



Conserving Resources. Improving Life.

ANNUAL REPORT 2009

global leverage at work



valmont's vision

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.

financial highlights

DOLLARS IN MILLIONS, EXCEPT PER SHARE AMOUNTS

	2009	2008	2007
Operating Results			
Net sales	\$ 1,786.6	\$ 1,907.3	\$ 1,499.8
Operating income	238.0	228.6	155.6
Net earnings ¹	150.6	132.4	94.7
Diluted earnings per share	5.73	5.04	3.63
Dividends per share	0.580	0.495	0.410

Financial Position			
Shareholders' equity ²	\$ 786.3	\$ 624.1	\$ 510.6
Long-term debt as a % of invested capital ³	15.2%	31.7%	27.3%

Operating Profits			
Gross profit as a % of net sales	29.8%	26.8%	26.7%
Operating income as a % of net sales	13.3%	12.0%	10.4%
Net earnings as a % of net sales	8.4%	6.9%	6.3%
Return on beginning equity	24.1%	25.9%	23.6%
Return on invested capital ³	15.2%	16.0%	14.0%

Year-End Data			
Shares outstanding (000)	26,297	26,168	25,945
Approximate number of shareholders	5,400	5,800	5,800
Number of employees	6,626	7,380	6,029

¹ Net earnings attributable to Valmont Industries, Inc.

² Total Valmont Industries, Inc. shareholders' equity.

³ See footnote (a) on page 32 of this document and item 6 on pages 22 through 24 of the Company's Form 10-K.

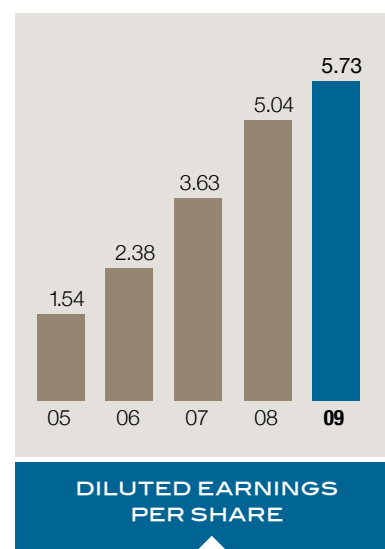
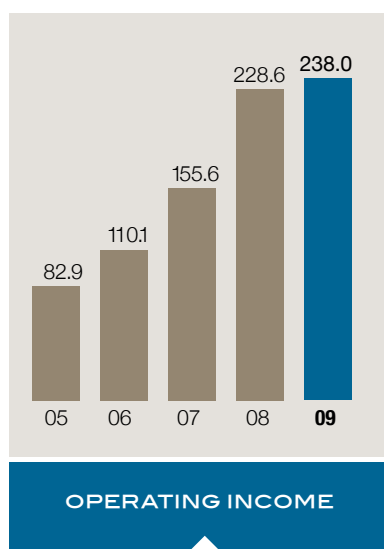
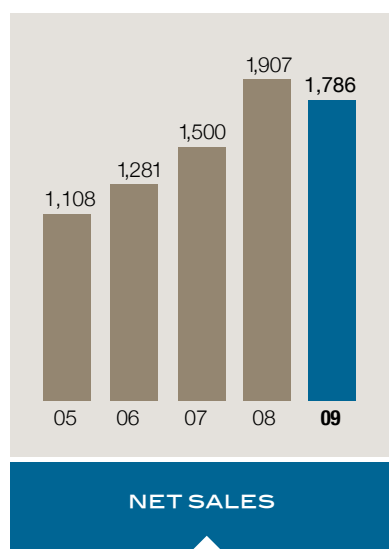


table of contents

1	financial highlights
4	message to fellow shareholders
6	valmont at a glance
8	engineered support structures division
12	utility support structures division
16	irrigation division
20	coatings division
24	global dedication
26	board of directors
27	corporate and business unit officers
28	corporate and stock information
29	financial summary

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.



MESSAGE TO FELLOW SHAREHOLDERS

THE YEAR 2009 MARKED ANOTHER RECORD FOR VALMONT, WITH A 13.7 PERCENT INCREASE IN EARNINGS PER SHARE ON A 6.3 PERCENT DECLINE IN REVENUE.

Our industry diversification played an important role in this year's record performance. The improvements in earnings were contributed by our utility business, as our other segments were hit by the global recession to varying degrees. Operating income as a percent of sales improved to 13.3% compared with 12.0% in 2008. Our return on invested capital declined slightly to 15.2% from 16% last year. Overall, we are pleased with these results given the very difficult global economic environment. In reflecting on the year 2009, the severe global financial crisis prompts the question: Has anything fundamentally changed to threaten Valmont's future opportunities for success?

We think not. Let me explain why.

Most major economies are still under stress and many infrastructure projects are being delayed. Furthermore, farm income has declined recently. We believe these are short-term challenges.

The two principal long-term drivers for Valmont's businesses are general economic growth, which requires investments in infrastructure, and a growing population, which leads to increased pressures on production agriculture to more efficiently use limited fresh water resources. To support economic growth

and expansion, our structures enhance the quality of a country's infrastructure. To support population growth, Valmont's irrigation products help farmers to increase production with less water. The link between our products and economic and critical social progress has not changed because of recent events.

Valmont is in a strong position. We hold market leadership positions in businesses that support infrastructure growth and the need for more food, and are very optimistic about our long-term opportunities.

In 2009, our Engineered Support Structures Segment faced many headwinds. The strongest one was global weakness in roadway and construction spending, resulting in a 7% decline in sales and a 5% reduction in operating income.

Our Utility Support Structures Segment had an extraordinary year. We started with a record backlog of orders and experienced strong activity throughout the year, which led to a 37% increase in sales. The high volumes led to excellent fixed cost leverage in the plants and good leverage of selling, general and administrative costs. As a result, operating income more than doubled.

Our coatings business did a good job of protecting the quality of its earnings. Despite an 18% sales decline and a 22% decline in operating income, operating income as a percent of sales remained above 20%.

Our Irrigation Segment results were defined by the North American farmers' reluctance to invest, as they were faced with tremendous economic uncertainty during the core selling season and declining commodity prices. International markets were confronted with similar issues, as well as the additional stress of tighter credit. These adverse conditions led to a 35% drop in global irrigation sales and a 60% decline in operating income for the year.

Let me update you on our progress with "The Valmont Way." The Valmont Way is our method of implementing a culture of continuous improvement. It is our road map to becoming a true lean enterprise and is based upon our corporate values by which we live every day: passion for our customers and products; uncompromising integrity; the pursuit of excellence through continuous improvement; and delivering results.

In 2009, we continued to sharpen our focus on eliminating waste through the ongoing training and engagement of our global workforce in The Valmont Way. Each employee had individual and group training on the principles of the Valmont Way, and I believe we are gaining broad acceptance and enthusiasm for the power of these methods.

Our commitment to the health and safety of our employees and communities remains unwavering. Around the world, our divisional and facility safety programs were strengthened through the streamlined reporting, improved communication, training, and auditing of our Environmental Health and Safety Department. Our emphasis on health and safety is an integral part of The Valmont Way.

We have also initiated a concerted effort to address our sustainability. We believe that companies that monitor and measure their practices with an eye toward the environment will become better companies and stronger competitors. We have an obligation to be good stewards of our resources.

One milestone for which we are particularly proud occurred in November, when Valmont was presented with the Presidential "E Star" Award. This award recognizes persons or organizations for significantly contributing to increasing United States exports.

Throughout 2009, I continued my visits to our facilities around the world. It is important for me to meet our employees face to face. I assure you, we have a dedicated worldwide team with great passion for our products and markets, and for serving our customers better than anyone else. I am proud of what they have accomplished, and I thank each one of my fellow employees for all they do for Valmont.

The turbulent economic environment will pose challenges for Valmont and for our customers in the coming year. We move into 2010 with a cautious outlook, but unbridled enthusiasm for the opportunities ahead.

Regardless of the economic environment facing us in 2010, I can assure you that we will remain sharply focused on maximizing our performance and delivering the highest value possible to our customers and stakeholders.

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.

AGRICULTURE



Mechanized irrigation systems

IRRIGATION

INFRASTRUCTURE

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



UTILITY SUPPORT STRUCTURES

Utility transmission and distribution poles
Utility substation structures



COATINGS

Galvanizing, anodizing, powder coatings and integrated graphics



**CUSTOMER NEEDS » SUSTAINED INNOVATION
IN DESIGN, ENGINEERING, AND MANUFACTURING**



**A ROAD MAP FOR
CUSTOMER SERVICE**

Increasingly, customers around the world are relying on Valmont to deliver quality structures for lighting and traffic, mass transit, and wireless communication. How will Valmont continue to meet these demands? Our road map for continuous improvement is guiding the way. This will lead to the delivery of an even higher level of service and value for our customers.

engineered
support structures division





DIVERSIFYING STRENGTHS

In emerging and developed economies, the needs for nighttime safety, traffic control and telecommunication continue to grow and drive demand for Valmont's engineered support structures. Over the next 20 years, as populations continue to grow and evolve, these needs will continue to increase.

Market Drivers: In Place, Evolving, Enduring Urbanization in developing countries is creating a need for infrastructure to bring safety and traffic control to a rising number of urban dwellers. More than 50 percent of the world's population now lives in urban settings, an unprecedented number that is expected to climb to 81 percent by 2030.

Safe structures are becoming a high priority for a growing number of urban communities in developed countries. In an effort to create safer highway systems, much of the existing roadway lighting infrastructure is beginning to be replaced with energy-absorbing structures, requiring highly engineered design solutions.

Beautification of cities to attract tourists is a growing trend in many countries. This movement is leading to an increasing demand for decorative structures to differentiate cities and create beautiful and safely lit urban areas.



Upgrading and replacement of aging infrastructure in the U.S. is a growing concern and will continue to drive the demand for engineered structures.

Communication structures for cell phones and data transmission continue to generate strong demand as emerging markets build out their wireless infrastructures for cell phone usage. Rising global demand is being driven by a transition to wireless machine-to-machine communication.

Technology advances such as light-emitting diodes, or LEDs, are signaling the need for future solutions for lighting infrastructure as LEDs suitable for outdoor lighting applications become more widely available.

Strength for the Future

Valmont is prepared for the challenge. Our manufacturing facilities are strategically located around the world. Our engineering capacities, knowledge of local markets and distribution channels are strengths we continue to leverage. The depth and breadth of our product portfolio allows us to meet the unique needs of our customers. And our passion for continuous improvement and innovation helps us to serve our customers better than anyone else.

CUSTOMER NEEDS » SUSTAINED INNOVATION
IN DESIGN, ENGINEERING, AND MANUFACTURING



THE WAY WE CONDUCT BUSINESS

The market for utility infrastructure is expanding around the world. More and more, utility customers are calling upon Valmont for their largest, most complex projects requiring transmission, distribution and substation structures. How is Valmont meeting these increasing demands? The way we conduct business and the processes we have set in place allow us to deliver superior quality, service and value, time after time.

utility
support structures division





Developed countries needing upgraded power grids to improve reliability stand in striking contrast to developing economies located miles from the nearest electricity source. Yet, both scenarios will require significant investments in utility infrastructure over the coming decades, further driving demand for Valmont's engineered utility structures.

The Need for Power

Interconnection of power grids is an emerging and necessary trend as the U.S., Europe, and developing countries attempt to meet rising demand for power with greater reliability. Interconnect ties, which allow electricity to be transferred in either direction between state and national borders, are long-term projects requiring unique utility infrastructure solutions.

Developing countries are building power grids from the ground up to improve the standard of living for one-fourth of the world's population. Demand for electrification in these regions is generating long-term investments in transmission and distribution infrastructure.

Utility projects are continuing to increase in size and duration as the U.S. builds out a stronger national grid system to move bulk power. These large, complex projects require a variety of highly engineered infrastructure products, and unprecedented support from skilled infrastructure engineers and project managers with proven risk management expertise.



DELIVERING POWERFUL RESULTS

Renewable energy sources are the nexus of attention for planners and design engineers of power grids worldwide. In North America alone, plans to integrate renewable energy into existing power grids represent a major undertaking. These extended projects require skilled project managers and long-term investments in engineered utility infrastructure.

Power to Deliver

As demand for utility infrastructure increases worldwide, project scopes are becoming larger, and the risks to customers are getting higher. It takes expertise, like that of Valmont-Newmark's qualified project managers, to support increased engineering, logistical, and delivery requirements. As a leader in utility infrastructure, we transfer knowledge and resources between

our worldwide facilities, including three located in China, to maximize efficiencies and engineering innovations. Our diverse product portfolio includes tubular steel poles, spun concrete structures, and hybrid poles. Looking ahead, Valmont-Newmark has the processes in place to sustain the superior service, quality, and value utility projects require, and our customers expect.

**CUSTOMER NEEDS » SUSTAINED INNOVATION
IN DESIGN, ENGINEERING, AND MANUFACTURING**



HELPING PEOPLE GROW

Growing populations and urbanization in emerging economies are placing ever-increasing demands on the world's food supply. Due to limited fresh water resources, this means more food must be grown with less water. How is Valmont contributing to the solution? The way we leverage our strengths and implement our strategies allows us to continuously deliver mechanized irrigation equipment of superior quality and value to producers around the world, helping them grow more with less water.

irrigation division





CONSERVING RESOURCES

Fresh water is a severely limited resource. Yet, with each passing year, the demands on our fresh water supply are intensifying. Paramount to humanity's well-being is the ability to grow more food with less water. This is the source of enduring demand for Valmont's mechanized irrigation equipment.

Producing More with Less

Population growth continues to stress the world's food supply. The World Bank estimates global population will rise from today's 6.8 billion to over 8 billion by 2025. Most of this growth will occur in developing countries, where roughly 800 million people are still undernourished. Producers worldwide are challenged to grow more food with limited resources.

Expanding middle class populations in developing economies are driving demand for higher quality, protein-based diets. The shift in food consumption requires that more grain be grown for livestock. This trend will continue to gain momentum as rapid urbanization and rising income levels lead to improved standards of living.

Limited water resources and escalating populations mean more food must be grown with less water. Of all the earth's fresh water, only 1 percent is available for human use. Of that, approximately 70 percent is used for agriculture today. Without more efficient irrigation methods, the United Nations predicts the demand for water will escalate 70 to 90 percent by 2050.



Conversion from traditional flood to mechanized irrigation can have a far-reaching impact. Mechanized irrigation equipment can save 50 to 70 percent of the water used when compared to flood irrigation. Converting dry land to irrigated farming in arid regions offers further opportunities to increase food production using mechanized irrigation equipment.

Replacement of aging irrigation equipment in North America presents ongoing opportunities in the mechanized irrigation market. While built for durability, much of the mechanized irrigation equipment in the fields today is over 30 years old.

Biofuel usage is on the rise, driving demand for increased grain production for ethanol.

Sustaining Solutions

Valmont is a premier solution provider. We are the world's largest manufacturer of mechanized irrigation equipment with the foremost global dealer network. Our water-saving Valley® brand center pivot and linear irrigation equipment is universally recognized for its unmatched quality and reliability. Our strength arises from our global presence, continuous innovation, and ability to leverage our resources. Through sustained engineering and service excellence, Valmont will persist as the industry leader.

**CUSTOMER NEEDS » SUSTAINED INNOVATION
IN DESIGN, ENGINEERING, AND MANUFACTURING**

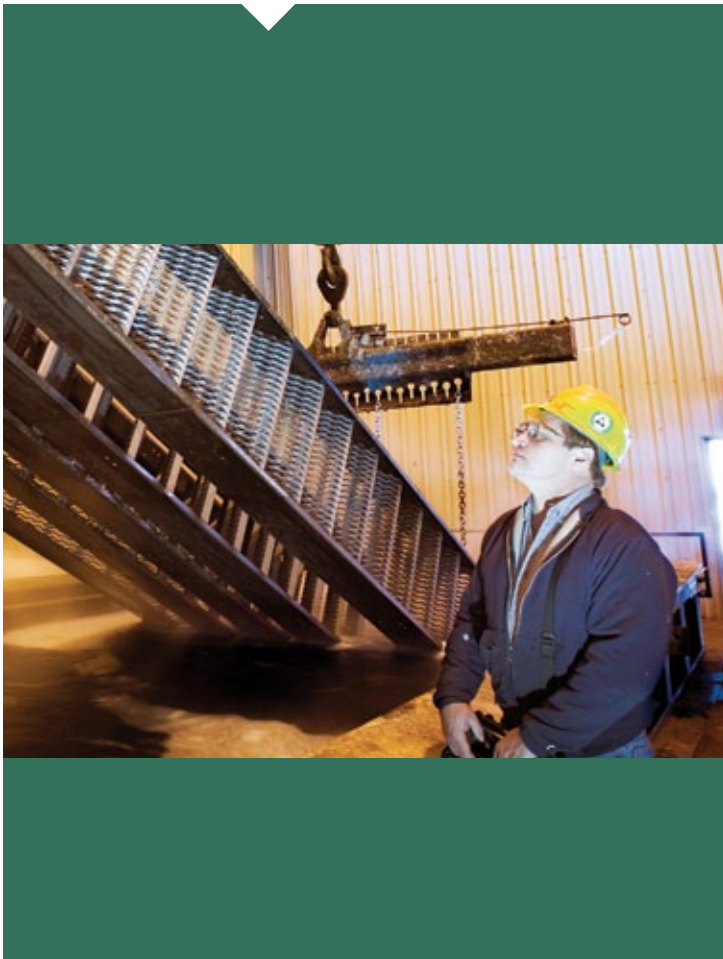


**TAKING PERFORMANCE
TO A HIGHER LEVEL**

The annual cost of corrosion of metal products in the U.S. represents a major financial burden for industry and government. At Valmont, we are helping our customers curb corrosion costs. How? As a full-service coatings company, we commit daily to continuous process improvement and innovation to extend the service life of metal products and add value for our customers, and to taking our product and service performance to higher levels.

coatings division





When it comes to corrosion of aging and inadequately protected metal structures, the stakes can be high. Not only does corrosion cost billions of dollars in the U.S. each year, compromised structural integrity due to corrosion can cost lives. With a maintenance-free service life of up to 50 or more years in most environments, Valmont's quality galvanizing can lower the stakes considerably.

Driving to the Finish

Corrosion represents a direct annual cost of nearly \$300 billion in the U.S., and more than \$1.8 trillion worldwide, according to a 2009 report issued by the World Corrosion Organization. With proper corrosion control, billions of dollars could be saved in the U.S. alone. The increased focus on controlling these costs is a catalyst behind long-term demand for protective finishes.

Aging infrastructure accounts for nearly \$22.6 billion in direct corrosion costs each year, according to a study commissioned by the U.S. Federal Highway Administration. The need for galvanizing and other protective finishes will remain strong as aging metal structures and components are replaced over the coming years.



ENHANCING SERVICE LIFE

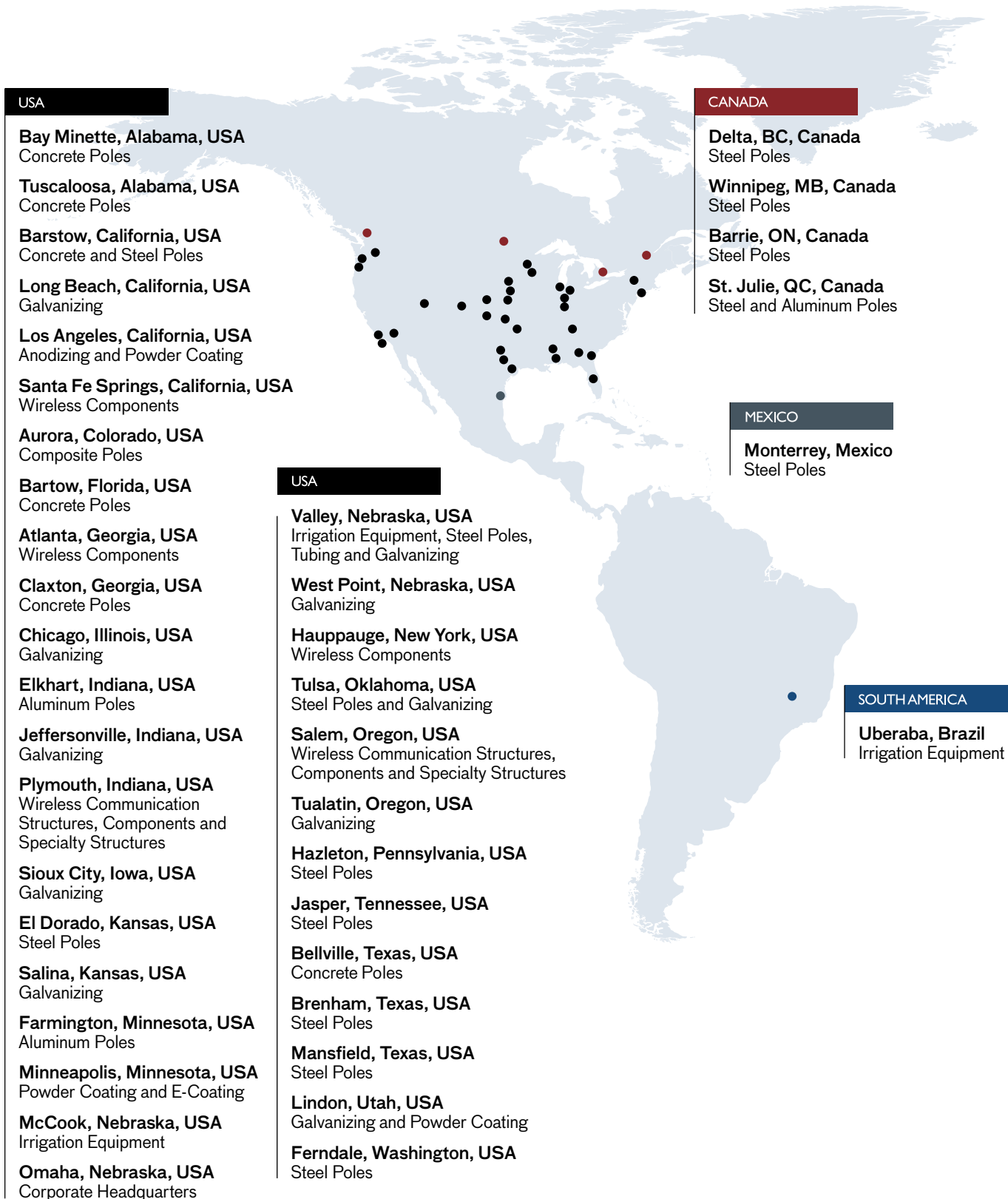
Diversity in climates and physical environments requires assorted coatings options to protect metal structures from location-specific corrosives. Meeting the associated engineering requirements, efficiently and economically, requires solutions from a coatings provider specializing in a variety of high quality protective finishes.

Value-Added Performance

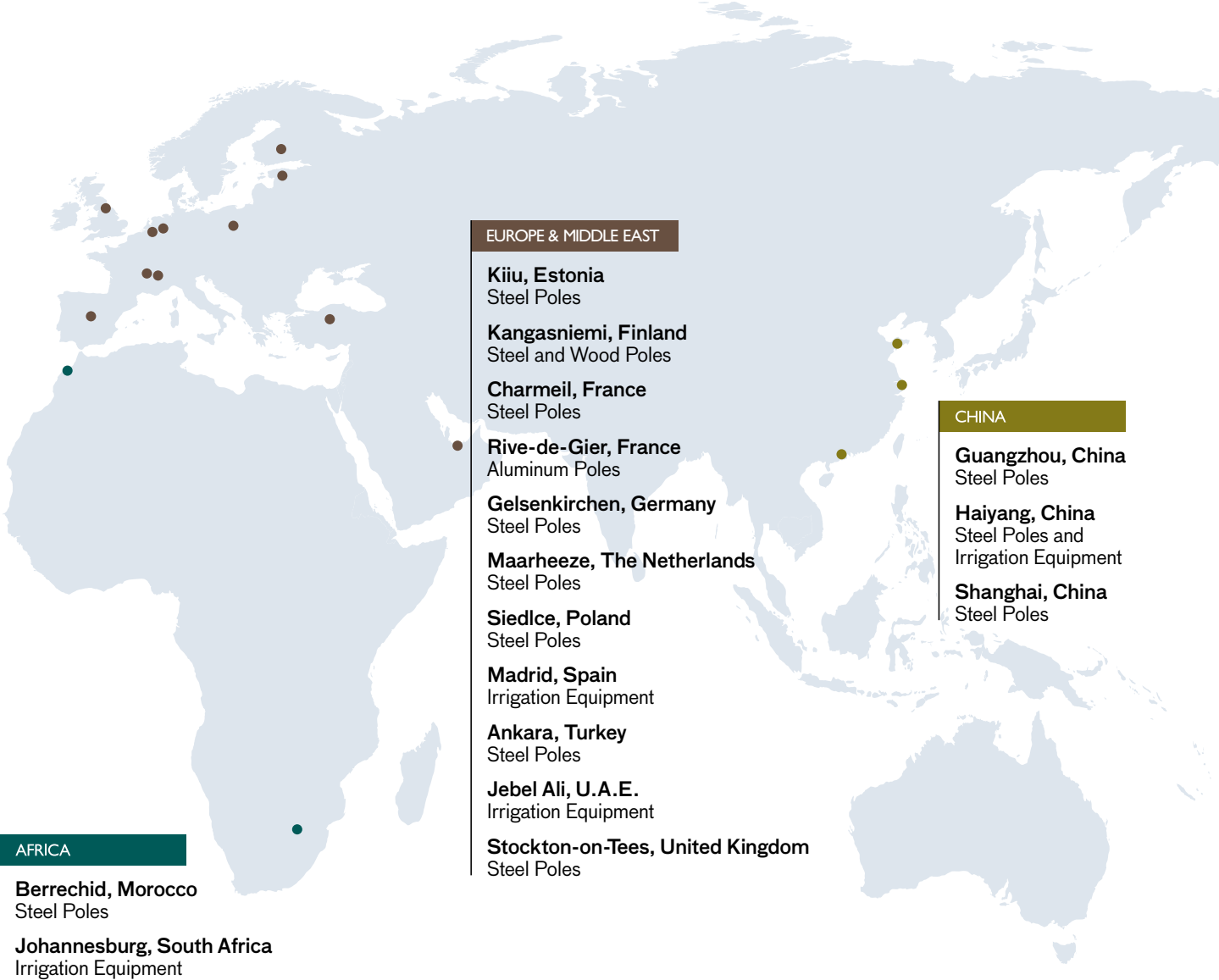
The high cost of corrosion in the U.S. is a pressing issue. As a full-service coatings company, Valmont Coatings is already providing superior quality, value-added solutions to steel fabrication markets nationwide. We are one of the largest and most efficient custom galvanizers in North America. Throughout our history, we have made continuous process improvements, leveraged our engineering resources, and broadened our coatings offerings to serve

our customers better than anyone else. Our array of quality finishes can be found on products ranging from large steel poles and other products for infrastructure, to flashlights and guitars. With our extensive knowledge, our commitment to continuous innovation, and our strategically located facilities around the country, Valmont Coatings will continue to be a leader in the industry through performance, and by example.

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

Retired 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

Human Resources Committee

Kenneth E. Stinson, Chairman
Dr. Stephen R. Lewis, Jr.
Thomas F. Madison
Daniel P. Neary

**Governance and
Nominating Committee**

Dr. Stephen R. Lewis, Jr.,
Chairman
Thomas F. Madison
Glen A. Barton

International Committee

Glen A. Barton, Chairman
Kaj den Daas
Ambassador Clark T. Randt, Jr.
Mogens C. Bay

officers

corporate and business units

Corporate Officers

Mogens C. Bay

Chairman &
Chief Executive Officer

Terry J. McClain

Senior Vice President &
Chief Financial Officer

E. Robert Meaney

Senior Vice President &
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 &
Controller

Walter P. Pasko

Vice President
Procurement

Global Lighting and Communication Structures

Victor D. Grizzle

Group President

Todd P. Barth

Vice President &
General Manager
Americas Lighting &
Communication Structures

Ted Brockman

Vice President &
General Manager
Valmont West
Coast Engineering

Gary King

Vice President
Operations

Jason Palumbis

Vice President
Sales

Thomas F. Sanderson

Vice President
Global Platforms &
Strategic Growth

Mark E. Treinen

Group Vice President
Controller &
Business Development

Dan Witt

Vice President
Marketing, Research &
Development & Customer
Engagement

Piet Stevens

Vice President &
General Manager
Europe Middle East Asia

Stéphane Devulder

General Manager
Southern Europe

Huang Xiao Yong

President
Valmont China

Global Utility

Earl Foust

Group President

Michael Banat

Vice President &
General Manager
International Utility

James P. Ruddy

Vice President
Steel Business Units

Steven A. Schmid

Vice President
Operations

Douglas C. Sherman

Vice President
Marketing

Global Irrigation

Leonard M. Adams

Group President

Bernhard L. Kiep

Vice President &
General Manager
International Irrigation

Stephen B. LeGrand

Vice President
Operations Irrigation

Craig Malsam

Vice President
Engineering Irrigation

Coatings and Tubing

Victor D. Grizzle

Group President

Richard S. Cornish

Vice President &
General Manager

corporate and stock information

Corporate Headquarters

Valmont Industries, Inc.
One Valmont Plaza
Omaha, Nebraska 68154-5215
USA
Tel 1-402-963-1000
Fax 1-402-963-1198
Online valmont.com

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 Tuesday, April 27, 2010, 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 on Form 10-K for the fiscal year ended December 26, 2009.

We have also posted on our Web site our (1) Corporate Governance Principles, (2) Charters for the Audit Committee, Human Resources Committee, Governance and Nominating Committee and International 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

selected 5-year financial summary

DOLLARS IN THOUSANDS, EXCEPT PER SHARE AMOUNTS

	2009	2008	2007	2006	2005
Operating Data					
Net sales	\$ 1,786,601	\$ 1,907,278	\$ 1,499,834	\$ 1,281,281	\$ 1,108,100
Operating income	237,994	228,591	155,626	110,085	82,863
Net earnings ¹	150,562	132,397	94,713	61,544	39,079
Depreciation and amortization	44,748	39,597	35,176	36,541	39,392
Capital expenditures	44,129	50,879	56,610	27,898	35,119
Per Share Data					
Earnings:					
Basic	\$ 5.80	\$ 5.13	\$ 3.71	\$ 2.44	\$ 1.61
Diluted	5.73	5.04	3.63	2.38	1.54
Cash dividends	0.580	0.495	0.410	0.370	0.335
Financial Position					
Working capital	\$ 458,605	\$ 475,215	\$ 350,561	\$ 277,736	\$ 229,161
Property, plant and equipment, net	283,088	269,320	232,684	200,610	194,676
Total assets	1,302,169	1,326,288	1,052,613	892,310	802,042
Long-term debt, including current installments	160,482	338,032	223,248	221,137	232,340
Shareholders' equity ²	786,261	624,131	510,613	401,281	328,675
Cash Flow Data					
Net cash flows from operations	\$ 349,520	\$ 52,575	\$ 110,249	\$ 59,130	\$ 133,777
Net cash flows from investing activities	(43,595)	(194,615)	(71,040)	(36,735)	(30,354)
Net cash flows from financing activities	(198,400)	109,291	(210)	(6,946)	(93,829)
Financial Measures ^(e)					
Invested capital ^(a)	\$ 1,057,483	\$ 1,066,160	\$ 819,092	\$ 706,855	\$ 641,392
Return on invested capital ^(a)	15.2%	16.0%	14.0%	11.1%	7.7%
EBITDA ^(b)	\$ 283,964	\$ 260,474	\$ 191,635	\$ 146,029	\$ 122,317
Return on beginning shareholders' equity ^(c)	24.1%	25.9%	23.6%	18.7%	13.3%
Long-term debt as a percent of invested capital ^(d)	15.2%	31.7%	27.3%	31.3%	36.2%
Year End Data					
Shares outstanding (000)	26,297	26,168	25,945	25,634	24,765
Approximate number of shareholders	5,400	5,800	5,800	5,600	5,700
Number of employees	6,626	7,380	6,029	5,684	5,336

See footnotes on page 32.

¹ Net earnings attributable to Valmont Industries, Inc.

² Total Valmont Industries, Inc. shareholders' equity.

segment

summary

DOLLARS IN MILLIONS, EXCEPT PER SHARE AMOUNTS

	2009	2008	Change 2009-2008	2007	Change 2008-2007
Consolidated					
Net sales	\$ 1,786.6	\$ 1,907.3	(6.3)%	\$ 1,499.8	27.2 %
Gross profit	532.0	510.5	4.2 %	399.8	27.7 %
as a percent of sales	29.8 %	26.8 %		26.7 %	
SG&A expense	294.0	281.9	4.3 %	244.2	15.4 %
as a percent of sales	16.5 %	14.8 %		16.3 %	
Operating income	238.0	228.6	4.1 %	155.6	46.9 %
as a percent of sales	13.3 %	12.0 %		10.4 %	
Net interest expense	14.3	15.9	(10.1)%	14.9	6.7 %
Effective tax rate	32.2 %	34.2 %		31.4 %	
Net earnings	\$ 150.6	\$ 132.4	13.8 %	\$ 94.7	39.8 %
Diluted earnings per share	\$ 5.73	\$ 5.04	13.7 %	\$ 3.63	38.8 %
Engineered Support Structures Segment					
Net sales	\$ 582.3	\$ 638.3	(8.8)%	\$ 542.1	17.7 %
Gross profit	153.8	156.5	(1.7)%	142.0	10.2 %
SG&A expense	108.7	109.1	(0.4)%	90.8	20.2 %
Operating income	45.1	47.4	(4.9)%	51.2	(7.4)%
Utility Support Structures Segment					
Net sales	\$ 698.2	\$ 508.4	37.3 %	\$ 366.8	38.6 %
Gross profit	236.0	136.1	73.4 %	94.5	44.0 %
SG&A expense	71.2	62.6	13.7 %	45.8	36.7 %
Operating income	164.8	73.5	124.2 %	48.7	50.9 %
Coatings Segment					
Net sales	\$ 90.6	\$ 112.0	(19.1)%	\$ 106.5	5.2 %
Gross profit	38.0	45.2	(15.9)%	33.9	33.3 %
SG&A expense	13.3	13.4	(0.1)%	10.9	22.9 %
Operating income	24.7	31.8	(22.3)%	23.0	38.3 %
Irrigation Segment					
Net sales	\$ 362.2	\$ 562.7	(35.6)%	\$ 388.9	44.7 %
Gross profit	84.3	143.2	(41.1)%	98.5	45.4 %
SG&A expense	49.2	56.0	(12.1)%	46.8	19.7 %
Operating income	35.1	87.2	(59.7)%	51.7	68.7 %
Other					
Net sales	\$ 53.3	\$ 86.0	(38.0)%	\$ 95.6	(10.0)%
Gross profit	20.5	30.1	(31.9)%	30.7	(2.0)%
SG&A expense	7.5	9.1	(17.6)%	11.8	(22.9)%
Operating income	13.0	21.0	(38.1)%	18.9	11.1 %
Net corporate expense					
Gross profit	\$ (0.6)	\$ (0.6)	NM	\$ (0.2)	NM
SG&A expense	44.1	31.7	39.1 %	38.1	(16.8)%
Operating loss	(44.7)	(32.3)	38.4 %	(37.9)	14.8 %

NM = Not meaningful

appendix

Sources and Footnotes

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 attributable to Valmont Industries, Inc. by the prior year's ending Total Valmont Industries, Inc. 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 Company Form 10-K for tables that show how the financial measurement described in footnotes are calculated from our financial statements.

Photo Information

- Page 9 Area lighting structure, South Waterfront project – Portland, Oregon.
- Page 11 Valmont's engineered support structures for lighting and traffic, and wireless communication are found around the world.
- Page 13 Valmont-Newmark's 345kv double circuit transmission line, hybrid project – North Texas.
- Page 14 Meticulous attention to design, engineering, and manufacturing allow Valmont to deliver utility structures of exceptional quality and durability in any environment.
- Page 17 Water-saving Valley® brand center pivot irrigation equipment.
- Page 19 Valmont's efficient mechanized irrigation equipment provides solutions to the world's increasing demand for food.
- Page 21 Full-service galvanizing solutions, Valmont Coatings Valley Galvanizing – Valley, Nebraska.
- Page 22 Valmont's quality finishes protect steel from corrosion, extending service life and appearance.

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.



VALMONT INDUSTRIES, INC.
ONE VALMONT PLAZA
OMAHA, NEBRASKA 68154-5215 USA
402.963.1000
VALMONT.COM



Conserving Resources. Improving Life.