

**SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 20549**

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**FORM 8-K**

**CURRENT REPORT**

**Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

Date of Report (date of earliest event reported): October 18, 2005

**STEEL DYNAMICS, INC.**

(Exact name of registrant as specified in its charter)

Indiana  
(State or other jurisdiction  
of incorporation)

0-21719  
(Commission File Number)

35-1929476  
(IRS Employer  
Identification No.)

6714 Pointe Inverness Way, Suite 200, Fort Wayne, Indiana 46804  
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: 260-459-3553

Not Applicable  
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

## **Item 1.01. Entry into a Material Definitive Agreement.**

### **Merger Agreement**

On October 18, 2005, Steel Dynamics, Inc. (“SDI”), an Indiana corporation, entered into a merger agreement (the “Merger Agreement”) with RS Acquisition Corporation (“Merger Subsidiary”), an Indiana corporation and a direct wholly owned subsidiary of SDI, and Roanoke Electric Steel Corporation (“Roanoke”), a Virginia corporation. The Merger Agreement provides that, upon the terms and subject to the conditions set forth in the Merger Agreement, Roanoke will merge with and into Merger Subsidiary, with Merger Subsidiary continuing as the surviving corporation and a direct wholly-owned subsidiary of SDI (the “Merger”).

At the effective time and as a result of the Merger, in exchange for their shares of issued and outstanding Roanoke common stock, Roanoke stockholders will receive for each Roanoke common share (i) 0.400 shares of SDI common stock and (ii) \$9.75 in cash. The aggregate amount of the cash payment to Roanoke stockholders will equal approximately \$108.7 million, based on the 11,145,813 shares issued and outstanding at the close of business on September 30, 2005. The closing prices of SDI and Roanoke shares on NASDAQ on October 17, 2005, were \$28.77 and \$18.69, respectively.

All outstanding Roanoke stock options (whether vested or unvested) will be assumed by SDI. Each such option previously exercisable for Roanoke common shares will then become exercisable for an adjusted number of SDI common shares at an adjusted exercise price, based on an exchange ratio of 0.7389 SDI shares for each Roanoke share.

Following the effective time of the Merger, Keith Busse, President and Chief Executive Officer of SDI, will continue as President and CEO of the combined companies. Donald G. Smith, Chairman and Chief Executive Officer of Roanoke, will retire.

SDI and Roanoke have made customary representations, warranties and covenants in the Merger Agreement. The completion of the Merger is subject to approval by the stockholders of Roanoke, regulatory approvals, including antitrust approval, and the satisfaction or waiver of other customary conditions.

The Merger Agreement contains certain termination rights for both SDI and Roanoke, and further provides that, upon termination of the Merger Agreement under specified circumstances, SDI may be entitled to receive a termination fee of \$7.5 million, plus certain expenses.

The foregoing description of the Merger and the Merger Agreement does not purport to be complete and is qualified in its entirety by reference to the complete text of the Merger Agreement, which is attached as Exhibit 2.1 hereto and incorporated herein by reference. The Merger Agreement has been included to provide investors and stockholders with information regarding its terms. It is not intended to provide any other factual information about SDI. The Merger Agreement contains representations and warranties that the parties to the Merger Agreement made to and solely for the benefit of each other, and the assertions embodied in such representations and warranties are qualified by information contained in confidential disclosure schedules that the parties exchanged in connection with signing the Merger Agreement. Accordingly, investors and stockholders should not rely on such representations and warranties as characterizations of the actual state of facts or circumstances, since they were only made as of the date of their Merger Agreement and are modified in important part by the underlying disclosure schedules. Moreover, information concerning the subject matter of such representations and warranties may change after the date of the Merger Agreement, which subsequent information may or may not be fully reflected in SDI’s public disclosures.

### **Additional Information and Where to Find It**

SDI intends to file a registration statement on Form S-4, and SDI and Roanoke intend to file a related proxy statement/prospectus, in connection with the merger transaction involving SDI and Roanoke. Investors and security holders are urged to read the registration statement on Form S-4 and the related proxy statement/prospectus when they become available because they will contain important information about the merger transaction. Investors and security holders may obtain free copies of these documents (when they are available) and other documents filed with the SEC at the SEC’s web site at [www.sec.gov](http://www.sec.gov). In addition, investors and security holders may obtain free copies of the documents filed with the SEC by SDI by contacting SDI Investor Relations at (260) 459-3553. Investors and security holders may obtain free copies of the documents filed with the SEC by Roanoke by contacting Roanoke Investor Relations at (540) 342-1831.

Roanoke, SDI and their directors and executive officers may be deemed to be participants in the solicitation of proxies from the stockholders of Roanoke in connection with the merger transaction. Information regarding the special interests of these directors and executive officers in the merger transaction will be included in the registration statement of SDI and proxy statement/prospectus of SDI and Roanoke described above. Additional information regarding the directors and executive officers of SDI is also included in the SDI proxy statement for its 2005 Annual Meeting of Stockholders, which was filed with the SEC on April 4, 2005. Additional information regarding the directors and executive officers of Roanoke is also included in Roanoke's proxy statement for its 2005 Annual Meeting of Stockholders, which was filed with the SEC on December 21, 2004. These documents are available free of charge at the SEC's web site at [www.sec.gov](http://www.sec.gov) and from Investor Relations at SDI and Roanoke as described above.

**Item 8.01. Other Events.**

On October 18, 2005, SDI and Roanoke issued a joint press release announcing the execution of the Merger Agreement. A copy of such press release is attached hereto as Exhibit 99.1 and is incorporate herein by reference.

**Item 9.01. Financial Statements and Exhibits**

( c ) Exhibits.

| <u>Exhibit Number</u> | <u>Description</u>   |
|-----------------------|--|
| 2.1                   | Agreement of Merger and Reorganization, dated October 17, 2005, by and among Steel Dynamics, Inc., RS Acquisition Corporation and Roanoke Electric Steel Corporation*. |
| 99.1                  | A press release dated October 18, 2005 titled "Steel Dynamics and Roanoke Electric Steel Announce Merger Agreement"  |

\*Contents of the parties disclosure schedules pursuant to the Merger Agreement have been omitted pursuant to Item 601 (b) (2) of Regulation S-K. SDI will furnish supplementally a copy of the disclosure schedule to the SEC, upon request.

**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this Report to be signed on its behalf by the undersigned hereto duly authorized.

STEEL DYNAMICS, INC.

/s/ Gary Heasley  
By: Gary Heasley  
Vice President & CFO

Date: October 18, 2005



## Press Release

October 18, 2005



6714 Pointe Inverness Way, Suite 200  
Fort Wayne, IN 46804-7932  
260.459.3553 Phone  
260.969.3590 Fax  
[www.steeldynamics.com](http://www.steeldynamics.com)

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## Steel Dynamics and Roanoke Electric Steel Announce Merger Agreement

FORT WAYNE, INDIANA and ROANOKE, VIRGINIA, October 18, 2005 – Steel Dynamics, Inc. – (NASDAQ: STLD) ("SDI"), and Roanoke Electric Steel Corporation (NASDAQ: RESC) ("Roanoke"), have announced the execution of a definitive agreement of merger (the "Merger Agreement") pursuant to which SDI will acquire Roanoke.

Pursuant to the Merger Agreement, which has been unanimously approved by the Roanoke Board of Directors, Roanoke stockholders will receive a fixed consideration equal to 0.4 shares of SDI common stock and \$9.75 in cash for each share of Roanoke stock outstanding at the effective time of the merger. At SDI's closing price of \$28.77 on October 17, 2005, the per share consideration to Roanoke is \$21.26, a 13.7% premium to Roanoke's closing price on the same day. The actual value of the per share consideration to Roanoke stockholders at the effective time of the merger, however, will depend on the value of SDI's common stock at the effective time of the merger. The aggregate consideration includes the assumption of net debt, which totaled \$41 million as of July 31, 2005.

Completion of the merger is subject to approval by Roanoke's stockholders, regulatory approval, including antitrust approval, and the satisfaction or waiver of customary conditions. The Merger Agreement contains certain termination rights for both parties and further provides for a termination fee to SDI of \$7.5 million plus expenses if the transaction is terminated under certain circumstances.

"This combination further diversifies SDI's product offering, provides additional penetration of the joist, truss and girder markets and provides SDI with its first foray into the processed raw materials arena," said Keith Busse, SDI's President and CEO. "The combination will enable us to broaden our geographic presence and strengthen our relationships with customers. We plan to invest \$50 - \$80 million to improve and upgrade Roanoke's facilities after the transaction closes."

"Steel Dynamics is a fast-growing, respected leader in the domestic steel industry with first-rate operations, an outstanding safety record, a diverse product line and a large customer base," said Donald G. Smith, Chairman and CEO of Roanoke Electric Steel. "This agreement is the best fit for our organization and is the best outcome to secure the long-term success of Roanoke Electric Steel."

"The steel industry is undergoing significant change," added T. Joe Crawford, Roanoke Electric Steel President and COO. "For us to remain competitive in the future while building on our 50-year heritage of quality and service, it's in the best interest of our customers, dedicated employees, and shareholders to join SDI and its enviable record of success."

Smith, who previously had announced his intentions to retire from Roanoke Electric Steel in February 2006 after 48 years of service, will retire upon the closing of the transaction. Crawford will serve as Vice President and General Manager - Roanoke Electric Steel Division. Tim Duke will serve as Vice President of SDI and will remain President of Steel of West Virginia Inc., which will be a subsidiary of SDI.

Morgan Stanley served as financial advisor to SDI and Barrett & McNagny and McDermott Will & Emery provided legal advice. Jefferies & Company served as financial advisor to Roanoke and McGuireWoods and Woods Rogers provided legal advice on behalf of Roanoke.

Founded in 1993, Steel Dynamics operates three steelmaking mini-mills, which produce a wide range of steel products, including flat-rolled products, such as hot-rolled, cold-rolled and coated steels; wide-flange beams and H-piling; rail; and special-bar-quality round bars. SDI also produces joist and decking products for the non-residential construction markets in two fabrication facilities.

Roanoke Electric Steel Corporation has steel manufacturing facilities in Roanoke, Virginia and Huntington, West Virginia, producing angles, rounds, flats, channels, beams, special sections and billets, which are sold to steel service centers, fabricators, original equipment manufacturers and other steel producers. Four subsidiaries are involved in various steel-related activities, consisting of scrap processing and bar joists and truck trailer beam fabrication.

The merger will increase SDI's total steel making capability to approximately 5.2 million tons.

Steel Dynamics has previously scheduled a conference call and webcast for October 20, 2005, at 11 a.m. Eastern time with respect to its third quarter results. Immediately following SDI's Q3 earnings call, the management teams from both SDI and Roanoke will host a discussion of the proposed merger. The call can be accessed at (719) 457-2728 with conference call ID #4943926. A live webcast of the call will also be provided at <http://www.steeldynamics.com>. For those unable to listen to the live conference call, a webcast archive will also be available on Steel Dynamics' website.

**Steel Dynamics intends to file a registration statement on Form S-4, and Steel Dynamics and Roanoke intend to file a related proxy statement/prospectus, in connection with the merger transaction involving Steel Dynamics and Roanoke. Investors and security holders are urged to read the registration statement on Form S-4 and the related proxy statement/prospectus when they become available because they will contain important information about the merger transaction. Investors and security holders may obtain free copies of these documents (when they are available) and other documents filed with the SEC at the SEC's web site at [www.sec.gov](http://www.sec.gov). In addition, investors and security holders may obtain free copies of the documents filed with the SEC by Steel Dynamics by contacting Steel Dynamics Investor Relations at (260) 459-3553. Investors and security holders may obtain free copies of the documents filed with the SEC by Roanoke by contacting Roanoke Investor Relations at (540) 342-1831.**

**Roanoke, Steel Dynamics and their directors and executive officers may be deemed to be participants in the solicitation of proxies from the stockholders of Roanoke in connection with the merger transaction. Information regarding the special interests of these directors and executive officers in the merger transaction will be included in the registration statement of Steel Dynamics and proxy statement/prospectus of Steel Dynamics and Roanoke described above. Additional information regarding the directors and executive officers of Steel Dynamics is also included in the Steel Dynamics proxy statement for its 2005 Annual Meeting of Stockholders, which was filed with the SEC on April 4, 2005. Additional information regarding the directors and executive officers of Roanoke is also included in Roanoke's proxy statement for its 2005 Annual Meeting of Stockholders, which was filed with the SEC on December 21, 2004. These documents are available free of charge at the SEC's web site at [www.sec.gov](http://www.sec.gov) and from Investor Relations at Steel Dynamics and Roanoke as described above.**

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## **Forward Looking Statements**

This press release contains some predictive statements about future events, including statements related to conditions in the steel marketplace and the financial markets. These statements are intended to be made as "forward-looking," subject to many risks and uncertainties, within the safe harbor protections of the Private Securities Litigation Reform Act of 1995. Such predictive statements are not guarantees of future performance, and actual results could differ materially from our current expectations. The company does not assume any obligation to update these statements in a news release or otherwise should material facts or circumstances change in ways that would affect their accuracy

We refer you to SDI's detailed explanation of the many factors and risks that may cause such predictive statements to turn out differently, as set forth in its most recent Annual Report on Form 10-K and in other reports which the Company from time to time files with the Securities and Exchange Commission, available publicly on the SEC Web site, [www.sec.gov](http://www.sec.gov) and on the Steel Dynamics Web site, [www.steeldynamics.com](http://www.steeldynamics.com).

*Contacts: Keith Busse, President & CEO, (260) 459-3553 or fax (260) 969-3590  
Donald G. Smith, Chairman and CEO, (540) 342-1831 or fax (540) 983-7284*

## Overview of Key Statistics

|  | <b>Steel Dynamics</b>   | <b>Roanoke Electric Steel</b>  |
|--|---|--|
| Year Founded                           | 1993  | 1955   |
| Headquarters                           | Fort Wayne, IN  | Roanoke, VA  |
| Employees                              | 1,791   | 1,665  |
| CEO                                    | Keith Busse   | Donald Smith   |
| Products                               | Flat Rolled Steel<br>Structural<br>SBQ Bar<br>Rail<br>Steel Joists & Decking<br>Scrap Substitutes   | Merchant Bar<br>Specialty Shapes<br>Billets<br>Steel Joists<br>Reinforcing Bars  |
| End Markets                            | Automotive<br>Construction<br>Commercial Industries<br>Transportation<br>Industrial Machinery<br>Railroad<br>Agricultural Equipment<br>Steel Fabrication<br>Repair and Maintenance<br>Non-residential Contractors | Construction<br>Steel Service Centers<br>OEM's<br>Truck Trailer<br>Industrial Lift Trucks<br>Guardrail Posts<br>Steel Manufacturing<br>Other |
| Number of Locations                    | 6   | 8  |
| Ticker                                 | NASDAQ: STLD  | NASDAQ: RESC   |
| Market Capitalization (As of 10/17/05) | \$1,239MM   | \$208MM  |
| Capacity (MM tons)                     | 4.2   | 1.0  |
| Revenue <sup>(1)</sup>                 | \$2,352MM   | \$558MM  |
| Net Income <sup>(1)</sup>              | \$308MM   | \$39MM   |
| Total Assets <sup>(1)</sup>            | \$1,736MM   | \$311MM  |

Note:

1. LTM as of 6/30/05 for Steel Dynamics and 7/31/05 for Roanoke Electric Steel.