



Conserving Resources. Improving Life.

ANNUAL REPORT 2010





# FINANCIAL HIGHLIGHTS

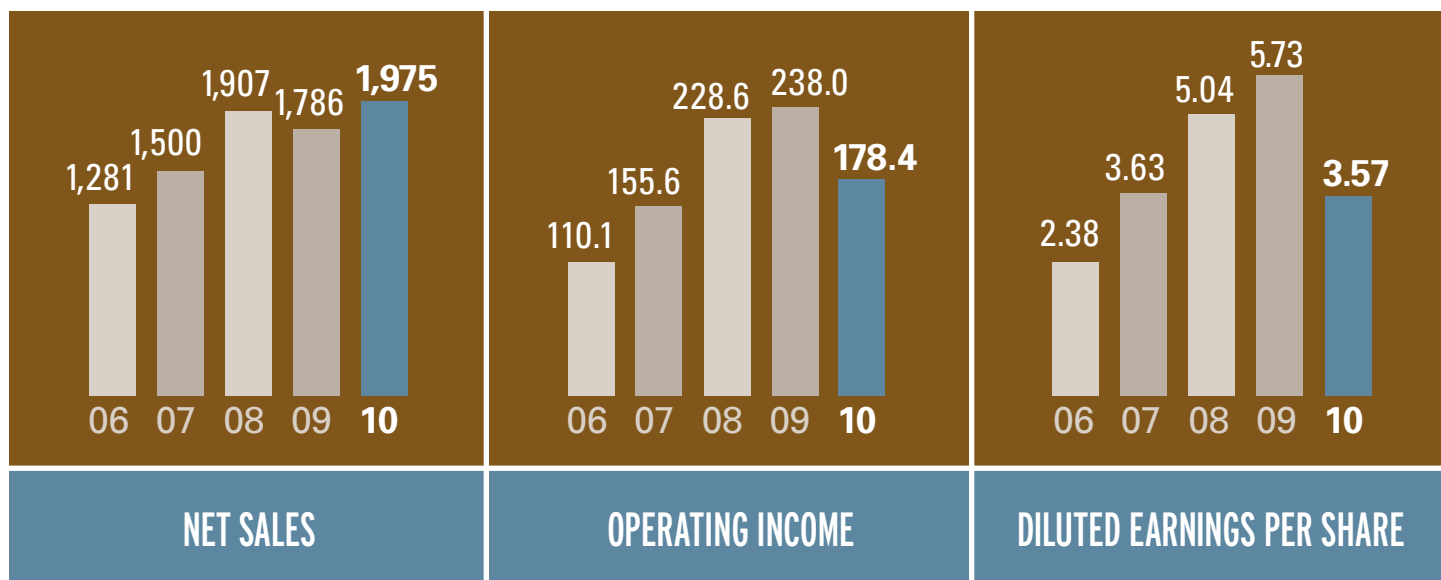
DOLLARS IN MILLIONS, EXCEPT PER SHARE AMOUNTS

	2010	2009	2008
<b>Operating Results</b>			
Net sales	\$ 1,975.5	\$ 1,786.6	\$ 1,907.3
Operating income	178.4	238.0	228.6
Net earnings <sup>1</sup>	94.4	150.6	132.4
Diluted earnings per share	3.57	5.73	5.04
Dividends per share	0.645	0.580	0.495
<b>Financial Position</b>			
Shareholders' equity <sup>2</sup>	\$ 915.9	\$ 786.3	\$ 624.1
Long-term debt as a % of invested capital <sup>3</sup>	26.7%	15.2%	31.7%
<b>Operating Profits</b>			
Gross profit as a % of net sales	26.3%	29.8%	26.8%
Operating income as a % of net sales	9.0%	13.3%	12.0%
Net earnings as a % of net sales	4.8%	8.4%	6.9%
Return on beginning equity	12.0%	24.1%	25.9%
Return on invested capital <sup>3</sup>	8.1%	15.2%	16.0%
<b>Year-End Data</b>			
Shares outstanding (000)	26,374	26,297	26,168
Approximate number of shareholders	7,700	5,400	5,800
Number of employees	9,188	6,626	7,380

<sup>1</sup> Net earnings attributable to Valmont Industries, Inc.

<sup>2</sup> Total Valmont Industries, Inc. shareholders' equity.

<sup>3</sup> See footnote (a) on page 36 of this document and item 6 on pages 21 through 22 of the attached Company's Form 10-K.



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# VALMONT'S VISION

## **VALMONT IS RECOGNIZED THROUGHOUT THE WORLD AS AN INDUSTRY LEADER**

IN ENGINEERED PRODUCTS AND SERVICES FOR INFRASTRUCTURE, AND WATER CONSERVING IRRIGATION EQUIPMENT 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.

Our market drivers remain global, strong and enduring. Solutions for water management will remain a priority as growing populations and improved diets require more food to be grown with less water. Economic growth and infrastructure enhancements will continue to require substantial investment. Valmont is well positioned to help meet these challenges.

In my message to you last year, I told you that turbulent economic conditions worldwide would pose a challenge for Valmont in 2010. That proved to be the case. For the first time in many years, 2010 was not a record year for Valmont.

Our net earnings declined 37 percent on an 11 percent increase in revenue. Sharply improved performance in our global irrigation business, better results in our coatings and tubing businesses, plus the addition of the Delta businesses for about two thirds of the year could not overcome a weak utility market and a continued difficult environment in the markets for lighting, traffic and wireless communications structures. Significant one-time expenses in connection with the acquisition of Delta plc further reduced earnings.

Operating income as a percent of sales declined to 9.0 percent from 13.3 percent. Our return on invested capital fell to 8.2 percent from 15.2 percent due to the increase in total assets and the decline in operating income.

An important step in 2010 was Valmont's acquisition of Delta plc, a leading manufacturer of engineered infrastructure products including: support structures for utility, lighting and telecommunications; highway safety products; engineered access systems and galvanizing services. As part of the acquisition, we welcomed 2,500 employees to the Valmont family—mainly throughout Australia, New Zealand, China, Southeast Asia and North America. There is a very strong cultural fit between Valmont and Delta. Both companies are equally passionate about their businesses and operate them well. This acquisition complements our existing geographic footprint and brings us immediate market presence in several high growth economies, particularly the thriving, resource-driven Australian economy, and the rapidly growing economies of Asia.

Delta's pole and coatings businesses fit perfectly with Valmont's existing businesses. Their highway safety products are well positioned in Australia, and their engineered access systems business has developed a strong brand throughout Asia and Australia. Both of these areas could be significant growth platforms for Valmont.

In 2010, our Engineered Support Structures Segment was negatively impacted by reduced public funding in the U.S., Europe and China. Weak markets inevitably also lead to a much tougher pricing environment. In North America, we still await a new long-term Federal highway bill. Even though funding under the 2005 bill has been extended from time to time, states and municipalities are reluctant to commit to major roadway projects until they have confidence in the outlook for long-term funding. We were hopeful early in the year for better market conditions to return. That did not happen. Our team made great progress in reducing its cost structure and improving productivity, but these efforts were largely masked by lower pricing and weak volume.

Our Utility Support Structures Segment had very difficult comparisons with the exceptionally strong 2009 year. Nevertheless, this business managed to deliver double-digit operating income despite a tough pricing environment and weak market activity in general.

Our Coatings Segment had a good year despite the weak economy. Coatings management did a great job of managing through the environment and delivered high quality earnings.

Looking ahead to 2011, we expect a stronger year with much improved performance.

The Irrigation Segment experienced acceleration in the improvement of its global markets as the year progressed, ending with a very strong 4th quarter. Farmer sentiment has improved significantly compared to a year ago. This business also delivered strong operating performance, and its plants ran very efficiently.



2010

## MESSAGE TO FELLOW SHAREHOLDERS

We continue to implement “The Valmont Way,” which is our war on waste to serve our customers better than anyone else. We recognize this is a journey – not a short-term sprint. Over the past year, several of our plants served as models of how a facility can transform itself into a more lean operation and become a “Center of Excellence.” We are confident our progress will accelerate as we continue to develop additional platforms of excellence we can use as catalysts for the entire organization.

We remain deeply committed to the environment, to the communities we serve, and to the health and safety of our global workforce. We must strive for excellence in safety metrics and continually improve our performance in this crucial aspect of operating a successful global enterprise.

Throughout 2010, I continued my visits to many of our facilities around the world to meet the people behind Valmont’s success. Our employees are second to none. Their passion for our products and for serving our customers is truly inspiring. I’m proud of the work they do for Valmont each day, and nothing pleases me more than to express my gratitude in person.

Looking ahead to 2011, we expect a stronger year with much improved performance. Although we expect our structural businesses serving the lighting, traffic and telecommunication markets will continue to face headwinds – due to weak public funding, a difficult pricing environment worldwide and sharply increasing input costs, particularly steel – we are encouraged by the outlook for many of our businesses. Conditions for a strong year for our irrigation business are certainly present, primarily due to increased demand for food and fiber products, strong commodity prices, and a strong farm income picture. We expect more volume in our Utility Structures Segment, but we are not counting on a better pricing environment, at least during the first half of the year. Our earnings will also be helped by a full year impact of the Delta acquisition, and by the continued improved volume and excellent operational performance of our coatings businesses.

Despite the continued weak economic conditions in many parts of the world, rest assured we will continue to focus on maximizing

our performance in all of our businesses. We will build upon our global leadership positions and leverage our strengths across businesses and geography.

Our market drivers remain global, strong and enduring. Solutions for water management will remain a priority as growing populations and improved diets require more food to be grown with less water. Economic growth and infrastructure enhancements will continue to require substantial investment. Valmont is well positioned to help meet these challenges.

In 2010, Thomas Madison retired from our Board of Directors. We thank Tom for his significant contributions and dedicated service over the past 23 years, and we wish him well.

On a sad note, late in the year we lost our founder, Robert B. Daugherty, at the age of 88. Bob was a friend and a mentor from the very first day I met him in China in 1977. He will be missed, but his legacy will continue through the values he instilled in our company, and through his foundation, the Robert B. Daugherty Charitable Foundation. (See pages 6-7.)

I thank you for your continued support, and I look forward to updating you on our progress.

Sincerely,

Mogens C. Bay  
Chairman and Chief Executive Officer



ROBERT B. DAUGHERTY  
1922–2010



“Improving agricultural  
productivity has been  
my life’s work.”

- Bob Daugherty

PIONEER  
ENTREPRENEUR  
VISIONARY  
LEADER  
PHILANTHROPIST

HIS LEGACY LIVES ON



# ROBERT B. DAUGHERTY A TRIBUTE

Robert B. Daugherty, the man who pioneered center pivot irrigation and founded Valmont Industries in Omaha, Nebraska, passed away on November 24, 2010, after a short illness.

Daugherty retired in 2004 from Valmont's Board of Directors after serving for 57 years.

"We've lost much more than our founder," said Valmont's Chairman and CEO Mogens C. Bay. "We've lost a great leader, mentor, innovator and friend. His vision laid the groundwork for a global industry. He literally changed the surface of the earth."

Born in 1922 in Omaha, Nebraska, Daugherty was a graduate of Central High School in Omaha and Carleton College in Northfield, Minnesota. After graduating from Carleton in 1942, Daugherty served in World War II. He was commissioned a second lieutenant in the Marine Corps, first serving in the Pacific Theatre, and later in China.

After the war ended, Daugherty married his junior high school sweetheart, Marge Kruse. At the time, Daugherty was considering a career in the Marines until his uncle and mentor, Frank Daugherty, convinced him to consider post-war business options.

Daugherty made a small investment to acquire a half interest in a Valley, Nebraska, farm machine shop that produced built-to-order grain elevators for area farmers.

In 1953, Daugherty purchased the licensing rights to manufacture the center pivot from inventor Frank Zybach. After the company's engineers spent years perfecting the design, Valley's center pivot mechanical irrigation equipment revolutionized agriculture, not

only in the United States, but also throughout North America, South America, Europe, Asia Pacific and the Middle East.

Under Daugherty's direction, Valmont later expanded into the tubing, galvanizing and structures industries. Today, Valmont spans the globe as an international company and is a leader in the industries it serves.

"Bob has been the guiding force in the evolution of our company," said Bay, "and all of us at Valmont owe him an enormous debt of gratitude."

Daugherty continued to demonstrate his dedication to agriculture and water conservation throughout his retirement. In April 2010, his charitable foundation committed \$50 million to the University of Nebraska to found the Global Water for Food Institute, a multi-campus center for research, education and policy analysis relating to the use of water for agriculture. The Institute will allow the university to develop solutions to the challenges of hunger, poverty, agricultural productivity and water management. "Improving agricultural productivity has been my life's work." Daugherty summed it up by saying, "I can't think of a better investment to sustain that work..."

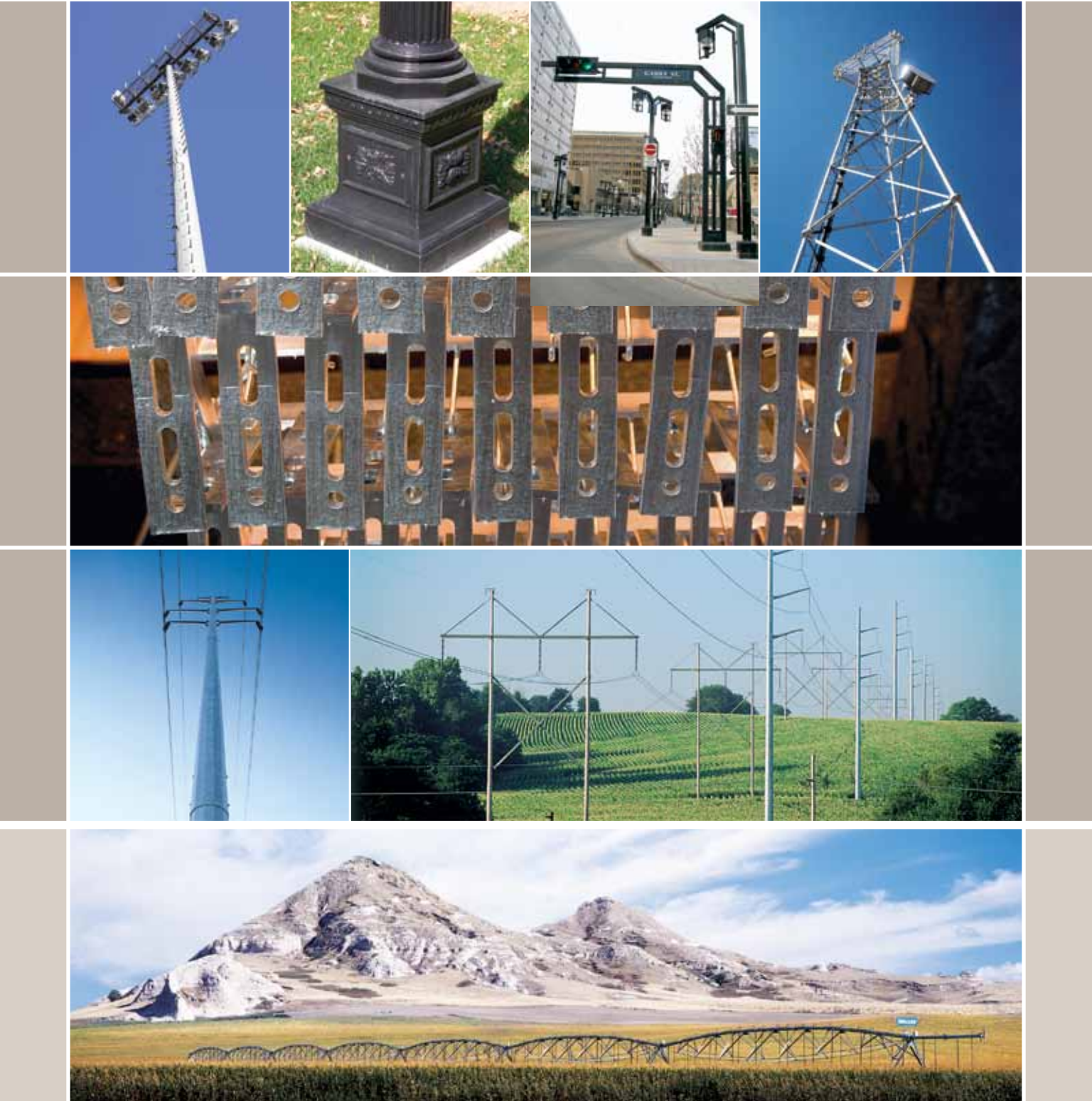
"We will extend Bob's visionary legacy into the future as Valmont continues to grow and adapt to the global business environment," said Bay. "The essence of his life, what he accomplished and what he believed in, will live on in our company and in our hearts. He surely will be missed."



# VALMONT AT A GLANCE

INFRASTRUCTURE	<b>E</b>	<h2>ENGINEERED INFRASTRUCTURE PRODUCTS</h2> <p>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 · Structures and components for wireless communication · Highway safety products · Industrial grating and access systems</p>
INFRASTRUCTURE	<b>C</b>	<h2>COATINGS</h2> <p>Galvanizing, anodizing and powder coatings</p>
INFRASTRUCTURE	<b>U</b>	<h2>UTILITY SUPPORT STRUCTURES</h2> <p>Utility transmission and distribution poles · Utility substation structures</p>
AGRICULTURE	<b>I</b>	<h2>IRRIGATION</h2> <p>Mechanized irrigation systems</p>

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





**GLOBAL LEVERAGE IS  
ILLUMINATING**



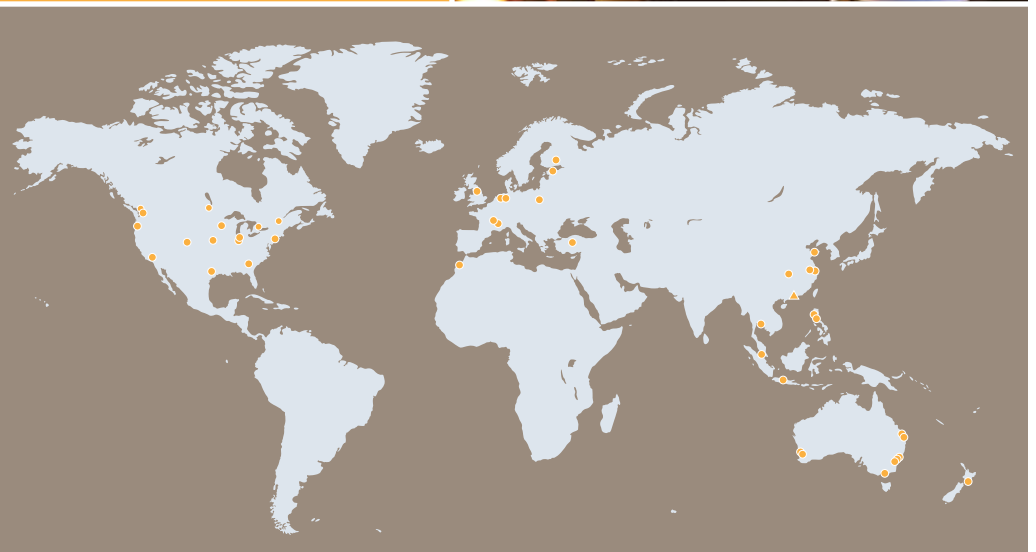


# ENGINEERED INFRASTRUCTURE PRODUCTS SEGMENT

# E

“Our team made great progress in reducing its cost structure and improving productivity, but these efforts were largely masked by lower pricing and a weak volume.”

For more than 50 years, Valmont has been a recognized leader in engineered support structures. Customers from around the world have relied on Valmont's quality engineered structures for applications in lighting and traffic, mass transit and wireless communication to bring safety and order to life. During 2010, Valmont's global footprint expanded, and so did our opportunities to serve new customers and build a sustainable growth platform for the decades ahead.



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## ENGINEERED INFRASTRUCTURE PRODUCTS MANUFACTURING CENTERS WORLDWIDE

While demand for our products remains strong, we are preparing new platforms for growth and increasing Valmont's significance as a global competitor.



# EXPANDING MARKETS

# ENGINEERED INFRASTRUCTURE PRODUCTS SEGMENT

## Opening Doors to Opportunities

In 2010, Valmont opened doors to new markets with the acquisition of Delta plc, a leading Asia and Australia-based manufacturer of engineered steel products that include highway safety barrier systems, poles for lighting and telecommunications, and industrial grating and access systems.

## New Markets, Adjacent Products

The Delta acquisition expands Valmont's global reach and adds recognized brands in adjacent product lines to our offering:

- Ingal Civil Products – Highway safety products, carpark and industrial barriers, work zone and traffic control products, delineation and guideposts, and fencing products
- Ingal EPS – Poles for telecommunications, lighting and specialty applications
- Webforge – Access systems including grating, flooring, hand rail and barriers, and architectural sunscreens

These businesses provide Valmont with immediate presence in several high growth markets including Australia, Vietnam, Malaysia, Thailand, the Philippines and China. Demand for Valmont's products in these areas is likely to remain strong as population growth and rapid urbanization create the need for the countries in Southeast Asia to build out their infrastructure. In Australia, steady immigration and the government's commitment to world-class infrastructure provide the support for extensive and long-term opportunities for Valmont.

## Building on Strengths

Over the years, Valmont has earned a solid leadership position by leveraging its global engineering capacities and knowledge of local markets and distribution channels. With Valmont's expansion into new geographic regions and adjacent product lines, our opportunities to build on our strengths are even greater. Sharing innovative ideas and aligning our processes and efficiencies across our businesses enable us to provide a broader array of products to customers in new markets.

## New Platforms to Serve Customers

Valmont's latest acquisition complements our existing geographic distribution: Our global footprint has expanded into new markets and deepened in our existing markets. While demand for our products remains strong, we are preparing new platforms for growth and increasing Valmont's significance as a global competitor. We are positioned more strongly than ever for sustained success; and we are passionate as always about continuous improvement to better serve our customers.







**GLOBAL LEVERAGE IS  
POWERFUL**





# UTILITY SUPPORT STRUCTURES SEGMENT

# U

“Our Utility Support Structures Segment had very difficult comparisons with the exceptionally strong 2009 year.”

Years of experience and engineering know-how have made Valmont a recognized leader in utility infrastructure. Time and again, customers with even the most demanding utility projects have counted on our quality transmission, distribution and substation structures to reliably deliver electricity to regions in North America, Europe and China. In 2010, Valmont extended its global reach and is positioned to help deliver power to new markets.



# 17

## UTILITY MANUFACTURING CENTERS WORLDWIDE

Over the years, Valmont has achieved an industry-leading position by consistently transferring knowledge and resources among our global network of facilities.



# EXTENDING POWER

# UTILITY SUPPORT STRUCTURES SEGMENT

## Energizing Opportunities

**Valmont's opportunities** to enter new markets were boosted in 2010 with the acquisition of Delta plc. This acquisition extended our geographical footprint with the addition of Ingal EPS, a market-leading provider of power transmission and distribution poles to utility customers in every state and territory in Australia and parts of Southeast Asia.

## Leveraging Two Market Leaders

**Over the years**, Valmont has achieved an industry-leading position by consistently transferring knowledge and resources among our global network of facilities. Now, with the acquisition of the leading provider of utility infrastructure in Australia, our opportunities to align strengths between our businesses have increased significantly. By leveraging our knowledge and local footprint in Australia with our manufacturing capabilities and capacities in China, Valmont is setting the stage to become a more global competitor.

## Generating Business

**The newly acquired business** provides Valmont with entry into new markets. Our fundamental growth drivers remain strong. Urbanization and a push to bring electricity to over 1.5 billion people for the first time will lead developing countries to build out their power grids. While China continues to make significant investments over the next 10 years to build out its infrastructure, other developing regions also present good opportunities.

The need for a stronger, more reliable national grid system in the U.S. will call for significant investments in infrastructure. The focus on green energy and the surge in wind power will require ongoing upgrading of existing power grids. To meet the rising demand for more dependable power, highly developed and developing countries will continue to invest in building interconnect ties, which will allow electricity to be transferred back and forth between state and national borders.

## Powerful Future

**Global demand for reliable electricity** is escalating, and so are the size and complexity of utility projects. They require the kind of concentrated project experience and engineering expertise that has made Valmont a leader in utility infrastructure. Now, with our entry into new high-growth markets, along with our diverse product portfolio – tubular steel poles, pre-stressed spun concrete structures, and structures combining steel and concrete – Valmont is well positioned to leverage its strengths, and to deliver superior service and value to utility customers around the world.





**GLOBAL LEVERAGE IS  
NOURISHING**





# IRRIGATION SEGMENT

“The Irrigation Segment experienced acceleration in the improvement of its global markets as the year progressed. . .”

Of all the earth's fresh water, only one percent is available for human consumption. Out of that one percent, nearly 70 percent is used by agriculture today. To satisfy the nutritional needs of our escalating global population, producers will be pressed to grow twice as much food with less water over the next five decades. Valmont's technologically advanced mechanized irrigation equipment is today helping producers live up to that challenge.



7

IRRIGATION MANUFACTURING CENTERS WORLDWIDE

Valmont will remain at the forefront of discovery and innovation to feed growing populations and improve standards of living.



# ELEVATING PRODUCTION



# IRRIGATION SEGMENT

## Leading by Design

**Valmont is the pioneering leader** and the world's largest manufacturer of mechanized irrigation equipment. Since we built our first center pivot more than 57 years ago, we have remained dedicated to the design and manufacture of innovative, world-class irrigation solutions. Our Valley® brand center pivot and linear irrigation equipment reduces agriculture's burden on the world's fresh water supply, and is recognized for its unmatched quality and reliability.

## Advancing Solutions

**At Valmont, we leverage our resources** and relentlessly seek breakthrough advancements in irrigation technologies and methodologies. Our determination has led us to participate in an ongoing study to evaluate the effectiveness of mechanized irrigation on rice crops. Flood irrigation, the prevalent irrigation method used in rice fields worldwide, is highly inefficient and not always feasible in regions where rice is most needed. As we bring viable irrigation solutions to the world's poorest economies, the benefits are exciting. Valmont will remain at the forefront of discovery and innovation to feed these growing populations and improve standards of living.

## Enduring Demand

When it comes to demand for Valmont's mechanized irrigation equipment, there is no end in sight. We believe that:

- The world's scarce fresh water supply available for agriculture will remain a precious resource.
- Rapid urbanization in developing countries will continue, obligating producers to grow more food with less water and land.
- The conversion from traditional flood to mechanized irrigation will continue, conserving 30 to 70 percent of the water used.
- In North America, aging mechanized irrigation equipment will continue to be replaced as producers strive to optimize crop yields and capture operating efficiencies.
- A steady rise in biofuel usage will require more grain to be produced for bio-diesel and ethanol.

## Sustaining Growth

**As a premier solutions provider,** Valmont is well prepared to meet agriculture's growing demands worldwide. We have a leading global network of experienced dealers in place. We remain passionate about our products and the customers we serve. And we are steadfast in our commitment to continuous improvement, and to providing innovative irrigation solutions to help feed the world and conserve our water resources for future generations.





**GLOBAL LEVERAGE IS  
PROTECTING**



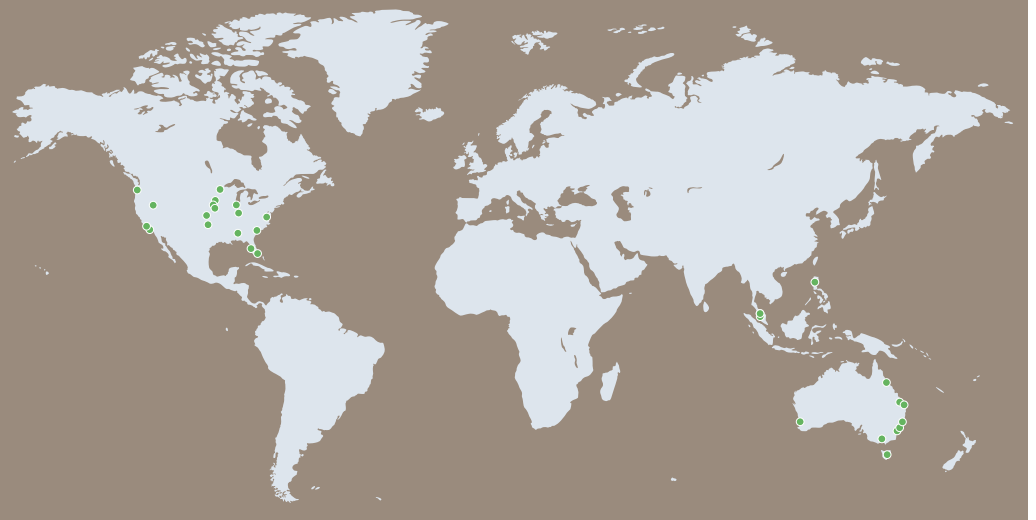


# COATINGS SEGMENT

# C

“Our Coatings Segment had a very good year despite the weak economy.”

Valmont Coatings is one of North America's largest custom galvanizers. From small components to large steel products for construction and infrastructure, our protective finishes extend the service life of metal products. Thanks to the extension of our geographical footprint, our coverage is broadening, and our opportunities to globalize our business are growing.



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## COATINGS OPERATIONS WORLDWIDE

A catalyst for Valmont Coatings' success - both past and in the future - is the diversity of our markets.



# BROADENING COVERAGE

# COATINGS SEGMENT

## Covering the Global Market

When Valmont put the finishing touches on the acquisition of Delta plc in 2010, the landscape of our coatings operation changed significantly. Our business nearly doubled in size with the addition of nine galvanizing plants in Australia, five in North America and three galvanizing operations in Southeast Asia. These businesses, together with Valmont's North American galvanizing operations, form Valmont's Coatings segment.

## Leveraging on a Global Scale

Valmont Coatings has remained one of North America's most relied upon galvanizers for two primary reasons: we continuously seek new ways to implement process improvements that result in meeting our customers' need for speed and quality; and we continually share our knowledge and leverage resources between our facilities. Now, Valmont's galvanizing operations in Australia and Southeast Asia provide us with new sets of competencies and operational practices that can be leveraged on a global scale.

## Rising Demand to Reduce Corrosion

A catalyst for Valmont Coatings' success both past and in the future—is the diversity of our markets. Our galvanizing facilities serve a broad base of customers in industries that include recreation, petrochemical, agriculture, utility and infrastructure.

Another driver is the high cost of corrosion worldwide. According to the World Corrosion Organization, corrosion costs industry and government agencies more than \$1.8 trillion annually. Greater emphasis on improving the service life of steel products to control these costs will require substantial ongoing financial commitments.

The long-term demand for protective finishes is also evident due to stronger requirements for steel infrastructure in emerging economies. Valmont Coatings is well positioned to leverage our global competencies to serve these high-growth markets.

## Strong Finish, Bright Future

Since we installed our first hot-dipped galvanizing process more than 40 years ago, we have leveraged our engineering capabilities, resources and knowledge to become a leading full-service coatings company in North America. In 2010, our newly acquired businesses transformed Valmont Coatings into a premier provider of galvanizing services in some of the world's fastest growing economies. The expansion of our global presence brought the year to a strong finish, and is leading our business to a brighter future.





KEY	
●	Plant location
▲	Multiple plant locations
★	Corporate headquarters

# GLOBAL PRESENCE



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



# GLOBAL PRESENCE

## Africa

Berrechid, Morocco  
Steel Poles

Johannesburg, South Africa  
Irrigation Equipment

Nelspruit, South Africa  
Manganese Metal Alloys and  
Electrolytic Manganese Dioxide

## Australia

Acacia Ridge, Queensland  
Steel Poles

Bassendean, Western Australia  
Grinding Media

Bohle, Townsville Queensland  
Galvanizing

Bohle, Townsville Queensland  
Grinding Media

Campbellfield, Victoria  
Galvanizing

Carole Park, Queensland  
Galvanizing

Clayton South, Victoria  
Access Systems

Girraween, New South Wales  
Galvanizing

Hexham, New South Wales  
Galvanizing

Launceston, Tasmania  
Galvanizing

Maddington, Western Australia  
Steel Poles

Mayfield, New South Wales  
Grinding Media

Minto, New South Wales  
Highway Safety Products

Mona Vale, New South Wales  
Access Systems

Pinkenba, Queensland  
Access Systems

Pinkenba, Queensland  
Galvanizing

Port Kembla, New South Wales  
Galvanizing and Zinc Reclamation

Silverwater, New South Wales  
Architectural Metal Coverings

Spearwood, Western Australia  
Galvanizing

Welshpool, Western Australia  
Access Systems

## Canada

Delta, British Columbia  
Steel Poles

Winnipeg, Manitoba  
Steel Poles

Barrie, Ontario  
Steel Poles

St. Julie, Québec  
Steel and Aluminum Poles

## China

Chengdu, Sichuan  
Access Systems

Guangzhou  
Access Systems

Guangzhou  
Steel Poles

Haiyang  
Steel Poles and Irrigation Equipment

Shanghai  
Steel Poles

Wuxi, Jiangsu P.C.  
Access Systems

## Europe & Middle East

Kiiu, Estonia  
Steel Poles

Kangasniemi, Finland  
Steel and Wood Poles

Charmeil, France  
Steel Poles

Rive-de-Gier, France  
Aluminum Poles

Gelsenkirchen, Germany  
Steel Poles

Maarheeze, The Netherlands  
Steel Poles

Siedlce, Poland  
Steel Poles

Madrid, Spain  
Irrigation Equipment

Ankara, Turkey  
Steel Poles

Jebel Ali, U.A.E.  
Irrigation Equipment

Stockton-on-Tees,  
United Kingdom  
Steel Poles

Valmont locations across the globe. See map on pages 26-27.

### Mexico

Monterrey  
Steel Poles

### New Zealand

Palmerston North  
Access Systems

### South America

Uberaba, Brazil  
Irrigation Equipment

### Southeast Asia

Jalan Jababeka, Indonesia  
Access Systems

Jaya, Selangor, Malaysia  
Galvanizing

Nilai, Negeri Sembilan,  
Malaysia  
Galvanizing

Selangor Darul Ehsan,  
Malaysia  
Access Systems

Cabuyao, Laguna, Philippines  
Access Systems

Trece Martires City, Cavite,  
Philippines  
Galvanizing and Steel Poles

Rayong, Thailand  
Access Systems

### United States

Bay Minette, Alabama  
Concrete Poles

Steele, Alabama  
Galvanizing

Tuscaloosa, Alabama  
Concrete Poles

Barstow, California  
Concrete and Steel Poles

Long Beach, California  
Galvanizing

Los Angeles, California  
Anodizing and  
Powder Coating

Santa Fe Springs, California  
Wireless Components

Aurora, Colorado  
Composite Poles

Bartow, Florida  
Concrete Poles

Miami, Florida  
Galvanizing

Tampa, Florida  
Galvanizing

Atlanta, Georgia  
Wireless Components

Claxton, Georgia  
Concrete Poles

Chicago, Illinois  
Galvanizing

Elkhart, Indiana  
Aluminum Extrusions

Jeffersonville, Indiana  
Galvanizing

Plymouth, Indiana  
Wireless Communication  
Structures, Components and  
Specialty Structures

Sioux City, Iowa  
Galvanizing

El Dorado, Kansas  
Steel Poles

Salina, Kansas  
Galvanizing

Farmington, Minnesota  
Aluminum Poles

Minneapolis, Minnesota  
Powder Coating  
and E-Coating

McCook, Nebraska  
Irrigation Equipment

Omaha, Nebraska  
Corporate Headquarters

Valley, Nebraska  
Irrigation Equipment, Steel  
Poles, Tubing and Galvanizing

West Point, Nebraska  
Galvanizing

Hauppauge, New York  
Wireless Components

Tulsa, Oklahoma  
Steel Poles and Galvanizing

Salem, Oregon  
Wireless Communication  
Structures, Components and  
Specialty Structures

Tualatin, Oregon  
Galvanizing

Hazleton, Pennsylvania  
Steel Poles

West Columbia,  
South Carolina  
Galvanizing

Jasper, Tennessee  
Steel Poles

Bellville, Texas  
Concrete Poles

Brenham, Texas  
Steel Poles

Mansfield, Texas  
Steel Poles

Lindon, Utah  
Galvanizing and  
Powder Coating

Petersburg, Virginia  
Galvanizing

Ferndale, Washington  
Steel Poles



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

## BOARD OF DIRECTORS

### **Mogens C. Bay**

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

### **Kenneth E. Stinson**

Lead Director  
Chairman  
Peter Kiewit Sons', Inc.  
Director Since 1996

### **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  
Director Since 2004

### **Dr. Stephen R. Lewis, Jr.**

Chairman  
Columbia – 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

### **Audit Committee**

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

### **Human Resources Committee**

Glen A. Barton, Chairman  
Dr. Stephen R. Lewis, Jr.  
Daniel P. Neary  
Kenneth E. Stinson

### **Governance and**

### **Nominating Committee**

Dr. Stephen R. Lewis, Jr., Chairman  
Ambassador Clark T. Randt, Jr.  
Glen A. Barton

### **International Committee**

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



# OFFICERS

## CORPORATE & BUSINESS UNITS

### Corporate Officers

**Mogens C. Bay**

Chairman &  
Chief Executive Officer

**Terry J. McClain**

Senior Vice President &  
Chief Financial Officer

**Todd Atkinson**

Executive Vice President

**E. Robert Meaney**

Senior Vice President &  
Corporate Secretary

**Brian Desigio**

Vice President  
Corporate Development

**John G. Graboski**

Vice President  
Human Resources

**Mark C. Jaksich**

Vice President &  
Corporate Controller

**Steve Kaniewski**

Vice President  
Information Technology

**Walter P. Pasko**

Vice President  
Procurement

### Operations and Management

#### Utility Support Structures

**Earl Foust**

Group President

**Michael Banat**

Vice President & General Manager  
International Sales & Market Development

**James P. Ruddy**

Vice President, Steel Business Units

**Steven A. Schmid**

Vice President Operations &  
General Manager Concrete

**Douglas C. Sherman**

Vice President Marketing

#### Irrigation

**Leonard M. Adams**

Group President

**Stephen B. LeGrand**

Vice President Operations

**Craig Malsam**

Vice President Engineering

#### Lighting and Communication Structures

**Earl Foust**

Group President

**Todd P. Barth**

President 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, Africa

**Stéphane Devulder**

General Manager, Southern Europe

#### Asia Pacific Region

**Vik Bansal**

President

**Huang Xiao Yong**

President, China

**David Wong**

Managing Director, Asia

**Paul Gee**

Managing Director, Webforge Australasia

**Peter Hogan**

Managing Director, Industrial Galvanizers

**Paul Shelley**

Managing Director, Donhad Pty Ltd

**Alex Spelette**

Managing Director, AusZinc

**Hayden Wallace**

Managing Director  
Ingal EPS, Ingal Civil Products

#### Coatings and Tubing

**Richard S. Cornish**

President, Valmont Coatings &  
Tubing Divisions

# 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,  
PCLLO  
Omaha, Nebraska USA

## Stock Transfer Agent and Registrar Address Shareholder Inquiries to:

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

## Send Certificates for Transfer and Address Changes to:

Wells Fargo Shareowner Services  
161 N. Concord Exchange  
South St. Paul, Minnesota 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 26, 2011, at the Omaha  
Marriott Hotel, 10220 Regency Circle  
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](http://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.

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, Nebraska 68154 USA  
Tel 1-402-963-1000  
Fax 1-402-963-1198

**VMI**  
**LISTED**  
**NYSE**



# FINANCIAL

## SUMMARY

# SELECTED 5-YEAR FINANCIAL SUMMARY

DOLLARS IN THOUSANDS, EXCEPT PER SHARE AMOUNTS

	2010	2009	2008	2007	2006
<b>Operating Data</b>					
Net sales	\$ 1,975,505	\$ 1,786,601	\$ 1,907,278	\$ 1,499,834	\$ 1,281,281
Operating income	178,413	237,994	228,591	155,626	110,085
Net earnings <sup>1</sup>	94,379	150,562	132,397	94,713	61,544
Depreciation and amortization	59,663	44,748	39,597	35,176	36,541
Capital expenditures	36,092	44,129	50,879	56,610	27,898
<b>Per Share Data</b>					
Earnings:					
Basic	\$ 3.62	\$ 5.80	\$ 5.13	\$ 3.71	\$ 2.44
Diluted	3.57	5.73	5.04	3.63	2.38
Cash dividends	0.645	0.580	0.495	0.410	0.370
<b>Financial Position</b>					
Working capital	\$ 747,312	\$ 458,605	\$ 475,215	\$ 350,561	\$ 277,736
Property, plant and equipment, net	439,609	283,088	269,320	232,684	200,610
Total assets	2,090,743	1,302,169	1,326,288	1,052,613	892,310
Long-term debt, including current installments	468,834	160,482	338,032	223,248	221,137
Shareholders' equity <sup>2</sup>	915,892	786,261	624,131	510,613	401,281
<b>Cash Flow Data</b>					
Net cash flows from operations	\$ 152,220	\$ 349,520	\$ 52,575	\$ 110,249	\$ 59,130
Net cash flows from investing activities	(262,713)	(43,595)	(194,615)	(71,040)	(36,735)
Net cash flows from financing activities	269,685	(198,400)	109,291	(210)	(6,946)
<b>Financial Measures <sup>(e)</sup></b>					
Invested capital <sup>(a)</sup>	\$ 1,752,891	\$ 1,057,483	\$ 1,066,160	\$ 819,092	\$ 706,855
Return on invested capital <sup>(a)</sup>	8.1%	15.2%	16.0%	14.0%	11.1%
EBITDA <sup>(b)</sup>	\$ 243,592	\$ 283,964	\$ 260,474	\$ 191,635	\$ 146,029
Return on beginning shareholders' equity <sup>(c)</sup>	12.0%	24.1%	25.9%	23.6%	18.7%
Long-term debt as a percent of invested capital <sup>(d)</sup>	26.7%	15.2%	31.7%	27.3%	31.3%
<b>Year End Data</b>					
Shares outstanding (000)	26,374	26,297	26,168	25,945	25,634
Approximate number of shareholders	7,700	5,400	5,800	5,800	5,600
Number of employees	9,188	6,626	7,380	6,029	5,684

See footnotes on page 36.

<sup>1</sup> Net earnings attributable to Valmont Industries, Inc.

<sup>2</sup> Total Valmont Industries, Inc. shareholders' equity.

# SEGMENT SUMMARY

DOLLARS IN MILLIONS, EXCEPT PER SHARE AMOUNTS

	2010	2009	Change 2010-2009	2008	Change 2009-2008
<b>Consolidated</b>					
Net sales	\$ 1,975.5	\$ 1,786.6	10.6 %	\$ 1,907.3	(6.3)%
Gross profit	519.6	532.0	(2.3)%	510.5	4.2 %
as a percent of sales	26.3 %	29.8 %		26.8 %	
SG&A expense	341.2	294.0	16.1 %	281.9	4.3 %
as a percent of sales	17.3 %	16.5 %		14.8 %	
Operating income	178.4	238.0	(25.0)%	228.6	4.1 %
as a percent of sales	9.0 %	13.3 %		12.0 %	
Net interest expense	26.1	14.3	82.5 %	15.9	(10.1)%
Effective tax rate	36.0 %	32.2 %		34.2 %	
Net earnings	\$ 94.4	\$ 150.6	(37.3)%	\$ 132.4	13.8 %
Diluted earnings per share	\$ 3.57	\$ 5.73	(37.7)%	\$ 5.04	13.7 %
<b>Engineered Infrastructure Products Segment</b>					
Net sales	\$ 669.2	\$ 582.3	14.9 %	\$ 638.3	(8.8)%
Gross profit	179.5	153.8	16.7 %	156.5	(1.7)%
SG&A expense	127.3	108.7	17.1 %	109.1	(0.4)%
Operating income	52.2	45.1	15.7 %	47.4	(4.9)%
<b>Utility Support Structures Segment</b>					
Net sales	\$ 472.7	\$ 698.2	(32.3)%	\$ 508.4	37.3 %
Gross profit	112.2	236.0	(52.5)%	136.1	73.4 %
SG&A expense	60.5	71.2	(15.0)%	62.6	13.7 %
Operating income	51.7	164.8	(68.6)%	73.5	124.2 %
<b>Coatings Segment</b>					
Net sales	\$ 208.4	\$ 90.6	130.0 %	\$ 112.0	(19.1)%
Gross profit	67.8	38.0	78.4 %	45.2	(15.9)%
SG&A expense	25.2	13.3	89.5 %	13.4	(0.1)%
Operating income	42.6	24.7	72.5 %	31.8	(22.3)%
<b>Irrigation Segment</b>					
Net sales	\$ 443.4	\$ 362.2	22.4 %	\$ 562.7	(35.6)%
Gross profit	118.8	84.3	40.9 %	143.2	(41.1)%
SG&A expense	56.8	49.2	15.4 %	56.0	(12.1)%
Operating income	62.0	35.1	76.6 %	87.2	(59.7)%
<b>Other</b>					
Net sales	\$ 181.8	\$ 53.3	241.1 %	\$ 86.0	(38.0)%
Gross profit	43.4	20.5	111.7 %	30.1	(31.9)%
SG&A expense	14.9	7.5	98.7 %	9.1	(17.6)%
Operating income	28.5	13.0	119.2 %	21.0	(38.1)%
<b>Net Corporate Expense</b>					
Gross profit	\$ (2.1)	\$ (0.6)	250.0 %	\$ (0.6)	0.0 %
SG&A expense	56.5	44.1	28.1%	31.7	39.1 %
Operating loss	(58.6)	(44.7)	31.1%	(32.3)	38.4 %

# 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 21-22 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 10 Along Seine River, Paris, France  
Page 14 Pudong skyline, Shanghai, China  
Page 22 Webb Bridge, Melbourne, Victoria, Australia

### 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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ONE VALMONT PLAZA  
OMAHA, NEBRASKA 68154-5215 USA  
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Conserving Resources. Improving Life.