When it comes to infrastructure, the drivers have not changed, and I'm encouraged by the fact that, in tough economic times, governments around the world often stimulate their economies through increased infrastructure spending.

One thing I can say for sure: Valmont throughout its history has participated in cyclical industries, and we know how to adjust quickly to different business environments. We will work diligently to maximize our performance in whatever economic environment we operate – we always have – and we always will.

Sincerely,

Mogens C. Bay
Chairman and
Chief Executive Officer

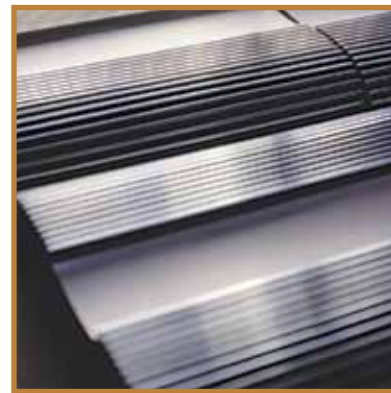
valmont at a glance

Wherever you live, whatever you do, chances are Valmont is part of your life.
Engineered structures for infrastructure and water management for agriculture.

Utility Support Structures

Utility transmission and distribution poles
Utility substation structures

Infrastructure



Agriculture



Engineered Support Structures

Area lighting poles for parking lots and public areas · Sports lighting structures for arenas and stadiums · Decorative lighting poles · Traffic and sign structures · Street and high-mast lighting poles · Monopoles, towers and structures for cellular, PCS, broadcast, microwave and two-way communications · Wireless communication components · Minimum visual impact structures · Overhead sign structures

Coatings

Galvanizing, anodizing, powder coatings and integrated graphics

Irrigation

Mechanized irrigation systems



engineered support structures division

People of passion have unbridled enthusiasm. They believe in the work they do and in the products they deliver. They work with wholehearted commitment and are driven to create value. They also have vision. They see farther, reach higher, and push harder. People of passion are our greatest strength...and a driving force behind Valmont's enduring success.

people of passion and integrity
who excel and deliver results



While economic and business cycles drive short-term fluctuations, the long-term demand for infrastructure is compelling and enduring.



engineered support structures division

The mounting infrastructure needs of emerging global markets are creating fertile ground for growth. Valmont is planting seeds – and they will continue to grow as a result of our global vision and resources, and our commitment to continually develop our markets.

Urbanization: A Global Driver

Population growth and rapid urbanization in developing countries are creating unprecedented changes in the world's demographic structure. For the first time in history, an estimated 3.3 billion people – more than half of the global population – are now living in urban areas. By 2030, that number is expected to climb to nearly 5 billion, with towns and cities in developing countries accounting for 81 percent of the world's urban population.¹

Demand on the Rise

For these countries, the shift from rural to urban dwelling signals a move toward economic growth and an improved standard of living. To generate and sustain this socio-economic upturn requires a long-term investment in infrastructure. Without infrastructure, societies and economies cannot sustain growth and thrive.

As a result of this urban migration, we expect expenditures for infrastructure in developing countries will remain robust well into the future.

We also expect two specific drivers of infrastructure – new road construction and roadway expansion – to continue to gain momentum. By the year 2020, new road construction spending in developing countries is predicted to reach \$68.6 billion, a 380 percent increase over the amount spent in 2000. On a global basis, roadway infrastructure will require an estimated investment of \$220-\$290 billion a year between now and 2030.²

Closing the communication gaps in these emerging economies has been, and will continue to be, a major priority. At the end of 2005, approximately 2 billion – or one third of the world's population – owned a mobile phone. That number is expected to increase to over 5 billion by 2020, requiring significant investments in telecommunication infrastructure.³

New Horizons

In industrialized economies, aging of existing infrastructure will require continual upgrading and expansion.

However, new and emerging technologies such as light-emitting diodes, or LEDs, suitable for outdoor lighting applications will also drive the need for new lighting infrastructure.

Further, municipalities and businesses around the world are driving demand for more decorative elements in light poles in order to enhance the aesthetics of their environments.

Long-Term Expenditures

While economic and business cycles drive short-term fluctuations, the long-term demand for infrastructure is compelling and enduring. As a worldwide leader in engineered support structures, Valmont will continue to play a significant role in fulfilling the infrastructure needs of industrialized economies and emerging markets.

In China, one of the fastest growing economies in the world, Valmont is providing major infrastructure support with our three Chinese manufacturing plants. However,

this is only the beginning. Significant investments in infrastructure in other developing countries are expected to drive demand for Valmont's engineered support structures well into the future.

Energizing Opportunities In China

Rapid urbanization and aggressive efforts to raise the standard of living in China have made it one of the fastest growing energy markets in the world.

According to projections by the International Energy Agency, between 2005 and 2030, the country's primary energy demand will have more than doubled. For utility infrastructure alone, China's expenditures through 2030 are estimated to exceed \$2 trillion.⁴

Global Leadership

Today, customers around the world rely on Valmont's superior service, value and quality products, including: structures for area and decorative lighting; roadway and traffic structures; structures for mass transit; and wireless communication towers and components.

We are passionate about continuous improvement and innovation. We leverage our engineering capacities, knowledge of local markets, distribution channels and skill sets throughout our global network of facilities.

Moving forward, Valmont will continue to look for new opportunities and markets and, in turn, improve the quality of life for generations to come.



utility support structures division

People of integrity do the right thing, even when no one is watching. They understand that trust and respect must be earned, and that each day is an opportunity to strengthen both. They keep their word and depend on one another to achieve common goals. People of integrity take genuine interest in the customers they serve...and in the global company they keep.

people of passion **and integrity**
who excel and deliver results



From tubular steel poles to spun concrete structures and hybrid poles, our Valmont-Newmark product line represents the most comprehensive in the utility support structures industry.

utility support structures division

Valmont is recognized by utility customers for excellent quality and reliability. In fact, quality and service are two of our greatest strengths, particularly in rapidly expanding, risk-averse markets, where the demand for utility support structures is just as compelling as the requirement for excellence.

Expanding the U.S. Grid

In the United States, the demand for reliable electricity is growing at a steady pace. In fact, the Energy Information Administration estimates electricity consumption will increase by approximately 2 percent each year over the next 25 years.⁵

To meet demand – driven by a rising population and a plugged-in society – the electric power industry is taking action to strengthen the reliability of the nation's transmission grid.

The grid consists of more than 280,000 miles of high-voltage transmission lines, 2.2 million miles of distribution lines, and about 70,000 substations.⁶ To improve its reliability, significant expenditures are necessary to replace aging infrastructure and to expand the grid.

Between now and 2015, transmission mileage is estimated to increase between 2.5 and 3 percent annually, at an approximate cost of \$10 billion to \$12 billion each year.⁷ Through 2030, collective expenditures on the nation's transmission and distribution system are estimated at \$880 billion.⁸

Powered by Strength

The increased demand for electricity and the significant investments required in utility infrastructure provide sustained opportunities for Valmont.

As a recognized global leader in infrastructure, Valmont is positioned to serve expanding markets in North America with our quality utility support structures. We leverage our strengths in global engineering and manufacturing capabilities to provide durable substations and structures for transmission and distribution that deliver reliable performance.

Our engineering and manufacturing teams continuously improve our products and processes. This drive for excellence keeps us at the forefront of design and engineering innovation to meet the needs of diverse markets and environments. From tubular steel poles to spun

concrete structures and hybrid poles, our Valmont-Newmark product line represents the most comprehensive offering in the utility support structures industry.

The utility market is a demanding, risk-averse market. Valmont has earned the trust of utility customers for the quality and reliability of our products and our people. We keep our word and deliver on our promises. These are part of our company-wide values, and the foundation to a sustained competitive advantage.





irrigation division

People who excel strive for excellence. They firmly commit to continuous improvement in the way they work, in the products they make, and in the service they provide. They devise solutions that create value and drive growth, even in cyclical markets. People who excel are agents of change...and drive Valmont's sustained competitive advantage.

people of passion and integrity
who excel and deliver results

By 2030, developing countries will likely expand their irrigated area from today's 202 million hectares to 242 million hectares.



irrigation division

In the coming decades – as population growth, improved diets and limited fresh water resources continue to drive demand for more grain to be grown with less water – the demand for Valmont's mechanized irrigation equipment will grow. And, the strength of our global dealer network will be instrumental in driving our success.

Population Impact

With an average growth rate of 1.2 percent per year – most occurring in developing countries – the world's population is expected to increase from over six billion to more than eight billion by 2030.⁹ While approximately 800 million people in developing countries are already chronically undernourished, the prospect of feeding an additional two billion people is daunting.¹⁰

However, population growth isn't the only challenge. Urbanization in emerging economies is straining the world's food supply. Migration from rural to urban settings is giving rise to a rapidly expanding middle class and a greater demand for higher quality, protein-based diets. According to World Water Report estimates, this migratory trend will continue, with 60 percent of the world's population living in towns and cities by 2030, compared to 48 percent today.¹¹

To meet the world's changing nutritional needs, the Food and Agriculture Organization of the United Nations estimates world food production will need to increase by 60 percent within the next 30 years.¹²

Irrigation's Role

Due to scarce fresh water resources, producers will be required to increase crop production while minimizing the impact on the world's fresh water supply. Of all the earth's fresh water, only 1 percent is

available for human purposes.

Of that, approximately 70 percent of all available fresh water is used for agriculture today.

As producers are challenged to grow more food with less water, Valmont's mechanized irrigation equipment will play a vital role. Mechanized irrigation equipment can save from up to 50 to 70 percent of the water used by traditional forms of flood irrigation. Additionally, mechanized irrigation increases most crop yields by 50 to 100 percent compared with dryland farming, making its adoption a critical factor in producing the world's food supplies. By 2030, developing countries will likely expand their irrigated area from today's 202 million hectares to 242 million hectares.¹³

Growing on Demand

As the world's largest manufacturer of mechanized irrigation equipment, Valmont is prepared to lead the way in providing water-saving irrigation technology to producers around the world. Recognized worldwide for superior quality and reliability, Valmont's Valley® brand center pivot and linear irrigation equipment conserves water and reduces agriculture's burden on the world's fresh water supply.

Because of our strong global presence, we are able to leverage our engineering capabilities, manufacturing resources and distribution channels. We offer the most complete line of integrated

control products and operate the strongest dealer network in the industry. Our global dealer organization is widely respected for its knowledge and expertise in crops grown around the world.

In light of today's increasing demand for feedgrains, continued population growth, and limited fresh water resources, the long-term demand for Valmont's water-conserving irrigation equipment is compelling, particularly in developing countries. We are methodically exploring new markets and fostering those we have already established. And as our markets continue to grow, we will further excel through continuous innovation to sustain our leadership position, to conserve our resources, and to improve the lives of people around the world.



people of passion and integrity who excel **and deliver results**

coatings division



People who deliver results make things happen. Around the world, they think strategically and work shoulder-to-shoulder, sharing their wisdom and developing the strengths of their global team. They live up to their promises. People who deliver results shape Valmont's future...and form the platform from which we build our businesses.

Corrosion costs U.S. industry and government agencies an estimated \$276 billion annually, placing the need for improved corrosion management at the forefront of infrastructure design and engineering, and bolstering long-term demand for protective finishes from Valmont Coatings.¹⁴

Cost of Corrosion

Corrosion of metal products and structures necessary for every day life comes at a high cost, particularly for infrastructure. In North America alone, numerous concrete parking garages and over 600,000 concrete bridges are in need of repair due to corrosion of the bare steel used for structural reinforcement.¹⁵ Repair of these structures is considered to be one of the largest civil engineering challenges facing the western world, amounting to an estimated \$200 billion.¹⁶

Corrosion Management

This high repair cost signals a need for better corrosion management beginning in the early phases of construction design. As a corrosion protection system, galvanizing provides unparalleled performance, allowing steel products to remain maintenance-free for 50 or more years in many environments. This makes galvanized steel two to six times more economical than non-galvanized steel over the expected life span of a project.

Ongoing Opportunities

While galvanizing is the most widely used metallic coating for long-term protection against corrosion, significant room for market penetration exists. According to the American Galvanizers Association, the galvanizing industry has experienced an average annual growth of 3 percent since 2002.

Yet, market penetration was estimated at a mere 22 percent of all steel in 2007.¹⁷ Significant opportunities for growth exist in the markets Valmont serves.

Delivering to the Finish

Thanks to the depth and breadth of our service capacity and expertise, we believe Valmont Coatings is well positioned to serve our markets for protective finishes.

Valmont Coatings is one of the largest custom galvanizers in North America, galvanizing billions of pounds of metal products over the past 12 years.

We build upon our strengths by leveraging the engineering capabilities, resources and knowledge between our facilities.

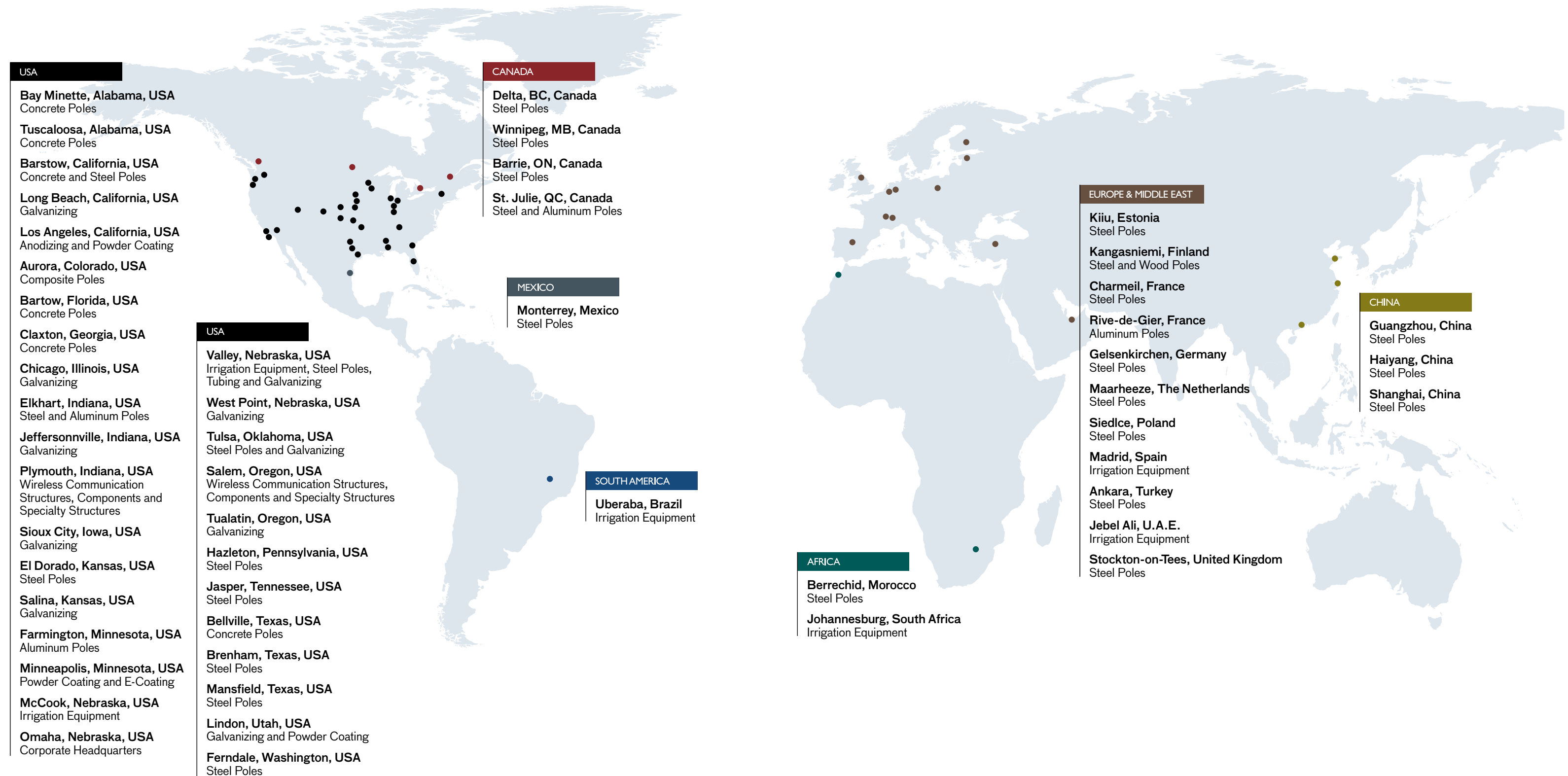
As a full-service coatings company, we provide quality finishes that extend the service life and improve the appearance of products we use every day – from large steel poles and bridges, to flashlights, skateboards and fasteners.

At Valmont Coatings, our focus is on continuous improvement and innovation. Our collective passion for our products and services will continue to drive our commitment to deliver results.



global dedication

Throughout the world, our dedicated employees strive to make a difference. A difference at work, at home, and in their communities.



board of directors



From left to right: Glen A. Barton, Thomas F. Madison, Daniel P. Neary, Walter Scott, Jr., Mogens C. Bay, Kenneth E. Stinson, Jr., Dr. Stephen R. Lewis, Jr., Kaj den Daas, Ambassador Clark T. Randt, Jr.

Mogens C. Bay
Chairman and
Chief Executive Officer
Valmont Industries, Inc.
Director Since 1993

Thomas F. Madison
Lead Director
President
MLM Partners
Director Since 1987

Glen A. Barton
Retired Chairman and
Chief Executive Officer
Caterpillar, Inc.
Director Since 2004

Kaj den Daas
Executive Vice President
Philips Lighting, B.V. of the Netherlands
and Chairman of its North
American Lighting Operations
Director Since 2004

Dr. Stephen R. Lewis, Jr.
Chairman
RiverSource Funds
Director Since 2002

Daniel P. Neary
Chairman and
Chief Executive Officer
Mutual of Omaha
Director Since 2005

Ambassador Clark T. Randt, Jr.
Former U.S. Ambassador to the
People's Republic of China
Director Since 2009

Walter Scott, Jr.
Chairman
Level 3 Communications, Inc.
Director Since 1981

Kenneth E. Stinson
Chairman
Peter Kiewit Sons', Inc.
Director Since 1996

Audit Committee
Walter Scott, Jr., Chairman
Kaj den Daas
Daniel P. Neary

Compensation Committee
Thomas F. Madison, Chairman
Glen A. Barton
Dr. Stephen R. Lewis, Jr.
Kenneth E. Stinson

**Governance and
Nominating Committee**
Thomas F. Madison, Chairman
Kaj den Daas
Dr. Stephen R. Lewis, Jr.

officers corporate and business units

Corporate Officers

Mogens C. Bay
Chairman and
Chief Executive Officer

Terry J. McClain
Senior Vice President and
Chief Financial Officer

E. Robert Meaney
Senior Vice President and
Corporate Secretary

Steven G. Branscombe
Vice President
Information Technology

Brian Desigio
Vice President
Corporate Development

John G. Graboski
Vice President
Human Resources

Mark C. Jaksich
Vice President
Corporate Controller

Walter P. Pasko
Vice President
Procurement

Engineered Support Structures

Thomas D. Spears
Group President
North American Structures

Mark E. Treinen
Group Vice President
Business Development

Todd P. Barth
Vice President and General Manager
North American Lighting
& Traffic Structures

Joseph A. Kerner
Vice President and
General Manager
Specialty Structures

Thomas F. Sanderson
Vice President
Market Development and Services
North American Structures

Thomas J. Sutko
Vice President
Sales
North American Structures

Utility Support Structures
Earl Foust
Group President

James P. Ruddy
Vice President
Steel Business Units

Steven A. Schmid
Vice President Operations

Douglas C. Sherman
Vice President
Market Development

Global Irrigation

Leonard M. Adams
Group President
Global Irrigation

Bernhard L. Kiep
Vice President and
General Manager
International Irrigation

Stephen B. LeGrand
Vice President
Operations
Irrigation

Craig Malsam
Vice President
Engineering
Irrigation

International, Coatings and Tubing

Victor D. Grizzle
Group President
International Structures,
Coatings and Tubing

Michael Banat
Vice President
International Structure
Sales and Marketing

Richard S. Cornish
Vice President and
General Manager
Galvanizing Services

Stéphane Devulder
General Manager
Southern Europe

Huang Xiao Yong
General Manager
China

corporate and stock information

Corporate Headquarters

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Omaha, Nebraska 68154-5215 USA
Tel 1-402-963-1000
Fax 1-402-963-1198
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Independent Public Accountants

Deloitte & Touche LLP
Omaha, Nebraska USA

Legal Counsel

McGrath North Mullin & Kratz, PC LLO
Omaha, Nebraska USA

Stock Transfer Agent and Registrar Address Shareholder Inquiries to:

Wells Fargo Shareowner Services
161 N. Concord Exchange
South St. Paul, MN 55075
1-866-886-9962

Send Certificates for Transfer and Address Changes to:

Wells Fargo Shareowner Services
161 N. Concord Exchange
South St. Paul, MN 55075
1-866-886-9962

Annual Meeting

The annual meeting of Valmont's shareholders will be held at 2:00 p.m. on Monday, April 27, 2009, at the Joslyn Art Museum in Omaha, Nebraska USA.

Shareholder and Investor Relations

Valmont's common stock trades on the New York Stock Exchange (NYSE) under the symbol VMI.

We make available, free of charge through our Internet Web site at www.valmont.com, our annual report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as soon as reasonably practicable after such material is electronically filed with or furnished to the Securities and Exchange Commission.

Valmont has filed the Chief Executive Officer and Chief Financial Officer certifications required by Section 302 of the Sarbanes-Oxley Act of 2002 as exhibits with the company's annual report or Form 10-K for the fiscal year ended December 27, 2008.

We have also posted on our Web site our (1) Corporate Governance Principles, (2) Charters for the Audit Committee, Compensation Committee, and Governance and Nominating Committee of the Board, (3) Code of Business Conduct, and (4) Code of Ethics for Senior Officers applicable to the Chief Executive Officer, Chief Financial Officer and Controller. Valmont shareholders may also obtain copies of these items at no charge by writing to:

Jeffrey S. Laudin
Investor Relations Department
Valmont Industries, Inc.
One Valmont Plaza
Omaha, NE 68154 USA
Tel 1-402-963-1000
Fax 1-402-963-1198

financial summary

VMI
LISTED
NYSE

selected 5-year financial summary

DOLLARS IN THOUSANDS, EXCEPT PER SHARE AMOUNTS

	2008	2007	2006	2005	2004
Operating Data					
Net sales	\$ 1,907,278	\$ 1,499,834	\$ 1,281,281	\$ 1,108,100	\$ 1,031,475
Operating income	228,591	155,626	110,085	82,863	70,112
Net earnings	132,397	94,713	61,544	39,079	26,881
Depreciation and amortization	39,597	35,176	36,541	39,392	38,460
Capital expenditures	50,879	56,610	27,898	35,119	17,182
Per Share Data					
Earnings:					
Basic	\$ 5.13	\$ 3.71	\$ 2.44	\$ 1.61	\$ 1.13
Diluted	5.04	3.63	2.38	1.54	1.10
Cash dividends	0.495	0.410	0.370	0.335	0.320
Financial Position					
Working capital	\$ 475,215	\$ 350,561	\$ 277,736	\$ 229,161	\$ 277,444
Property, plant and equipment, net	269,320	232,684	200,610	194,676	205,655
Total assets	1,326,288	1,052,613	892,310	802,042	843,351
Long-term debt, including current installments	338,032	223,248	221,137	232,340	322,775
Shareholders' equity	624,131	510,613	401,281	328,675	294,655
Cash Flow Data					
Net cash flows from operations	\$ 52,575	\$ 110,249	\$ 59,130	\$ 133,777	\$ 5,165
Net cash flows from investing activities	(194,615)	(71,040)	(36,735)	(30,354)	(150,673)
Net cash flows from financing activities	109,291	(210)	(6,946)	(93,829)	139,741
Financial Measures ^(a)					
Invested capital ^(a)	\$ 1,066,160	\$ 819,092	\$ 706,855	\$ 641,392	\$ 697,691
Return on invested capital ^(a)	16.0%	14.0%	11.1%	7.7%	7.6%
EBITDA ^(b)	\$ 260,474	\$ 191,635	\$ 146,029	\$ 122,317	\$ 97,541
Return on beginning shareholders' equity ^(c)	25.9%	23.6%	18.7%	13.3%	10.1%
Long-term debt as a percent of invested capital ^(d)	31.7%	27.3%	31.3%	36.2%	46.3%
Year End Data					
Shares outstanding (000)	26,168	25,945	25,634	24,765	24,162
Approximate number of shareholders	5,800	5,800	5,600	5,700	5,600
Number of employees	7,380	6,029	5,684	5,336	5,542

See footnotes on page 32.

segment summary

DOLLARS IN MILLIONS, EXCEPT PER SHARE AMOUNTS

	2008	2007	Change 2008-2007	2006	Change 2007-2006
Consolidated					
Net sales	\$ 1,907.3	\$ 1,499.8	27.2 %	\$ 1,281.3	17.1 %
Gross profit	510.5	399.8	27.7 %	326.7	22.4 %
as a percent of sales	26.8 %	26.7 %		25.5 %	
SG&A expense	281.9	244.2	15.4 %	216.6	12.7 %
as a percent of sales	14.8 %	16.3 %		16.9 %	
Operating income	228.6	155.6	46.9 %	110.1	41.3 %
as a percent of sales	12.0 %	10.4 %		8.6 %	
Net interest expense	15.9	14.9	6.7 %	15.1	(1.5) %
Effective tax rate	34.2 %	31.4 %		32.0 %	
Net earnings	\$ 132.4	\$ 94.7	39.8 %	\$ 61.5	53.9 %
Diluted earnings per share	\$ 5.04	\$ 3.63	38.8 %	\$ 2.38	52.3 %
Engineered Support Structures Segment					
Net sales	\$ 706.9	\$ 581.5	21.6 %	\$ 509.3	14.2 %
Gross profit	176.1	154.1	14.3 %	136.0	13.3 %
SG&A expense	119.9	98.6	21.6 %	89.8	9.8 %
Operating income	56.2	55.5	1.3 %	46.2	20.1 %
Utility Support Structures Segment					
Net sales	\$ 439.7	\$ 327.3	34.3 %	\$ 280.8	16.5 %
Gross profit	116.5	82.4	41.4 %	62.9	31.0 %
SG&A expense	51.8	38.0	36.3 %	31.9	19.2 %
Operating income	64.7	44.4	45.7 %	31.0	43.1 %
Coatings Segment					
Net sales	\$ 112.0	\$ 106.5	5.2 %	\$ 90.4	17.7 %
Gross profit	45.2	33.9	33.3 %	29.5	15.0 %
SG&A expense	13.4	10.9	22.9 %	10.7	1.7 %
Operating income	31.8	23.0	38.3 %	18.8	22.6 %
Irrigation Segment					
Net sales	\$ 562.7	\$ 388.9	44.7 %	\$ 312.8	24.3 %
Gross profit	143.2	98.5	45.4 %	73.9	33.3 %
SG&A expense	56.0	46.8	19.7 %	40.9	14.4 %
Operating income	87.2	51.7	68.7 %	33.0	56.7 %
Other					
Net sales	\$ 86.0	\$ 95.6	(10.0) %	\$ 87.9	8.7 %
Gross profit	30.1	30.7	(2.0) %	25.1	22.3 %
SG&A expense	9.1	11.8	(22.9) %	12.5	(5.6) %
Operating income	21.0	18.9	11.1 %	12.5	51.2 %
Net corporate expense					
Gross profit	\$ (0.6)	\$ 0.2	NM	\$ (0.7)	NM
SG&A expense	31.7	38.1	(16.8) %	30.6	24.3 %
Operating loss	(32.3)	(37.9)	14.8 %	(31.4)	(20.7) %

NM = Not meaningful

appendix

Sources and Footnotes

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Footnotes

- (a) 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 Accounts Payable, Accrued Expenses and Dividends Payable. 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 not a measure of financial performance or liquidity under generally accepted accounting principles (GAAP). Accordingly, 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. Return on Invested Capital, as presented, may not be comparable to similarly titled measures of other companies.

- (b) Earnings before Interest, Taxes, Depreciation and Amortization (EBITDA) is one of our key financial ratios in that it is the basis for determining our maximum borrowing capacity at any one time. Our bank credit agreements contain a financial covenant that our total interest-bearing debt not exceed 3.75x EBITDA for the most recent twelve month period. If this covenant is violated, we may incur additional financing costs or be required to pay the debt before its maturity date. EBITDA is not a measure of financial performance or liquidity under GAAP and, accordingly, 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.
- (c) Return on beginning shareholders' equity is calculated by dividing Net earnings by the prior year's ending Shareholders equity.
- (d) Long-term debt as a percent of invested capital is calculated as the sum of Current portion of long-term debt and Long-term debt divided by Total Invested Capital. This is one of our key financial ratios in that it measures the amount of financial leverage on our balance sheet at any point in time. We also have covenants under our major debt agreements that relate to the amount of debt we carry. If those covenants are violated, we may incur additional financing costs or be required to pay the debt before its maturity date. We have an internal target to maintain this ratio at or below 40%. This ratio may exceed 40% from time to time to take advantage of opportunities to grow and improve our businesses. Long-term debt as a percent of invested capital is not a measure of financial performance or liquidity under GAAP and, accordingly, 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.
- (e) See pages 22-24 of our attached Form 10-K for tables that show how the financial measurement described in footnotes are calculated from our financial statements.

Photo Information

Cover and Page 6: "Earth Flight," steel sculpture outside Valmont's corporate headquarters created by artist Milton B. Heinrich of Blair, NE. **Page 10:** Valmont Structures' design engineers utilize a Finite Element Analysis program to refine the design of a decorative lighting arm casting. **Page 12:** Valmont engineered support structures, clockwise, from top left: Trolley poles, Salt Lake City, Utah; Decorative area lighting structures, Brenton Skating Plaza, Des Moines, Iowa; Decorative traffic structure, Nashville, Tennessee; Self-supporting lattice tower for wireless communication. **Page 14:** Manufacturing engineer butt welds steel utility structure at Valmont-Newmark's Jasper, Tennessee, facility. **Page 16:** Valmont-Newmark offers a wide variety of utility support structures and custom solutions for the power delivery industry. **Page 18:** Local dealers for Valmont's Valley® brand mechanized irrigation equipment provide ongoing consultation to producers around the world. **Page 20:** Valmont's Valley® brand center pivot irrigation equipment conserves water and reduces the burden on the world's fresh water supply. **Page 22:** Valmont Coatings' state-of-the-art plants provide protective coatings services for steel products of all shapes and sizes, and for customers in a wide variety of industries.

Forward-Looking Statements

This report contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are based on assumptions that management has made in light of experience in the industries in which the Company operates, as well as management's perceptions of historical trends, current conditions, expected future developments and other factors believed to be appropriate under the circumstances. These statements are not guarantees of performance or results. They involve risks, uncertainties (some of which are beyond the Company's control) and assumptions. Management believes that these forward-looking statements are based on reasonable assumptions. Many factors could affect the Company's actual financial results and cause them to differ materially from those anticipated in the forward-looking statements. These factors include, among other things, risk factors described from time to time in the Company's reports to the Securities and Exchange Commission, as well as future economic and market circumstances, industry conditions, company performance and financial results, operating efficiencies, availability and price of raw materials, availability and market acceptance of new products, product pricing, domestic and international competitive environments, and actions and policy changes of domestic and foreign governments. The Company cautions that any forward-looking statements included in this report are made as of the date of this report.



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