

STEEL DYNAMICS INC  
Form S-4  
January 18, 2006

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As filed with the Securities and Exchange Commission on January 18, 2006

Registration No. 333-

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## SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

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### FORM S-4

REGISTRATION STATEMENT  
UNDER  
THE SECURITIES ACT OF 1933

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## STEEL DYNAMICS, INC.

(Exact name of registrant as specified in its charter)

**Indiana**  
(State or other jurisdiction of  
incorporation or organization)

**3312**  
(Primary Standard Industrial  
Classification Code Number)

**35-1929476**  
(I.R.S. Employer  
Identification No.)

**6714 POINTE INVERNESS WAY, SUITE 200  
FORT WAYNE, INDIANA 46804  
(260) 459-3553**

(Address, including zip code, and telephone number, including  
area code, of registrant's principal executive offices)

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**KEITH E. BUSSE  
PRESIDENT AND CHIEF EXECUTIVE OFFICER  
STEEL DYNAMICS, INC.  
6714 POINTE INVERNESS WAY, SUITE 200  
FORT WAYNE, INDIANA 46804  
(260) 459-3553**

(Name, address, including zip code, and telephone number, including area code, of agent for service)

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**COPIES TO:**

**ROBERT S. WALTERS, ESQ.  
BARRETT & MCNAGNY LLP  
215 EAST BERRY STREET  
FORT WAYNE, INDIANA 46802  
(260) 423-8905**

**DAVID W. ROBERTSON, ESQ.  
MCGUIREWOODS LLP  
ONE JAMES CENTER  
901 EAST CARY STREET  
RICHMOND, VIRGINIA 23219  
(804) 775-1031**

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**APPROXIMATE DATE OF COMMENCEMENT OF PROPOSED SALE TO THE PUBLIC:** As promptly as practicable after this  
Registration Statement becomes effective and upon completion of the merger transaction described in the enclosed proxy statement/prospectus.

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If the securities being registered on this form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box.

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration number of the earlier effective registration statement for the same offering.

If this form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

### CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered	Proposed Maximum Offering Price Per Share	Proposed Maximum Aggregate Offering Price(2)	Amount of Registration Fee(3)
Common Shares, par value \$0.01 per share	(1)	(1)	\$164,720,703	\$17,625

(1) Pursuant to Securities Act Rule 457(o), this information is not included.

(2) Estimated solely for purposes of calculating the registration fee in accordance with Rule 457(f)(1) and (3) under the Securities Act of 1933, as amended (the "Securities Act") based upon (i) the product of (a) \$24.27, the average of the high and low sales prices of Roanoke Electric Steel Corporation common stock as reported by the Nasdaq National Market on January 13, 2006 and (b) 11,344,401 shares of Roanoke Electric Steel outstanding at the close of business on January 13, 2006, less (ii) \$110,607,910, the amount of cash to be paid by the Registrant in exchange for shares of Roanoke Electric Steel common stock equal to the product of \$9.75 (the portion of each share of Roanoke Electric Steel common stock to be converted into cash) times 11,344,401 shares of Roanoke Electric Steel outstanding at the close of business on January 13, 2006.

(3) Computed in accordance with Rule 457(f) under the Securities Act to be \$17,625, which is equal to 0.000107 times the proposed maximum aggregate offering price of \$164,720,703.

**The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act or until this Registration Statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.**

Dated January 18, 2006, subject to completion

[LOGO]

Dear Shareholder:

I am pleased to invite you to the special shareholders meeting to consider the proposed merger of Roanoke Electric Steel Corporation into a new wholly-owned subsidiary of Steel Dynamics, Inc. The meeting will be held at \_\_\_\_\_ on \_\_\_\_\_, 2006 at 10:00 a.m. EST.

In the merger, Roanoke Electric Steel shareholders will be entitled to receive 0.4 shares of Steel Dynamics common stock and \$9.75 in cash for each share of Roanoke Electric Steel common stock that is outstanding at the effective time of the merger. Steel Dynamics common stock is listed and trades on the Nasdaq National Market under the symbol "STLD." The closing price of Roanoke Electric Steel common stock on October 17, 2005, the day before the announcement of the proposed merger, was \$21.26. The closing price of Steel Dynamics common stock on October 17, 2005 was \$28.77.

**Our board of directors has reviewed and considered the terms of the merger, the merger agreement and the related plan of merger, has determined that the proposed merger is advisable, fair to and in the best interest of Roanoke Electric Steel and its shareholders, and unanimously recommends that you vote "FOR" the approval of the merger agreement and the related plan of merger.**

The accompanying proxy statement/prospectus explains the merger in greater detail and provides detailed information about Steel Dynamics, Roanoke Electric Steel and the special shareholders meeting. Please give this information, as well as the information incorporated by reference into the proxy statement/prospectus, your careful attention. **In addition, you should carefully consider the risk factors relating to the proposed merger beginning on page 22.**

To approve the merger, you must vote "FOR" the proposal by following the instructions on the enclosed proxy card. Approval of the merger will require the affirmative vote of holders of more than two-thirds of the shares of Roanoke Electric Steel common stock outstanding and entitled to vote. If you do not vote at all, you will, in effect, have voted against the proposal. Whether or not you plan to attend the meeting, please complete and return your proxy card in the envelope enclosed for your convenience. If you attend the special meeting, you may vote in person if you wish, even if you have previously returned your proxy card. Your prompt cooperation will be greatly appreciated.

On behalf of our entire board of directors, we thank you for your support and urge you to vote "FOR" approval of the merger agreement and the related plan of merger.

Sincerely yours,

---

Donald G. Smith  
Chairman and Chief Executive Officer

If you have any questions concerning the proposed merger, please call our proxy solicitors, MacKenzie Partners, Inc., toll free at (800) 322-2885. **Please do not send in your stock certificates with your proxy card.** If the proposed merger is completed, you will be sent written instructions for exchanging your Roanoke Electric Steel common stock for the merger consideration.

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the merger or the Steel Dynamics common stock to be issued in the merger or passed upon the adequacy or accuracy of this proxy statement/prospectus. Any representation to the contrary is a criminal offense.**

**NOTE: The information in this proxy statement/prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. The proxy statement/prospectus is not an offer to sell these securities and is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.**

#### PROXY STATEMENT/PROSPECTUS

This proxy statement/prospectus is dated January \_\_\_\_\_, 2006, and is first being mailed to Roanoke Electric Steel shareholders on or about that date.

[LOGO]

**NOTICE OF SPECIAL MEETING OF SHAREHOLDERS  
TO BE HELD ON \_\_\_\_\_, 2006**

To Roanoke Electric Steel Corporation Shareholders:

NOTICE IS HEREBY GIVEN that we will hold a special meeting of shareholders of Roanoke Electric Steel Corporation, a Virginia corporation, at 10:00 a.m., EST, on \_\_\_\_\_, 2006 at \_\_\_\_\_ for the following purposes:

1. To consider and vote on a proposal to approve the Agreement of Merger and Reorganization by and among Steel Dynamics, Inc., RS Acquisition Corporation and Roanoke Electric Steel Corporation, dated as of October 17, 2005, and the related plan of merger, attached as Annexes A and B, respectively, to the accompanying proxy statement/prospectus.
2. To consider and vote on a proposal to authorize the proxyholders to vote to adjourn or postpone the special meeting, in their sole discretion, for the purpose of soliciting additional votes for the approval of the merger agreement and the related plan of merger.
3. To transact such other business as may properly come before the special meeting.

We describe the merger, the merger agreement and the related plan of merger more fully in the proxy statement/prospectus attached to and forming part of this notice. You are encouraged to read the entire document carefully. As of the date of this notice, Roanoke Electric Steel's board of directors knows of no other business to be conducted at the special meeting.

**The board of directors of Roanoke Electric Steel unanimously recommends that Roanoke Electric Steel shareholders vote "FOR" approval of the merger agreement and the related plan of merger.**

Only shareholders of record of Roanoke Electric Steel common stock at the close of business on January 31, 2006, the record date for the special meeting, are entitled to notice of, and will be entitled to vote at, the special meeting or any adjournment or postponement thereof. Approval of the merger agreement and the related plan of merger will require the affirmative vote of holders of more than two-thirds of the shares of Roanoke Electric Steel common stock outstanding and entitled to vote as of the record date. Authorizing the proxyholders to vote to adjourn or postpone the special meeting for the purpose of soliciting additional votes for the approval of the merger agreement and the related plan of merger will require that the number of votes for this authorization exceed the number of votes against this authorization from holders of the shares of Roanoke Electric Steel common stock represented in person or by proxy and entitled to vote at the special meeting.

**Your vote is important. To ensure that your shares are represented at the special meeting, you are urged to complete, date and sign the enclosed proxy and mail it promptly in the postage-paid envelope provided, whether or not you plan to attend the special meeting in person. Completing a proxy now will not prevent you from being able to vote at the special meeting by attending in person and casting a vote. If you do not return or submit the proxy or vote in person at the special meeting, the effect will be the same as a vote against the merger agreement proposal.**

You may revoke your proxy in the manner described in the accompanying proxy statement/prospectus at any time before it has been voted at the special meeting. If you attend the special meeting you may vote in person even if you returned a proxy. Please note, however, that if your shares are held of record by a broker, bank or other nominee and you wish to vote in person at the special meeting, you must obtain from the record holder a proxy issued in your name.

Please do not send your stock certificates at this time. If the merger is completed, you will be sent instructions regarding the surrender of your stock certificates.

By Order of the Board of Directors,

William M. Watson, Jr.  
General Counsel and Secretary

**IMPORTANT**

This document constitutes both a proxy statement of Roanoke Electric Steel and a prospectus of Steel Dynamics for the shares of Steel Dynamics common stock that Steel Dynamics will issue to Roanoke Electric Steel shareholders in the merger. Steel Dynamics has filed a registration statement on Form S-4 to register the shares of Steel Dynamics common stock to be issued to Roanoke Electric Steel shareholders in the merger. This proxy statement/prospectus is part of the registration statement, but does not contain all of the information set forth in the registration statement, some portions of which have been omitted as permitted by the rules and regulations of the Securities and Exchange Commission. This additional information may be obtained, without charge, from the SEC's principal office in Washington, D.C. or from the website maintained by the SEC at <http://www.sec.gov>.

In accordance with the rules of the SEC, this proxy statement/prospectus incorporates important business and financial information about Steel Dynamics, Roanoke Electric Steel and their affiliates that is contained in documents filed with the SEC. The information incorporated by reference is deemed to be part of this proxy statement/prospectus, except for any information superseded by information in this proxy statement/prospectus. See "Where You Can Find More Information" beginning on page 113. You can also obtain the documents incorporated by reference in this proxy statement/prospectus by requesting them in writing or by telephone from the appropriate company at one of the following addresses:

Steel Dynamics, Inc.  
6714 Pointe Inverness Way  
Suite 200  
Fort Wayne, Indiana 46804  
Attn: Chief Financial Officer  
260-459-3553

Roanoke Electric Steel Corporation  
P.O. Box 13948  
Roanoke, Virginia 24038  
Attn: General Counsel  
540-342-1831

**If you would like to request any documents, you must do so by meeting of Roanoke Electric Steel shareholders. , 2006 in order to receive them before the special**

We are not incorporating the contents of the websites of the SEC or any other person into this document. We are only providing the information about how you can obtain certain documents that are incorporated by reference into this proxy statement/prospectus at those websites for your convenience.

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**QUESTIONS AND ANSWERS ABOUT THE MERGER**

*The following are some questions that you, as a shareholder of Roanoke Electric Steel, may have regarding the merger and the other matters being considered at the special meeting and brief answers to those questions. We urge you to read carefully the remainder of this proxy statement/prospectus, including the documents attached to this proxy statement/prospectus, because the information in this section does not provide all the information that might be important to you with respect to the merger and the other matters being considered at the special meeting. Additional important information is also contained in the documents that are incorporated by reference in this proxy statement/prospectus.*

**Q: Why am I receiving this proxy statement/prospectus?**

A: Roanoke Electric Steel and Steel Dynamics have agreed to the acquisition of Roanoke Electric Steel by RS Acquisition Corporation, a wholly-owned subsidiary of Steel Dynamics, under the terms of a merger agreement that is described in this proxy statement/prospectus. A copy of the merger agreement is attached to this proxy statement/prospectus as Annex A. In order to complete the merger, Roanoke Electric Steel shareholders must approve the merger agreement, the related plan of merger and the transactions contemplated thereby. This proxy statement/prospectus contains important information about the merger, the merger agreement and the special meeting, which you should read carefully. The enclosed voting materials allow you to vote your shares without attending the special meeting. Your vote is very important. We encourage you to vote as soon as possible.

**Q: What will happen in the merger?**

A: Assuming that the closing conditions in the merger agreement are satisfied or waived and the merger is completed, Roanoke Electric Steel will merge with and into RS Acquisition, which is a wholly owned subsidiary of Steel Dynamics, with RS Acquisition continuing after the merger as the surviving entity and a wholly owned subsidiary of Steel Dynamics. As a result of the merger, Roanoke Electric Steel will become a wholly-owned subsidiary of Steel Dynamics.

**Q: As a Roanoke Electric Steel shareholder, what will I receive in the merger?**

A: If the merger is completed, for each share of Roanoke Electric Steel common stock you own, you will receive 0.4 shares of Steel Dynamics common stock and \$9.75 in cash, referred to, in aggregate, as the merger consideration.

Steel Dynamics will not issue fractional shares of common stock. Instead of any fractional share that you would otherwise receive, you will receive cash, without interest, based on your fractional share multiplied by the closing market price of Steel Dynamics common stock as of the effective date of the merger or, if that date is not a trading day, the last trading day before the effective date of the merger. Based on Steel Dynamics' common stock closing price of \$28.77 on October 17, 2005, the trading day immediately preceding the public announcement date of the proposed transaction, the implied value of the merger consideration was \$21.26 per share of Roanoke Electric Steel common stock. Immediately following the merger, and based upon the 43,103,159 shares of Steel Dynamics common stock outstanding on October 17, 2005, Roanoke Electric Steel shareholders would receive in the aggregate approximately 9% of the outstanding shares of Steel Dynamics common stock.

**Q: Can the value of the transaction change between now and the time the merger is completed?**

A: Yes. The value to a Roanoke Electric Steel shareholder of the portion of the merger consideration comprised of Steel Dynamics common stock will change by reason of the changes in the market price of Steel Dynamics common stock between the date of the public announcement of the proposed merger and the actual completion of the merger. The 0.4 exchange ratio is a fixed exchange ratio, meaning that you will receive 0.4 shares of Steel Dynamics common stock for each share of Roanoke Electric Steel common stock you own plus \$9.75 in cash regardless of the

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trading price of Steel Dynamics common stock on the effective date of the merger. The market value of the Steel Dynamics common stock you will receive in the merger, therefore, will increase or decrease as the trading price of Steel Dynamics common stock increases or decreases. Accordingly, the aggregate market value may be different at the time the merger is completed than it was at the time the merger agreement was signed or at the time of the special meeting. Market prices of Steel Dynamics common stock may vary at any time prior to the completion of the merger or at any time thereafter. You are urged to obtain current trading prices for Steel Dynamics common stock and Roanoke Electric Steel common stock.

**Q: If I am a director or employee of Roanoke Electric Steel who holds options to purchase Roanoke Electric Steel common stock, what will I receive in the merger?**

A: Each Roanoke Electric Steel stock option will be converted into an option to purchase 0.7389 of a share of Steel Dynamics common stock for each share of Roanoke Electric Steel common stock subject to the option, rounded to the nearest whole share of Steel Dynamics common stock. The exercise price per share will be equal to the per share exercise price of the Roanoke Electric Steel option immediately before the merger divided by 0.7389, rounded to the nearest cent. Otherwise, these Steel Dynamics stock options will have the same terms and conditions as the Roanoke Electric Steel stock options.

**Q: When and where will the special meeting take place?**

A: The special meeting is scheduled to take place at 10:00 a.m., EST, on \_\_\_\_\_, \_\_\_\_\_, 2006 at \_\_\_\_\_.

**Q: Who is entitled to vote at the special meeting?**

A: Only holders of record of Roanoke Electric Steel common stock as of the close of business on January 31, 2006, which we refer to as the record date, are entitled to vote at the special meeting. Each shareholder has one vote for each share of Roanoke Electric Steel common stock that the shareholder owns on the record date.

**Q: What vote is required to approve the merger agreement?**

A: The affirmative vote of holders of more than two-thirds of the shares of Roanoke Electric Steel common stock outstanding and entitled to vote as of the record date is the only vote required to approve the merger agreement and the related plan of merger.

**Q: When do you expect to complete the transaction?**

A: Steel Dynamics and Roanoke Electric Steel are working toward completing the merger as quickly as possible, and we anticipate that it will be completed in the first quarter of 2006. In order to complete the merger, Roanoke Electric Steel shareholders must approve the merger and the other closing conditions under the merger agreement must be satisfied, obtained or waived.

**Q: How does the Roanoke Electric Steel board of directors recommend that Roanoke Electric Steel shareholders vote?**

A: Roanoke Electric Steel's board of directors unanimously recommends that Roanoke Electric Steel shareholders vote "FOR" the approval of the merger agreement and the related plan of merger.

**Q: What do I need to do now?**

A: After carefully reading and considering the information contained in and incorporated by reference into this proxy statement/prospectus, please mail your signed proxy card in the enclosed return envelope as soon as possible, so that your shares may be represented and voted at the special meeting in accordance with your instructions. You may also attend the special meeting and vote in person.



**Q: If my shares of Roanoke Electric Steel are held in "street name" by my broker, will my broker vote my shares for me?**

A: Yes, but only if you provide instructions to your broker on how to vote. You should receive directions provided by your broker on how to instruct your broker to vote your shares of Roanoke Electric Steel common stock, and you should follow those instructions. Without those instructions, your shares of Roanoke Electric Steel common stock will not be voted.

**Q: What if I do not vote, do not fully complete my proxy card or fail to instruct my broker?**

A: It is very important for you to vote. If you do not submit a proxy or, if your shares are held in street name, instruct your broker how to vote your shares, or if you do not vote in person at the special meeting, the effect will be the same as if you voted "**AGAINST**" the approval of the merger agreement and the related plan of merger. If you submit a signed proxy without specifying the manner in which you would like your shares to be voted, your shares will be voted "**FOR**" the approval of the merger agreement and the related plan of merger. However, if your shares are held in "street name" and you do not instruct your broker how to vote your shares, your broker will not vote your shares, this failure to vote being referred to as a broker non-vote, which will have the same effect as voting "**AGAINST**" the approval of the merger agreement and the related plan of merger. You should follow the directions provided by your broker regarding how to instruct your broker to vote your shares in order to ensure that your shares will be voted at the special meeting.

**Q: Can I change my vote after I have delivered my proxy?**

A: Yes. You may change your vote at any time before the vote takes place at the special meeting. To change your vote, you may:

submit a new proxy card bearing a later date by mail; or

send a signed written notice bearing a date later than the date of the proxy to the Secretary of Roanoke Electric Steel stating that you would like to revoke your proxy.

You may also change your vote by attending the special meeting and voting in person, although your attendance alone will not revoke your proxy. However, if you elect to vote in person at the special meeting and your shares are held by a broker, bank or other nominee, you must bring to the meeting a legal proxy from the broker, bank or other nominee authorizing you to vote the shares.

**Q: Will a proxy solicitor be used?**

A: Yes. Roanoke Electric Steel has engaged MacKenzie Partners, Inc. to assist in the solicitation of proxies for the special meeting and Roanoke Electric Steel estimates that it will pay them a fee of approximately \$7,500 and will reimburse them for reasonable out of pocket expenses incurred in connection with this solicitation. Various officers or employees of Roanoke Electric Steel may also be engaged in contacting Roanoke Electric Steel shareholders to vote their shares. No proxy solicitor, however, has any authority to provide you with substantive transaction information or to bind Roanoke Electric Steel in any manner.

**Q: Do I need to attend the special meeting in person?**

A: No. It is not necessary for you to attend the special meeting to vote your shares, so long as Roanoke Electric Steel has previously received your proxy, although you are welcome to attend.

**Q: Should I send in my stock certificates now?**

A:

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No. After the merger is completed, Computershare Investor Services, acting as our exchange agent, will send you instructions, including a letter of transmittal, explaining how to exchange your

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shares of Roanoke Electric Steel common stock for the merger consideration. Please do not send in your stock certificates with your proxy.

**Q:**

**What are the material U.S. federal income tax consequences of the merger to me?**

**A:**

The completion of the merger is conditioned on the receipt by Roanoke Electric Steel and Steel Dynamics of tax opinions dated as of the date of the merger, to the effect that the merger will qualify for U.S. federal income tax purposes as a "reorganization" within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended, which we refer to as the Internal Revenue Code, and that each of Steel Dynamics, RS Acquisition and Roanoke Electric Steel will be a party to the reorganization within the meaning of Section 368(b) of the Internal Revenue Code. Neither Roanoke Electric Steel nor Steel Dynamics intends to waive this condition. Assuming the merger so qualifies as a "reorganization," which Roanoke Electric Steel and Steel Dynamics anticipate, a Roanoke Electric Steel shareholder generally will, for U.S. federal income tax purposes, recognize gain, but not loss, equal to the lesser of:

the excess, if any of the fair market value of the Steel Dynamics common stock and the amount of cash received by the shareholder over the shareholder's adjusted tax basis in the Roanoke Electric Steel common stock exchanged in the merger, or

the amount of cash received by the shareholder in the merger.

This treatment may not apply to all Roanoke Electric Steel shareholders. For further information concerning material U.S. federal income tax consequences of the merger, please see "The Merger Material U.S. Federal Income Tax Consequences of the Merger" beginning on page 70.

**Tax matters are very complicated and the consequences of the merger to any particular Roanoke Electric Steel shareholder will depend on that shareholder's particular facts and circumstances. You are urged to consult your own tax advisor to determine your own tax consequences from the merger.**

**Q:**

**What if I do not like the transaction? Will I have appraisal rights as a result of the merger?**

**A:**

Under Virginia law, shareholders will have no rights to receive an appraisal of their Roanoke Electric Steel common stock in the merger. If you do not like the transaction, you may vote against the merger. But if the holders of the required percentage of Roanoke Electric Steel common stock vote to approve the merger agreement and the related plan of merger, you will not have any right other than to receive the merger consideration in exchange for your Roanoke Electric Steel common stock.

**Q:**

**How will Roanoke Electric Steel shareholders receive the merger consideration?**

**A:**

Following the merger, you will receive a letter of transmittal and instructions on how to obtain the merger consideration in exchange for your shares of Roanoke Electric Steel common stock. You must return the completed letter of transmittal and your Roanoke Electric Steel stock certificates as described in the instructions, and you will receive the merger consideration as soon as practicable after Computershare Investor Services, the exchange agent, receives your completed letter of transmittal and Roanoke Electric Steel stock certificates. If you hold shares through a brokerage account, your broker will handle the surrender of stock certificates to Computershare Investor Services.

**Q:**

**Who can I call with questions?**

**A:**

If you have any questions about the merger, how to submit your proxy or other matters discussed in this proxy statement/prospectus or if you need additional copies of this proxy statement/prospectus or the enclosed proxy card, you should contact MacKenzie Partners, Inc. at (800) 322-2885.



**SUMMARY OF THE PROXY STATEMENT/PROSPECTUS**

*This summary highlights selected information from this proxy statement/prospectus and may not contain all of the information that is important to you. You should carefully read this entire proxy statement/prospectus and the other documents to which you are referred for a more complete understanding of the merger. You should also read the documents attached to this proxy statement/prospectus, including the merger agreement, the related plan of merger and the fairness opinion of Jefferies & Company, Inc., which are attached as Annexes A, B and C, and made part of this proxy statement/prospectus. In addition, we have incorporated by reference important business, financial and other information about Roanoke Electric Steel and Steel Dynamics. You may obtain the information incorporated by reference into this proxy statement/prospectus without charge by following the instructions in "Where You Can Find More Information" beginning on page 113. This summary and the balance of this proxy statement/prospectus contain forward-looking statements concerning events that we cannot assure you are certain to occur as described, or at all, and you should not place undue reliance on those statements. Please carefully read "Cautionary Statement Regarding Forward-Looking Statements" beginning on page 30.*

**The Companies**

**Information about Roanoke Electric Steel Corporation (page 93)**

P. O. Box 13948  
Roanoke, Virginia 24038  
Telephone: 540-342-1831

Roanoke Electric Steel, directly and through its subsidiaries, is engaged in the manufacturing, fabricating and marketing of merchant steel products, specialty steel sections, billets and open-web steel joists, as well as the processing of scrap metal.

**Information about Steel Dynamics, Inc. (page 89) and RS Acquisition Corporation**

6714 Pointe Inverness Way  
Suite 200  
Fort Wayne, Indiana 46804  
Telephone: 260-459-3553

Steel Dynamics is the sixth largest steel producer in the United States, with 2004 consolidated shipments totaling 3.4 million tons of steel. Steel Dynamics produces its steel principally from steel scrap, using electric arc furnaces, continuous casting and automated rolling mills and currently operates three steelmaking mini-mills:

a mini-mill in Butler, Indiana, which produces flat roll sheet steel, with 2004 shipments of 2.4 million tons of steel, which is referred to as the Flat Roll Division;

a mini-mill in Columbia City, Indiana, which produces structural steel beams, pilings and other steel components for the construction, transportation and industrial machinery markets, as well as rail products for the railroad industry, with 2004 shipments of 734,000 tons, which is referred to as the Structural and Rail Division; and

a mini-mill in Pittsboro, Indiana capable of producing both special bar quality and merchant bar quality steel products, with 2004 shipments of 318,000 tons, which is referred to as the Bar Products Division.

Steel Dynamics also operates a scrap substitute manufacturing facility in Butler, Indiana, known as Iron Dynamics, a 50%-owned facility that sells secondary and excess prime flat roll steel products, known as Paragon Steel Enterprises, and a company, known as New Millennium Building Systems, which operates plants in Butler, Indiana and Lake City, Florida, which produce steel building components, including joists, girders, trusses and steel roof and floor decking.

**RS Acquisition Corporation**

6714 Pointe Inverness Way  
Suite 200  
Fort Wayne, Indiana 46804  
Telephone: 260-459-3553

RS Acquisition is an Indiana corporation and a wholly owned subsidiary of Steel Dynamics formed by Steel Dynamics on September 29, 2005 for the sole purpose of entering into the transaction contemplated by the merger agreement and effecting the merger. This is the only business of RS Acquisition, and RS Acquisition has not conducted any activities other than those incidental to its formation and the entering into of the merger agreement and related plan of merger.

**Structure of the Transaction: the Merger (see page 76)**

Roanoke Electric Steel will merge into RS Acquisition under the terms of the merger agreement that are described in this proxy statement/prospectus. RS Acquisition, which will change its name to Roanoke Electric Steel upon completion of the merger, will be the surviving entity in the merger, will continue as a wholly owned subsidiary of Steel Dynamics, and will succeed to all the rights and obligations of Roanoke Electric Steel. You will receive 0.4 shares of Steel Dynamics common stock and \$9.75 in cash for each share of Roanoke Electric Steel common stock you own. You will also receive cash for any fractional shares of Steel Dynamics common stock that you would otherwise receive in the merger.

Each Roanoke Electric Steel stock option will be converted into an option to purchase 0.7389 of a share of Steel Dynamics common stock for each share of Roanoke Electric Steel common stock subject to the option, rounded to the nearest whole share of Steel Dynamics common stock. The exercise price per share will be equal to the per share exercise price of the Roanoke Electric Steel option immediately before the merger divided by 0.7389, rounded to the nearest cent. Otherwise, these Steel Dynamics stock options will have the same terms and conditions as the Roanoke Electric Steel stock options, except that the stock options held by executive officers of Roanoke Electric Steel will provide for an extended period of exercise. Each option will be converted in a manner consistent with applicable federal income tax rules, so that the Steel Dynamics stock option will not be treated as the grant of a new stock option or a change in payment form under the option.

Based on Steel Dynamics' common stock closing price of \$28.77 on October 17, 2005, the trading day immediately preceding the public announcement of the proposed merger, the implied value of the aggregate merger consideration of Steel Dynamics common stock and cash was \$21.26 per share of Roanoke Electric Steel common stock. However, because, in addition to the \$9.75 in cash, the exchange ratio of 0.4 shares of Steel Dynamics common stock for each share of Roanoke Electric Steel common stock is a fixed exchange ratio, the actual market value of the aggregate merger consideration will increase or decrease as the trading price of Steel Dynamics common stock increases or decreases. Therefore, the aggregate market value of the merger consideration may be different at the time the merger is completed than it was at the time the merger agreement was signed or at the time of the special shareholders meeting. As of January 13, 2006, based upon Steel Dynamics common stock closing price of \$36.50, the implied value of the aggregate merger consideration per each Roanoke Electric Steel share was \$24.35, subject to further fluctuation, up or down, prior to the completion of the merger.

The merger agreement is attached to this proxy statement/prospectus as Annex A and the related plan of merger is attached to this proxy statement/prospectus as Annex B. You are encouraged to carefully read the merger agreement and the related plan of merger in their entirety as they are the legal documents that govern the merger.

**The Special Meeting of Roanoke Electric Steel Shareholders (see page 32)**

The special meeting will be held on \_\_\_\_\_, \_\_\_\_\_, 2006, at 10:00 a.m., EST, at \_\_\_\_\_.

The purpose of the special meeting is to:

consider and vote upon a proposal to approve the merger agreement and the related plan of merger;

consider and vote upon a proposal to authorize the proxyholders to vote to adjourn or postpone the special meeting, in their sole discretion, for the purpose of soliciting additional votes for the approval of the merger agreement and the related plan of merger; and

transact such other business as may properly come before the special meeting or any postponements or adjournments of the special meeting.

Approval of the merger agreement and the related plan of merger will also constitute approval of the merger and the other transactions contemplated by the merger agreement.

Roanoke Electric Steel's board of directors has fixed the close of business on January 31, 2006 as the record date for determination of Roanoke Electric Steel shareholders entitled to notice of and to vote at the special meeting. As of the close of business on January 31, 2006, there were 11,309,401 shares of Roanoke Electric Steel common stock outstanding and entitled to vote, which were held of record by approximately 500 shareholders. A majority of these shares, present in person or represented by proxy, will constitute a quorum for the transaction of business. If a quorum is not present, it is expected that the special meeting will be adjourned or postponed to solicit additional proxies. Each Roanoke Electric Steel shareholder is entitled to one vote for each share of Roanoke Electric Steel common stock held as of the record date.

Approval of the merger agreement and the related plan of merger by Roanoke Electric Steel's shareholders is required by Virginia law. Approval requires the affirmative vote of the holders of more than two-thirds of the shares of Roanoke Electric Steel common stock outstanding and entitled to vote as of the record date. Authorizing the proxyholders to vote to adjourn or postpone the special meeting for the purpose of soliciting additional votes for the approval of the merger agreement and the related plan of merger will require that the number of votes for this authorization exceed the number of votes against this authorization from holders of the shares of Roanoke Electric Steel common stock represented in person or by proxy and entitled to vote at the special meeting. As of the record date, Roanoke Electric Steel's directors, executive officers and their affiliates held approximately 9.0% of the shares entitled to vote at the special meeting.

**Steel Dynamics Shareholder Approval**

Steel Dynamics shareholders are not required to approve the issuance of the shares of Steel Dynamics common stock as part of the merger consideration.

**Recommendation of Roanoke Electric Steel's Board of Directors (see page 32)**

After careful consideration, Roanoke Electric Steel's board of directors has unanimously approved and adopted the merger agreement and the related plan of merger and unanimously recommends that Roanoke Electric Steel shareholders vote "FOR" approval of the merger agreement and the related plan of merger.

**Opinion of Jefferies & Company, Inc. (see page 51)**

Roanoke Electric Steel engaged Jefferies & Company, Inc., or Jefferies, to serve as Roanoke Electric Steel's financial adviser in connection with the merger and to render an opinion to Roanoke Electric Steel's board of directors as to the fairness, from a financial point of view, to holders of



Roanoke Electric Steel common stock of the merger consideration to be received by holders of Roanoke Electric Steel common stock pursuant to the merger agreement. On October 17, 2005, Jefferies rendered to Roanoke Electric Steel's board of directors its opinion as investment bankers to the effect that, as of that date and based upon and subject to the various considerations and assumptions set forth in the opinion, the merger consideration to be received by holders of Roanoke Electric Steel common stock pursuant to the merger agreement was fair, from a financial point of view, to those holders. The full text of the Jefferies opinion, which sets forth the assumptions made, matters considered and limitations on the scope of review undertaken by Jefferies in rendering its opinion, is attached to this proxy statement/prospectus as Annex C. Roanoke Electric Steel and its board of directors encourage the Roanoke Electric Steel shareholders to read the Jefferies opinion carefully and in its entirety.

**The Jefferies opinion was provided to Roanoke Electric Steel's board of directors in connection with its consideration of the merger and addresses only the fairness, from a financial point of view and as of the date of the Jefferies opinion, of the merger consideration to be received by the holders of Roanoke Electric Steel common stock, and does not address any other aspect of the merger. The Jefferies opinion does not constitute a recommendation as to how any shareholder should vote on the merger or any matter relevant to the merger agreement.**

#### **Interests of Certain Persons in the Merger (see page 62)**

In considering the recommendation of Roanoke Electric Steel's board of directors with respect to the merger agreement and the related plan of merger, Roanoke Electric Steel shareholders should be aware that some of Roanoke Electric Steel's executive officers and directors have interests in the merger and have arrangements that are different from, or in addition to, those of Roanoke Electric Steel's shareholders generally. A summary of these interests is set forth below:

*Stock Options and Equity-Based Awards.* Each Roanoke Electric Steel stock option held by directors and executive officers of Roanoke Electric Steel will be converted into an option to purchase shares of Steel Dynamics common stock. Consequently, these option holders receive an option to purchase Steel Dynamics common stock in the merger, while holders of Roanoke Electric Steel common stock receive a combination of cash and Steel Dynamics common stock as the merger consideration. See "The Merger Agreement Structure of the Merger and Conversion of Roanoke Electric Steel Common Stock and Equity-Based Awards" beginning on page 76. Based on Roanoke Electric Steel option holdings on January 31, 2006, upon completion of the merger, George W. Logan, Charles I. Lunsford and Thomas L. Robertson, each directors of Roanoke Electric Steel, would hold options to acquire 2,217, 2,217 and 2,217 shares of Steel Dynamics common stock, respectively. T. Joe Crawford, the president of Roanoke Electric Steel, would hold options to acquire 8,867 shares of Steel Dynamics common stock.

Each restricted share of Roanoke Electric Steel common stock held by directors of Roanoke Electric Steel will become fully vested and transferable at the time of the merger and will be converted into the right to receive the same consideration as other outstanding shares of Roanoke Electric common stock in the merger. As of January 31, 2006, Messrs. George B. Cartledge, Jr., Logan, Lunsford, Robertson, Charles W. Steger and Joseph H. Vipperman each hold 1,500 restricted shares of Roanoke Electric Steel common stock.

Messrs. Donald G. Smith, Crawford, Timothy Duke, Donald R. Higgins, Mark G. Meikle and William M. Watson, Jr., each of whom is an executive officer of Roanoke Electric Steel, hold performance shares which will become fully vested at the time of the merger and will be settled by Roanoke Electric Steel in a single lump sum cash payment to each executive. The table below shows the number of performance shares as of January 31, 2006 held by these executive officers and the

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estimated lump sum payment that these executive officers would receive as a result of the merger, based on the closing price per share of Roanoke Electric Steel on January 10, 2006.

Executive Officer	Performance Shares	Estimated Lump Sum Payment
Donald G. Smith	38,515	\$ 927,441
T. Joe Crawford	30,350	\$ 730,828
Timothy R. Duke	20,750	\$ 499,660
Donald R. Higgins	10,250	\$ 246,820
Mark G. Meikle	15,000	\$ 361,200
William M. Watson, Jr.	11,475	\$ 276,318

*Amended Employment Continuity Agreements.* At the time Roanoke Electric Steel entered into the merger agreement, it also entered into amendments to employment continuity agreements with Messrs. Smith, Higgins, Meikle and Watson. The compensation committee of Roanoke Electric Steel's board of directors determined that the amendments were appropriate to facilitate the merger. Under the amended continuity agreements, which become effective at the time of the merger, the executives will receive a lump sum cash payment equal to any unpaid salary and accrued paid time off through the date of the merger, any unpaid deferred compensation and any amounts payable under Roanoke Electric Steel's management incentive plan to the extent not yet paid. In addition, each of these executives, other than Mr. Smith, will receive two lump sum cash payments. Assuming the merger closes on the date of the special meeting, the amount of one lump sum payment payable to Messrs. Higgins, Meikle and Watson will be \$875,000, \$822,500 and \$630,000, respectively. In addition, Messrs. Higgins, Meikle and Watson will receive another lump sum cash payment at the time of the merger equal to \$78,000, \$75,000 and \$75,000, respectively.

Roanoke Electric Steel is required to determine if these payments and benefits, combined with any other payments or benefits to which the executive may be entitled from Roanoke Electric Steel, would result in imposition of the excise tax under Section 4999 of the Internal Revenue Code. Under some circumstances, Roanoke Electric Steel will be required to pay to the executive at the time of the merger an additional payment to compensate the executive for the amount of the excise tax payable with respect of the compensation and benefits described above and for additional taxes on that payment.

The various payments described above will not be paid at the time the merger occurs but will instead be paid six months after an executive's termination of employment following the merger if Roanoke Electric Steel determines that delayed payment is necessary to comply with federal income tax rules.

*Employment Agreements with Steel Dynamics.* Messrs. Crawford and Duke have entered into employment agreements with Steel Dynamics setting forth the material terms of their employment with Steel Dynamics following the merger. These agreements, which will remain in effect until December 31, 2007, become effective at the effective time of the merger and these executive's employment continuity agreements with Roanoke Electric Steel will become void at that time. Mr. Crawford will receive an annual base salary of \$370,000 and Mr. Duke will receive an annual base salary of \$325,000. Both will be eligible for cash and stock bonuses, as well as semi-annual stock option grants covering \$60,000 worth of Steel Dynamics common stock valued as of the date on which the option is granted. These stock options will have an exercise price equal to the fair market value of Steel Dynamics common stock on the date the option is granted. If employment terminates during the term on account of the executive's death, disability, or by his voluntary resignation other than for "good reason," as defined in the agreement, the terminated executive will receive a lump sum cash payment, the amount of which will be based on the month in which his employment terminates. The maximum amount of this payment will be \$1,110,000 for Mr. Crawford and \$975,000 for Mr. Duke if termination occurs in

January 2006, with the amount decreasing ratably each month thereafter to a payment of \$46,000 for Mr. Crawford and \$41,000 for Mr. Duke if termination occurs in December 2007. If the executive voluntarily terminates his employment for "good reason" or if Steel Dynamics terminates the executive's employment without cause during the term, the amount of the severance payment will increase by \$740,000 in the case of Mr. Crawford and by \$650,000 in the case of Mr. Duke.

*Management Incentive Plan.* At the time the merger agreement was entered into, the compensation committee of the Roanoke Electric Steel board of directors approved awards under the company's management incentive plan to Messrs. Crawford, Duke, Higgins, Meikle and Watson for the 2006 fiscal year, subject to adjustment based on the completion of the merger. Messrs. Crawford and Duke, who have entered into employment agreements with Steel Dynamics, will not receive any payments under these awards in the event of the completion of the merger. Assuming the merger occurs in March 2006, Messrs. Higgins, Meikle and Watson would receive bonus payments of \$41,667, \$39,167 and \$30,000, respectively.

*Indemnification of Directors and Officers; Directors' and Officers' Insurance.* The merger agreement provides that the surviving corporation will honor all rights to indemnification to current or former directors and officers of Roanoke Electric Steel. The merger agreement also provides that, for six years after completion of the merger, Steel Dynamics will maintain Roanoke Electric Steel's policies of directors and officers' liability insurance and any fiduciary liability insurance or substitute comparable policies. See "The Merger Indemnification and Insurance" beginning on page 68.

The Roanoke Electric Steel board of directors was aware of these arrangements and considered them in its decision to approve and adopt the merger agreement and the related plan of merger.

#### **Risk Factors (see page 22)**

In evaluating the merger, the merger agreement and the related plan of merger and before deciding how to vote your shares of Roanoke Electric Steel common stock at the special meeting, you should read this proxy statement/prospectus carefully and especially consider certain factors, risks and uncertainties discussed in "Risk Factors" beginning on page 22.

#### **Conditions to the Merger (see page 85)**

Each party's obligations to complete the merger are subject to the prior satisfaction or waiver, where permissible, of each of the conditions specified in the merger agreement, including the following conditions:

the merger agreement and the related plan of merger must be approved by the holders of more than two-thirds of the outstanding shares of Roanoke Electric Steel common stock as of the record date entitled to vote at the special meeting;

the shares of Steel Dynamics common stock issuable to Roanoke Electric Steel shareholders must be approved for listing, subject to official notice of issuance, on the Nasdaq National Market;

the waiting period and any extension thereof applicable to the merger pursuant to the Hart-Scott-Rodino Antitrust Improvements Act of 1976, referred to as the HSR Act, must have expired or been terminated;

there must be no temporary restraining order, preliminary or permanent injunction or other order or decree issued by any court of competent jurisdiction or other statute, law, rule, legal restraint or prohibition in effect preventing the completion of the merger;

the registration statement, of which this proxy statement/prospectus is a part, must be effective under the Securities Act of 1933, as amended, referred to as the Securities Act, and must not be the subject of any stop order or proceedings seeking a stop order;

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specified consents, approvals and authorizations must have been obtained and be in full force and effect;

the representations and warranties of the other party set forth in the merger agreement must be true and correct as specified in the merger agreement;

the other party to the merger agreement must have performed in all material respects all of its obligations under the merger agreement;

there must not be any event, change, effect, development, condition or occurrence that individually or in the aggregate have had a material adverse effect on the other party; and

each party must have received an opinion of counsel to the effect that the merger will qualify as a "reorganization" within the meaning of Section 368(a) of the Internal Revenue Code.

Neither Steel Dynamics nor Roanoke Electric Steel currently expects to waive any material condition to completion of the merger. If either Steel Dynamics or Roanoke Electric Steel determines to waive any condition to the merger that would result in a material and adverse change in the terms of the merger to Roanoke Electric Steel shareholders, including any change in the tax consequences of the transaction to Roanoke Electric Steel shareholders, we would circulate a revised proxy statement/prospectus and solicit shareholder approval.

### **Termination of the Merger Agreement (see page 86)**

The merger agreement may be terminated by mutual consent, or by either Steel Dynamics or Roanoke Electric Steel under any of the following circumstances, at any time before the completion of the merger, as summarized below:

if the merger is not completed through no fault of the terminating party by the later of:

April 30, 2006, unless otherwise extended in writing by both parties, or

July 30, 2006, in the event that on April 30, 2006 all conditions other than those relating to the absence of governmental litigation and governmental consents are satisfied or are capable of being satisfied;

if Roanoke Electric Steel's shareholders do not approve the merger agreement and the related plan of merger at the special meeting;

if any legal restraint having the effect of permanently restraining, enjoining or otherwise prohibiting the merger has been enacted, issued, promulgated, extended or enforced; or

if the other party has breached any of its representations and warranties or failed to perform any of its covenants and the breach or failure to perform would give rise to a material adverse effect and the failure or breach is not cured or curable within 45 days following receipt of written notice of that breach or failure.

The merger agreement may also be terminated by Steel Dynamics if:

Roanoke Electric Steel's board of directors changes its recommendation to the shareholders of Roanoke Electric Steel that they approve the merger agreement and the related plan of merger; or

Roanoke Electric Steel fails to call or hold the special meeting within six months of the date that the merger agreement was signed by the parties.



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In addition, the merger agreement may be terminated by Roanoke Electric Steel if:

Roanoke Electric Steel's board of directors authorizes Roanoke Electric Steel to enter into a binding written agreement concerning a business combination that constitutes a "superior proposal," as defined in the merger agreement; and

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Steel Dynamics does not make, within five business days of receipt of written notice from Roanoke Electric Steel of its intention to enter into a binding agreement for that superior proposal, a counter-offer that the board of directors of Roanoke Electric Steel determines, in good faith and after consultation with its financial advisor and legal counsel, is at least as favorable to Roanoke Electric Steel's shareholders as that superior proposal.

### **Payment of Termination Fee (see page 87)**

Roanoke Electric Steel has agreed to pay Steel Dynamics a termination fee of \$7.5 million, plus expenses in an amount not to exceed \$1 million, if the merger agreement is terminated under circumstances specified in the merger agreement.

### **No Solicitation of Transactions Involving Roanoke Electric Steel (see page 83)**

The merger agreement contains restrictions on the ability of Roanoke Electric Steel to solicit or engage in discussions or negotiations with a third party with respect to a proposal to acquire a significant interest in Roanoke Electric Steel equity or assets. Notwithstanding these restrictions, the merger agreement provides that, under specified circumstances, if Roanoke Electric Steel receives an unsolicited proposal from a third party to acquire a significant interest in Roanoke Electric Steel that the Roanoke Electric Steel board of directors determines in good faith is or is reasonably likely to be a proposal that is superior to the merger, Roanoke Electric Steel may furnish nonpublic information to that third party and engage in negotiations regarding an acquisition proposal with that third party.

### **Material U.S. Federal Income Tax Consequences of the Merger (see page 70)**

The completion of the merger is conditioned on the receipt by Roanoke Electric Steel and Steel Dynamics of tax opinions dated as of the date of the merger to the effect that the merger will qualify for U.S. federal income tax purposes as a "reorganization" within the meaning of Section 368(a) of the Internal Revenue Code and that each of Steel Dynamics, RS Acquisition Corporation and Steel Dynamics will be a party to the reorganization within the meaning of Section 368(b) of the Internal Revenue Code. Neither Roanoke Electric Steel nor Steel Dynamics intends to waive this condition. Assuming the merger qualifies as a "reorganization," which Roanoke Electric Steel and Steel Dynamics anticipate, a Roanoke Electric Steel shareholder generally will, for U.S. federal income tax purposes, recognize gain, but not loss, equal to the lesser of:

the excess, if any of the fair market value of the Steel Dynamics common stock and the amount of cash received by the shareholder over the shareholder's adjusted tax basis in the Roanoke Electric Steel common stock exchanged in the merger, or

the amount of cash received by the shareholders in the merger.

This treatment may not apply to all shareholders. For further information concerning material U.S. federal income tax consequences of the merger, please see "The Merger Material U.S. Federal Income Tax Consequences of the Merger" beginning on page 70.

**Tax matters are very complicated and the consequences of the merger to any particular Roanoke Electric Steel shareholder will depend on that shareholder's particular facts and circumstances. Roanoke Electric Steel shareholders are urged to consult their own tax advisors to determine their own tax consequences from the merger.**

### **Regulatory Matters (see page 70)**

The merger is subject to U.S. antitrust laws. Under the HSR Act, each of Steel Dynamics and Roanoke Electric Steel must file Hart-Scott Rodino notification and report forms with the Antitrust Division of the Department of Justice, referred to as the DOJ, and the U.S. Federal Trade Commission, referred to as the FTC, and specified waiting periods must be terminated or expire,

before the merger can be completed. Even after the waiting period expires or is terminated, the DOJ and the FTC, as well as any state attorney general or a private person, will have the authority to challenge the merger at any time before or after its completion. Each of Steel Dynamics and Roanoke Electric Steel filed a notification and report form for the merger with the DOJ and the FTC on December 16, 2005 and on December 23, 2005 received notice of early termination of the waiting period.

While Steel Dynamics and Roanoke Electric Steel expect to obtain all required regulatory approvals, we cannot assure you that these regulatory approvals will be obtained or that the granting of these regulatory approvals will not involve the imposition of conditions on the completion of the merger. These conditions or changes could result in the conditions to the merger not being satisfied or could adversely affect Steel Dynamics' ability to integrate Roanoke Electric Steel's business or reduce the anticipated benefits of the merger to Steel Dynamics.

**Restrictions on the Ability to Sell Steel Dynamics Common Stock (see page 74)**

All shares of Steel Dynamics common stock you receive in connection with the merger will be freely transferable unless you are considered an "affiliate" of either Roanoke Electric Steel or Steel Dynamics for the purposes of the Securities Act at the time of the special meeting, in which case you will be permitted to sell the shares of Steel Dynamics common stock you receive in the merger only pursuant to an effective registration statement or an exemption from the registration requirements of the Securities Act. This proxy statement/prospectus does not register the resale of stock held by affiliates.

**Appraisal Rights (see page 75)**

Under Virginia law, you are not entitled to appraisal rights in connection with the merger.

**Surrender of Stock Certificates (see page 77)**

Following the effective time of the merger, Steel Dynamics will cause a letter of transmittal to be mailed to all holders of Roanoke Electric Steel common stock containing instructions for the exchange of their Roanoke Electric Steel common stock for the merger consideration, and for surrendering their Roanoke Electric Steel stock certificates. Certificates should not be surrendered until the letter of transmittal is received, fully completed and returned as instructed in the letter of transmittal.

**Certain Effects of the Merger (see page 94)**

Upon completion of the merger, Roanoke Electric Steel shareholders will become shareholders of Steel Dynamics. The internal affairs of Steel Dynamics are governed by Indiana law and Steel Dynamics' articles of incorporation and bylaws. The internal affairs of Roanoke Electric Steel are governed by Virginia law and Roanoke Electric Steel's articles of incorporation and bylaws. Due to differences between the governing documents and governing state laws of Steel Dynamics and Roanoke Electric Steel, the merger will result in you having different rights once you become a Steel Dynamics shareholder. These rights are summarized in "Comparison of Rights of Shareholders of Steel Dynamics and Shareholders of Roanoke Electric Steel" beginning on page 94.

**SELECTED CONSOLIDATED HISTORICAL FINANCIAL DATA OF STEEL DYNAMICS, INC.**

The following table summarizes selected historical consolidated financial data of Steel Dynamics which should be read in conjunction with the consolidated financial statements of Steel Dynamics, the notes thereto, included as part of Steel Dynamics' Annual Report on Form 10-K for the fiscal year ended December 31, 2004 incorporated by reference into this proxy statement/prospectus. The financial data for the five years ended December 31, 2004 has been derived from the audited consolidated financial statements of Steel Dynamics. The financial data as of and for the nine months ended September 30, 2005 and 2004 has been derived from the unaudited consolidated financial statements of Steel Dynamics included as part of Steel Dynamics' Quarterly Report on Form 10-Q for the fiscal quarter ended September 30, 2005 incorporated by reference into this proxy statement/prospectus. In the opinion of Steel Dynamics' management, all adjustments, consisting of only normal recurring adjustments, necessary for a fair presentation of the financial data for the nine months ended September 30, 2005 and 2004 have been reflected therein. Operating results for the nine months ended September 30, 2005 are not necessarily indicative of the results that may be expected for the full year.

You should also read the following information in conjunction with the data in the table on the following page:

Steel Dynamics reclassified certain prior year amounts to conform to the fiscal 2004 presentation. Steel Dynamics reclassified certain costs related to the receipt of materials, internal transportation of inventories and related employee salaries and benefits from selling, general and administrative expenses to costs of goods sold. Generally, Steel Dynamics' annual gross margin was reduced by approximately 1% due to this reclassification; however, total operating income was not affected.

During the fourth quarter of 2004, Steel Dynamics adopted Emerging Issues Task Force (EITF) Issue No. 04-8, "The Effect of Contingently Convertible Instruments on Diluted Earnings Per Share." EITF 04-8 is effective for reporting periods ending after December 14, 2004 and requires companies to include shares related to convertible debt instruments in the calculation of diluted earnings per share, regardless of whether the provisions of conversion have been satisfied. Therefore, Steel Dynamics was required to restate its 2003 and 2002 diluted earnings per share for the potentially dilutive effect of the issuance of shares of Steel Dynamics common stock related to its \$115 million 4% convertible subordinated