

Offer To Purchase
All Outstanding Shares of Common Stock
of
SCHUFF INTERNATIONAL, INC.
at
\$31.50 Per Share, Net in Cash
by
HC2 HOLDINGS, INC.

THE OFFER AND WITHDRAWAL RIGHTS WILL EXPIRE AT 5:00 PM, NEW YORK CITY TIME, ON SEPTEMBER 19, 2014, UNLESS THE OFFER IS EXTENDED.

HC2 HOLDINGS, INC., A DELAWARE CORPORATION (“PURCHASER,” “US” OR “WE”), IS OFFERING TO PURCHASE ALL OF THE ISSUED AND OUTSTANDING SHARES OF COMMON STOCK, PAR VALUE \$0.001 PER SHARE (THE “SHARES”), OF SCHUFF INTERNATIONAL, INC., A DELAWARE CORPORATION (THE “COMPANY”), AT A PURCHASE PRICE OF \$31.50 PER SHARE, NET TO THE HOLDER THEREOF IN CASH (THE “OFFER PRICE”), WITHOUT INTEREST THEREON AND SUBJECT TO ANY REQUIRED TAX WITHHOLDING, UPON THE TERMS AND SUBJECT TO THE CONDITIONS SET FORTH IN THIS OFFER TO PURCHASE AND IN THE RELATED LETTER OF TRANSMITTAL (WHICH, TOGETHER WITH THIS OFFER TO PURCHASE, AS THEY MAY BE AMENDED OR SUPPLEMENTED FROM TIME TO TIME, COLLECTIVELY CONSTITUTE THE “OFFER”).

PURCHASER CURRENTLY OWNS 70% OF THE OUTSTANDING SHARES OF THE COMPANY. THIS OFFER IS SUBJECT TO THE NON-WAIVABLE CONDITION THAT THE TENDER OF OUTSTANDING SHARES, WHICH, REPRESENT AT LEAST A MAJORITY OF ALL THEN OUTSTANDING SHARES OF THE COMPANY, EXCLUDING SHARES OWNED BY US OR ANY DIRECTOR OR OFFICER OF SCHUFF. THE OFFER IS ALSO CONIDTIONED ON, AMONG OTHER THINGS, THE TENDER OF OUTSTANDING SHARES, WHICH, TOGETHER WITH THE SHARES THEN HELD BY US, REPRESENT AT LEAST 90% OF ALL THEN OUTSTANDING SHARES OF THE COMPANY, WHICH MAY, TO THE EXTENT PERMITTED BY LAW, BE WAIVED BY PURCHASER IN ITS SOLE DISCRETION. IF THIS 90% CONDITION IS SATISFIED AND THE OFFER IS CONSUMMATED, WE WILL (I) OWN AT LEAST 90% OF THE OUTSTANDING COMMON STOCK OF THE COMPANY AND (II) AS SOON AS PRACTICABLE AFTER CONSUMMATION OF THE OFFER, EFFECT A MERGER (THE “MERGER”) OF THE COMPANY WITH A SUBSIDIARY OF PURCHASER WITHOUT A MEETING OF STOCKHOLDERS OF THE COMPANY IN ACCORDANCE WITH SECTION 253 OF THE GENERAL CORPORATION LAW OF THE STATE OF DELAWARE (THE “DGCL”), UNLESS WE ARE PREVENTED FROM DOING SO BY A COURT OR OTHER LEGAL REQUIREMENT. IF SUCH A MERGER TAKES PLACE AND YOU HAVE NOT VALIDLY TENDERED YOUR SHARES OF THE COMPANY’S COMMON STOCK IN THE OFFER, YOUR SHARES WILL BE EXCHANGED FOR THE SAME CONSIDERATION PER COMPANY SHARE YOU OWN THAT YOU WOULD HAVE RECEIVED, WITHOUT INTEREST, IF YOU HAD TENDERED YOUR SHARES IN THE OFFER, UNLESS YOU PROPERLY PERFECT YOUR APPRAISAL RIGHTS UNDER DELAWARE LAW. SEE “PURPOSE OF THE OFFER; THE MERGER” AND “APPRAISAL RIGHTS.”

UNDER NO CIRCUMSTANCES WILL INTEREST BE PAID ON THE PURCHASE PRICE FOR THE SHARES, REGARDLESS OF ANY EXTENSION OF THE OFFER OR ANY DELAY IN MAKING PAYMENT FOR SHARES.

THE OBLIGATION OF PURCHASER TO ACCEPT FOR PAYMENT OR PAY FOR ANY SHARES THAT ARE VALIDLY TENDERED IN THE OFFER AND NOT WITHDRAWN PRIOR TO THE EXPIRATION OF THE OFFER, IS SUBJECT TO THE SATISFACTION OF VARIOUS CONDITIONS, INCLUDING, AMONG OTHER CONDITIONS: (I) THE CONDITION THAT, PRIOR TO THE EXPIRATION OF THE OFFER, THERE BE VALIDLY TENDERED AND NOT WITHDRAWN IN ACCORDANCE WITH THE TERMS OF THE OFFER A NUMBER OF SHARES THAT REPRESENTS AT LEAST A MAJORITY OF ALL THEN OUTSTANDING SHARES ON A FULLY DILUTED BASIS (NOT INCLUDING SHARES TENDERED PURSUANT TO GUARANTEED DELIVERY PROCEDURES), EXCLUDING SHARES OWNED BY US OR ANY DIRECTOR OR OFFICER OF SCHUFF (THE “MAJORITY-OF-THE-MINORITY CONDITION”); (II) THE CONDITION THAT, PRIOR TO THE EXPIRATION OF THE OFFER, THERE BE VALIDLY TENDERED AND NOT WITHDRAWN IN ACCORDANCE WITH THE TERMS OF THE OFFER A NUMBER OF SHARES THAT, TOGETHER WITH THE SHARES THEN OWNED BY PURCHASER, REPRESENTS AT LEAST 90% OF ALL THEN OUTSTANDING SHARES ON A FULLY DILUTED BASIS (NOT INCLUDING SHARES TENDERED PURSUANT TO GUARANTEED DELIVERY PROCEDURES) (THE “90% CONDITION”); (III) THE CONCURRENT CLOSING OF THE FINANCING TRANSACTIONS CONTEMPLATED IN CONNECTION WITH THIS OFFER AS DESCRIBED IN THIS OFFER TO PURCHASE UNDER “SOURCE AND AMOUNT OF FUNDS” (THE “FINANCING CONDITION”); AND (IV) THE OTHER CONDITIONS DESCRIBED IN THIS OFFER TO PURCHASE UNDER “CONDITIONS TO THE OFFER.” THE MAJORITY-OF-THE-MINORITY CONDITION IS NON-WAIVABLE. EACH OTHER CONDITION, INCLUDING THE 90% CONDITION AND THE FINANCING CONDITION, MAY, TO THE EXTENT PERMITTED BY APPLICABLE LAW, BE WAIVED BY US IN OUR SOLE DISCRETION.

A SUMMARY OF THE PRINCIPAL TERMS AND CONDITIONS OF THE OFFER APPEARS IN THE “SUMMARY TERM SHEET” BELOW. YOU SHOULD READ THIS ENTIRE DOCUMENT CAREFULLY BEFORE DECIDING WHETHER TO TENDER YOUR SHARES IN THE OFFER.

NEITHER THE OFFER NOR THE MERGER HAS BEEN APPROVED OR DISAPPROVED BY THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION (WHICH WE REFER TO AS THE “SEC”) OR ANY STATE SECURITIES COMMISSION, NOR HAS THE SEC OR ANY STATE SECURITIES COMMISSION PASSED UPON THE FAIRNESS OR MERITS OF THE OFFER OR THE CONTEMPLATED MERGER OR UPON THE ACCURACY OR ADEQUACY OF THE INFORMATION CONTAINED IN THIS OFFER TO PURCHASE OR THE LETTER OF TRANSMITTAL. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL AND A CRIMINAL OFFENSE.

The Information Agent for the Offer is:

Georgeson

480 Washington Blvd., 26th Floor
Jersey City, NJ 07310
All Shareholders Call Toll-Free: (888) 505-9118

August 21, 2014

IMPORTANT

If you wish to tender all or a portion of your Shares to Purchaser in the Offer, you should either (i) complete and sign the Letter of Transmittal (or a facsimile thereof) that accompanies this Offer to Purchase in accordance with the instructions in the Letter of Transmittal and mail or deliver the Letter of Transmittal and all other required documents to the Depository (as defined below in the “Summary Term Sheet”) together with certificates representing the Shares tendered or follow the procedure for book–entry transfer set forth under “Procedures for Accepting the Offer and Tendering Shares” or (ii) request that your broker, dealer, commercial bank, trust company or other nominee effect the transaction for you. If your Shares are registered in the name of a broker, dealer, commercial bank, trust company or other nominee, you must contact that institution in order to tender your Shares.

If you wish to tender Shares and cannot deliver certificates representing such Shares and all other required documents to the Depository on or prior to the Expiration Date (as defined below in the “Summary Term Sheet”) or you cannot comply with the procedures for book–entry transfer on a timely basis, you may tender your Shares by following the guaranteed delivery procedures described in “Procedures for Accepting the Offer and Tendering Shares.”

Questions and requests for assistance should be directed to the Information Agent (as defined below in the “Summary Term Sheet”) at the address and telephone numbers set forth on the back cover of this Offer to Purchase. Additional copies of this Offer to Purchase, the related Letter of Transmittal, the related Notice of Guaranteed Delivery and other materials related to the Offer may also be obtained at our expense from the Information Agent.

Additionally, copies of this Offer to Purchase, the related Letter of Transmittal, the related Notice of Guaranteed Delivery and any other material related to the Offer may be obtained from the Information Agent for the Offer at the address and phone number set forth on the back cover of this Offer to Purchase. You may also contact your broker, dealer, commercial bank, trust company or other nominee for assistance.

This Offer to Purchase and the related Letter of Transmittal contain important information, and you should read both carefully and in their entirety before making a decision with respect to the Offer.

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SUMMARY TERM SHEET

The information contained in this summary term sheet is a summary only and is not meant to be a substitute for the more detailed description and information contained in the remainder of this Offer to Purchase, the Letter of Transmittal and the Notice of Guaranteed Delivery. You are urged to read carefully this Offer to Purchase, the Letter of Transmittal and the Notice of Guaranteed Delivery in their entirety. This summary term sheet includes cross-references to other sections of this Offer to Purchase where you will find more complete descriptions of the topics mentioned below. The information concerning the Company contained in this summary term sheet and elsewhere in this Offer to Purchase has been provided to Purchaser by the Company or has been taken from, or is based upon, publicly available documents or records of the Company available from public sources at the time of the Offer. Purchaser has not independently verified the accuracy and completeness of such information.

Securities Sought	All of the issued and outstanding shares of common stock, par value \$0.001 per share, of the Company (the “ Shares ”).
Price Offered Per Share	\$31.50, net to the holder thereof in cash, without interest thereon and subject to any required tax withholding.
Scheduled Expiration of Offer	5:00 PM, New York City time, on September 19, 2014, unless the Offer is otherwise extended.
Purchaser	HC2 Holdings, Inc., a Delaware corporation.

Who is offering to buy my securities?

HC2 Holdings, Inc. (“**Purchaser**”), a Delaware corporation, is offering to buy your Shares. Purchaser currently owns 70% of the issued and outstanding Shares of the Company.

Unless the context indicates otherwise, in this Offer to Purchase, we use the terms “us,” “we” and “our” to refer to Purchaser. We use the term “Purchaser” to refer to HC2 Holdings, Inc. and the term the “Company” to refer to Schuff International, Inc., a Delaware corporation. See “Certain Information Concerning Purchaser.”

What is the class and amount of securities sought pursuant to the Offer?

Purchaser is offering to purchase all of the issued and outstanding shares of common stock, par value \$0.001 per share, of the Company on the terms and subject to the conditions set forth in this Offer to Purchase. In this Offer to Purchase, we use the term “**Offer**” to refer to this offer and the term “**Shares**” to refer to the shares of the Company’s common stock that are the subject of the Offer. See “Terms of the Offer.”

Why are you making the Offer?

Purchaser currently owns 70% of the outstanding Shares. Our purpose in making the Offer is to acquire all of the outstanding Shares that we do not already own. Our Offer is conditioned on there being tendered a number of the publicly held Shares which, together with the Shares then held by Purchaser, constitute 90% of the outstanding Shares. If that condition is satisfied and if the Offer is consummated, we will (i) own more than 90% of the Company Shares and (ii) as soon as practicable after the consummation of the Offer, effect a short-form merger (the “**Merger**”) of the Company with a subsidiary of Purchaser, with the surviving company being a wholly-owned subsidiary of Purchaser, unless we are prevented from doing so by a court or other legal requirement. If, upon final expiration of the Offer, the 90% Condition has not been met, we will, in our sole discretion, either elect not to consummate the Offer or, if the Majority-of-the-Minority Condition has been met, waive the 90% Condition and acquire the tendered Shares.

Who can participate in the Offer?

The Offer is open to all holders and beneficial owners of Shares.

How much are you offering to pay?

Purchaser is offering to pay \$31.50 per Share, net to the holder thereof in cash, without interest thereon and subject to any required tax withholding. We refer to this amount as the “**Offer Price.**” See the “Introduction” to this Offer to Purchase.

Has the Company board made a recommendation concerning the Offer?

No. The Company board has not yet made any recommendation with respect to the Offer. Under Rule 14e-2 of the Securities Exchange Act of 1934, as amended (the “**Exchange Act**”), the Company is required to disseminate its position with respect to the Offer no later than ten business days from the date the Offer is commenced.

Will I have to pay any fees or commissions?

If you are the record owner of your Shares and you directly tender your Shares to us in the Offer, you will not have to pay brokerage fees or similar expenses. If you own your Shares through a broker or other nominee, and your broker or other nominee tenders your Shares on your behalf, your broker or other nominee may charge you a fee for doing so. You should consult your broker or other nominee to determine whether any charges will apply. See the “Introduction” to this Offer to Purchase and “Fees and Expenses.”

What are the material U.S. federal income tax consequences of tendering my Shares in the Offer or having my Shares exchanged for cash pursuant to the Merger?

The receipt of cash in exchange for your Shares in the Offer or, assuming you do not tender your Shares pursuant to the Offer and the Offer is consummated, in exchange for your Shares in the Merger, will be a taxable transaction for U.S. federal income tax purposes. In general, provided that you hold your Shares as capital assets, you will recognize capital gain or loss in an amount equal to the difference between (i) the Offer Price and (ii) your adjusted tax basis in the Shares sold pursuant to the Offer or exchanged for cash pursuant to the Merger. This capital gain or loss will be long-term capital gain or loss if you have held the Shares for more than one year as of the date of your sale or exchange of the Shares pursuant to the Offer or the Merger. See “Certain U.S. Federal Income Tax Consequences of the Offer” for a more detailed discussion of the tax treatment of the Offer and the Merger. *We urge you to consult with your own tax advisor as to the particular tax consequences to you of the Offer and the Merger.*

Will you have the financial resources to pay for all of the Shares that Purchaser is offering to purchase pursuant to the Offer?

Purchaser has engaged in negotiations with financial institutions which have indicated a willingness to provide financing in an amount necessary to fund Purchaser’s purchase pursuant to the Offer. Purchaser expects to obtain the necessary funds to pay for Shares validly tendered, and not withdrawn, pursuant to the Offer from cash on hand and funds received from certain of the financial institutions described above, and to obtain the necessary funds to pay for Shares exchanged for cash in the Merger from cash on hand, funds received from certain of the financial institutions described above and available borrowings under the Company’s current lines of credit, at or about the time of the closing of the Merger.

Is Purchaser’s financial condition relevant to my decision to tender my Shares in the Offer?

No. We do not think Purchaser’s financial condition is relevant to your decision whether to tender Shares and accept the Offer because:

- the Offer is being made for all issued and outstanding Shares solely for cash;
- we have engaged in negotiations with financial institutions which have indicated a willingness to provide financing in an amount sufficient to purchase all Shares tendered pursuant to the Offer; and

- if we consummate the Offer and the 90% Condition is satisfied, we will acquire all remaining Shares for the same cash price in the Merger, unless we are prevented from doing so by a court or other legal requirement.

See “Source and Amount of Funds”.

Is there a minimum number of Shares that must be tendered in order for you to purchase any securities?

Yes. The obligation of Purchaser to accept for payment or pay for any Shares that are validly tendered in the Offer and not withdrawn prior to the expiration of the Offer, is subject to the satisfaction of various conditions set forth in “Conditions of the Offer,” including, among other conditions, the non-waivable condition that, prior to the expiration of the Offer, there be validly tendered and not withdrawn in accordance with the terms of the Offer a number of Shares that represents at least a majority of all then outstanding Shares on a fully diluted basis (not including Shares tendered pursuant to guaranteed delivery procedures), excluding Shares owned by Purchaser or any director or officer of Schuff. Additionally, the Offer is subject to the condition (which may be waived) that, prior to the expiration of the Offer, there be validly tendered and not withdrawn in accordance with the terms of the Offer a number of Shares that, together with the Shares then owned by Purchaser, represents at least 90% of all then outstanding Shares on a fully diluted basis (not including Shares tendered pursuant to guaranteed delivery procedures).

How long do I have to decide whether to tender my Shares in the Offer?

You will have until 5:00 PM, New York City time, on the Expiration Date to tender your Shares in the Offer. The term “**Expiration Date**” means September 19, 2014, unless the expiration of the Offer is extended to a subsequent date, in which event the term “Expiration Date” means such subsequent date. If we decide to extend the Offer, you will have an additional opportunity to tender your Shares.

If you cannot deliver everything required to make a valid tender by the scheduled expiration of the Offer, you may still participate in the Offer by using the guaranteed delivery procedures that are described in “Procedures for Accepting the Offer and Tendering Shares” prior to the scheduled expiration of the Offer. See “Terms of the Offer” and “Procedures for Accepting the Offer and Tendering Shares.”

How will I be notified if the Offer is extended?

If we extend the Offer, we will inform American Stock Transfer & Trust Company, LLC, which is the depository for the Offer (the “**Depository**”), of any extension, and will issue a press release announcing the extension no later than 9:00 a.m. New York City time, on the next business day after the previously scheduled Expiration Date. See “Terms of the Offer.”

What are the most significant conditions to the Offer?

The obligation of Purchaser to accept for payment and pay for Shares validly tendered (and not withdrawn) pursuant to the Offer is subject to the satisfaction of a number of conditions by 5:00 PM, New York City time, on the scheduled Expiration Date of the Offer, including, among other conditions:

- the Majority-of-the-Minority Condition;
- the 90% Condition;
- the Financing Condition; and

- the other conditions described in this Offer to Purchase under “Conditions to the Offer”.

The Majority-of-the-Minority Condition is non-waivable. Each other condition, including the 90% Condition and the Financing Condition, may, to the extent permitted by applicable law, be waived by us in our sole discretion. The above conditions to the Offer are further described below in “Conditions of the Offer.”

How do I tender my Shares?

If you hold your Shares directly as the registered owner and such Shares are represented by stock certificates, you may tender your Shares in the Offer by delivering the certificates representing your Shares, together with a completed and signed Letter of Transmittal and any other documents required by the Letter of Transmittal, to the Depository, not later than the Expiration Date. If you hold your Shares as registered owner and such Shares are represented by book-entry positions, you may follow the procedures for book-entry transfer set forth herein, not later than the Expiration Date. The Letter of Transmittal is enclosed with this Offer to Purchase.

If you hold your Shares in street name through a broker, dealer, commercial bank, trust company or other nominee, you must contact the institution that holds your Shares and give instructions that your Shares be tendered. You should contact the institution that holds your Shares for more details.

If you are unable to deliver everything that is required to tender your Shares to the Depository by the Expiration Date, you may obtain a limited amount of additional time by having a broker, a bank or another fiduciary that is an eligible institution guarantee that the missing items will be received by the Depository using the enclosed Notice of Guaranteed Delivery. To validly tender Shares in this manner, however, the Depository must receive the missing items within the time period specified in the notice.

See “Procedures for Accepting the Offer and Tendering Shares.”

Until what time may I withdraw previously tendered Shares?

You may withdraw your previously tendered Shares at any time until 5:00 PM, New York City time, on the Expiration Date. In addition, if we have not accepted your Shares for payment by the end of October 19, 2014, you may withdraw them at any time after that date until we accept your Shares for payment. This right to withdraw will not, however, apply to Shares tendered in any subsequent offering period, if one is provided.

See “Withdrawal Rights.”

How do I withdraw previously tendered Shares?

To withdraw previously tendered Shares, you must deliver a written notice of withdrawal, or a facsimile of one, with the required information to the Depository while you still have the right to withdraw Shares. If you tendered Shares by giving instructions to a broker, banker or other nominee, you must instruct the broker, banker or other nominee to arrange for the withdrawal of your Shares.

See “Withdrawal Rights.”

If Shares tendered pursuant to the Offer are purchased by Purchaser, will the Company continue as a public company?

No. We expect to complete the Merger as promptly as practicable following the consummation of the Offer. Once the Merger takes place, the Company will be a wholly-owned, direct subsidiary of Purchaser. See “Certain Effects of the Offer.”

Will a meeting of the Company's stockholders be required to approve the Merger?

No. Section 253 of the DGCL provides that if a parent company owns at least 90% of each class of stock of a subsidiary, the parent company can effect a "short-form" merger with that subsidiary without action or approval by the other stockholders of the subsidiary. If the 90% Condition is satisfied and the Offer is consummated, we will (i) own at least 90% of the outstanding Shares and (ii) as soon as practicable after consummation of the Offer, effect the Merger, without a meeting of the stockholders of the Company in accordance with Section 253 of the DGCL, unless we are prevented from doing so by a court or other legal requirement.

If I do not tender my Shares, what will happen to my Shares?

The Offer might not be consummated because we may not be able to satisfy the Majority-of-the-Minority Condition, which is non-waivable. If, upon final expiration of the Offer, the Majority-of-the-Minority Condition has been met and the 90% Condition has not been met, we will, in our sole discretion, either elect not to consummate the Offer or waive the 90% Condition and acquire the tendered Shares. If the Offer is not consummated, you will remain a stockholder of Schuff.

If the Offer is consummated and the 90% Condition is satisfied, Purchaser will effect the Merger pursuant to Section 253 of the DGCL, unless it is prevented from doing so by a court or other legal requirement. At the effective time of the Merger, each of the then issued and outstanding Shares (other than (i) Shares owned by Purchaser or the Company, (ii) Shares held by any subsidiary of the Company or Purchaser and (iii) Shares held by Company stockholders who have neither voted in favor of the Merger nor consented thereto in writing and who have properly and validly perfected their statutory rights of appraisal in respect of such Shares in accordance with Section 262 of the DGCL) will be converted in the Merger into the right to receive an amount in cash equal to the Offer Price, without interest thereon and subject to any required tax withholding.

If the Merger is completed, the Company's stockholders who do not tender their Shares in the Offer (other than stockholders who properly perfect appraisal rights) will receive the same amount of cash per Share that they would have received had they tendered their Shares in the Offer. Therefore, if the Offer is consummated and the Merger is completed, the only differences to you between tendering your Shares and not tendering your Shares in the Offer are that (i) you will be paid earlier if you tender your Shares in the Offer and (ii) appraisal rights will not be available to you if you tender Shares in the Offer, but will be available to you in the Merger if you do not tender Shares in the Offer. See "Appraisal Rights." However, if the Offer is consummated but the Merger is not completed, the number of the Company's stockholders and the number of Shares that are still in the hands of the public may be so small that there will only be a very small or effectively no active public trading market for the Shares.

See the "Introduction" to this Offer to Purchase and "Certain Effects of the Offer."

What is the market value of my Shares as of a recent date?

As of August 20, 2014, the last reported price of the Shares was \$31.00 per share and the 52-week range of the reported closing price of the Shares was from \$13.30 to \$31.50 per Share. As further described below, in May 2014, Purchaser acquired 2.5 million Shares pursuant to a negotiated transaction with SAS Venture LLC, a Delaware limited liability company and an entity controlled by Scott A. Schuff, a former director of the Company, and negotiated an agreement to purchase an additional 198,411 Shares. The aggregate consideration for the Shares was approximately \$85 million (representing a purchase price of \$31.50 per Share). We encourage you to obtain a recent market quotation for Shares before deciding whether to tender your Shares.

Whom should I call if I have questions about the Offer?

You may call Georgeson, the information agent for the Offer (the "**Information Agent**") at (888) 505-9118. See the back cover of this Offer to Purchase for additional contact information.

INTRODUCTION

HC2 HOLDINGS, INC., a Delaware corporation (“Purchaser”), is offering to purchase all of the issued and outstanding shares of common stock, par value \$0.001 per share (the “Shares”), of SCHUFF INTERNATIONAL, Inc. a Delaware corporation (the “Company”), at a purchase price of \$31.50 per Share, net to the holder thereof in cash (the “Offer Price”), without interest thereon and subject to any required tax withholding, upon the terms and subject to the conditions set forth in this Offer to Purchase and in the related Letter of Transmittal (which, together with this Offer to Purchase, as they may be amended or supplemented from time to time, collectively constitute the “Offer”).

We propose to acquire all the outstanding Shares that we do not own. Currently, Purchaser owns 70% of the outstanding Shares. If the 90% (as defined on the cover of this Offer to Purchase) is satisfied, we will merge the Company with a wholly-owned subsidiary of Purchaser promptly after the consummation of the Offer, by way of a short-form merger under Delaware law, unless we are prevented from doing so by a court or other legal requirement. Each Share which has not been tendered in the Offer in exchange for the Offer Price would be converted in the Merger into the same consideration per Share as is paid in the Offer.

Tendering stockholders who are record owners of their Shares and who tender directly to the Depositary (as defined above in the “Summary Term Sheet”) will not be obligated to pay brokerage fees or commissions or, except as otherwise provided in the Letter of Transmittal, stock transfer taxes with respect to the purchase of Shares by Purchaser pursuant to the Offer. Stockholders who hold their Shares through a broker, banker or other nominee should consult such institution as to whether it charges any service fees or commissions.

The Company Board has not yet made any recommendation with respect to the Offer. Under Rule 14e-2 of the Exchange Act, the Company is required to disseminate its position with respect to the Offer no later than ten business days from the date the Offer is commenced.

The obligation of Purchaser to accept for payment and pay for Shares validly tendered (and not withdrawn) pursuant to the Offer is subject to various conditions set forth herein, including, among others: (i) the Majority-of-the-Minority Condition (as defined on the cover of this Offer to Purchase); (ii) the 90% Condition and (iii) the Financing Condition (as defined on the cover of this Offer to Purchase). The Offer is also subject to other conditions set forth in this Offer to Purchase. The Majority-of-the-Minority Condition is non-waivable. Each other condition, including the 90% Condition and the Financing Condition, may, to the extent permitted by applicable law, be waived by us in our sole discretion. See “Conditions of the Offer.”

This Offer to Purchase and the related Letter of Transmittal contain important information that should be read carefully in its entirety before any decision is made with respect to the Offer.

THE TENDER OFFER

1. Terms of the Offer.

Purchaser is offering to purchase all of the issued and outstanding Shares at the Offer Price. Upon the terms and subject to the conditions of the Offer (including, if the Offer is extended or amended, the terms and conditions of such extension or amendment), we will accept for payment and, as promptly as practicable after the Expiration Date, pay for all Shares (excluding Shares tendered pursuant to guaranteed delivery procedures that have not yet been delivered in settlement or satisfaction of such guarantee) validly tendered prior to 5:00 PM, New York City time, on the Expiration Date and not validly withdrawn as described in “Withdrawal Rights.”

The Offer is conditioned upon, among other things, the satisfaction of the Majority-of-the-Minority Condition, the 90% Condition, the Financing Condition and the other conditions described in “Conditions of the Offer.”

We reserve the right, in our sole discretion, at any time or from time to time to extend the period of time during which our Offer remains open, and we can do so by giving oral or written notice of such extension to the exchange agent. If we decide to extend our Offer, we will make an announcement to that effect no later than 9:00 a.m., New York City time, on the next business day after the previously scheduled expiration date. We are not making any assurance that we will exercise our right to extend our Offer, although we currently intend to do so until all conditions have been satisfied or, where permissible, waived. During any such extension, all Shares previously tendered and not withdrawn will remain subject to the Offer, subject to your right to withdraw your Shares prior to the expiration date of the Offer.

We reserve the right to increase or decrease the Offer Price or to make any other changes in the terms and conditions of the Offer. Any increase or decrease in the Offer Price or extension, termination, other amendment or delay of the Offer will be made by giving written or oral notice to the exchange agent. We will follow any extension, termination, amendment or delay, as promptly as practicable, with a public announcement. In the case of an extension, any such announcement will be issued no later than 9:00 a.m., New York City time, on the next business day after the previously scheduled expiration date. Subject to applicable law and without limiting the manner in which we may choose to make any public announcement, we assume no obligation to publish, advertise or otherwise communicate any such public announcement other than by making a release to the Marketwired Service.

If, on or before the Expiration Date, we increase the consideration being paid for Shares accepted for payment in the Offer, such increased consideration will be paid to all holders whose Shares are purchased in the Offer, whether or not such Shares were tendered before the announcement of the increase in consideration.

The Company has provided us with its stockholders list and security position listings for the purpose of disseminating the Offer to holders of Shares. This Offer to Purchase and the related Letter of Transmittal will be mailed to record holders of Shares whose names appear on the stockholder list and will be furnished for subsequent transmittal to beneficial owners of Shares to brokers, dealers, commercial banks, trust companies and similar persons whose names, or the names of whose nominees, appear on the stockholder list or, if applicable, who are listed as participants in a clearing agency’s security position listing.

2. Acceptance for Payment and Payment for Shares.

Subject to the terms of the Offer and the satisfaction or, where permissible, waiver of the conditions to the Offer set forth in “Conditions of the Offer,” we will accept for payment and pay for all Shares validly tendered and not validly withdrawn pursuant to the Offer promptly. We expressly reserve the right to delay payment for Shares in order to comply in whole or in part with any applicable law or regulation. See “Certain Legal Matters; Regulatory Approvals.”

In all cases, we will pay for Shares accepted for payment pursuant to the Offer only after timely receipt by the Depository of (i) the certificates evidencing such Shares (the “**Share Certificates**”) or confirmation of a book-entry

transfer of such Shares into the Depository's account at The Depository Trust Company (“DTC”) (such a confirmation, a “**Book-Entry Confirmation**”) pursuant to the procedures set forth in “Procedures for Tendering Shares,” (ii) the Letter of Transmittal (or a manually signed facsimile thereof), properly completed and duly executed, with any required signature guarantees any other documents required by the Letter of Transmittal or, in the case of a book-entry transfer, an Agent's Message (as defined below) in lieu of the Letter of Transmittal and such other documents. Accordingly, tendering stockholders may be paid at different times depending upon when Share Certificates or Book-Entry Confirmations with respect to Shares are actually received by the Depository.

The term “**Agent's Message**” means a message, transmitted through electronic means by DTC to, and received by, the Depository and forming part of a Book-Entry Confirmation, that states that DTC has received an express acknowledgment from the participant in DTC tendering the Shares that are the subject of such Book-Entry Confirmation that such participant has received and agrees to be bound by the terms of, the Letter of Transmittal, and that Purchaser may enforce such agreement against such participant. The term “Agent's Message” also includes any hard copy printout evidencing such message generated by a computer terminal maintained at the Depository's office.

For purposes of the Offer, we will be deemed to have accepted for payment, and thereby purchased, Shares validly tendered and not validly withdrawn as, if and when we give oral or written notice to the Depository of our acceptance for payment of such Shares pursuant to the Offer. Upon the terms and subject to the conditions of the Offer, payment for Shares accepted for payment pursuant to the Offer will be made by deposit of the Offer Price for such Shares with the Depository, which will act as agent for tendering stockholders for the purpose of receiving payments from us and transmitting such payments to tendering stockholders whose Shares have been accepted for payment. If we extend the Offer, are delayed in our acceptance for payment of Shares or are unable to accept Shares for payment pursuant to the Offer for any reason, then, without prejudice to our rights under the Offer, the Depository may retain tendered Shares on our behalf, and such Shares may not be withdrawn except to the extent that tendering stockholders are entitled to withdrawal rights as described in “Withdrawal Rights” and as otherwise required by Rule 14e-1(c) under the Exchange Act. **Under no circumstances will we pay interest on the Offer Price for Shares, regardless of any extension of the Offer or any delay in making such payment.**

If any tendered Shares are not accepted for payment pursuant to the terms and conditions of the Offer for any reason, or if Share Certificates are submitted evidencing more Shares than are tendered, Share Certificates representing unpurchased shares will be returned, without expense to the tendering stockholder (or, in the case of Shares tendered by book-entry transfer into the Depository's account at DTC pursuant to the procedure set forth in “Procedures for Tendering Shares,” such Shares will be credited to an account maintained at DTC), as promptly as practicable following the expiration or termination of the Offer.

3. Procedures for Accepting the Offer and Tendering Shares.

Valid Tenders. In order for a stockholder to validly tender Shares pursuant to the Offer, either (i) the Letter of Transmittal (or a manually signed facsimile thereof), properly completed and duly executed, together with any required signature guarantees (or, in the case of a book-entry transfer, an Agent's Message in lieu of the Letter of Transmittal) and any other documents required by the Letter of Transmittal must be received by the Depository at one of its addresses set forth on the back cover of this Offer to Purchase and either (A) the Share Certificates evidencing tendered Shares must be received by the Depository at such address or (B) such Shares must be tendered pursuant to the procedure for book-entry transfer described below under “Book-Entry Transfer” and a Book-Entry Confirmation must be received by the Depository, in each case prior to the Expiration Date, or (ii) the tendering stockholder must comply with the guaranteed delivery procedures described below under “Guaranteed Delivery.”

Book-Entry Transfer. The Depository will establish an account with respect to the Shares at DTC for purposes of the Offer within two business days after the date of this Offer to Purchase. Any financial institution that is a participant in the system of DTC may make a book-entry delivery of Shares by causing DTC to transfer such Shares into the Depository's account at DTC in accordance with DTC's procedures for such transfer. However, although delivery of Shares may be effected through book-entry transfer at DTC, either the Letter of Transmittal (or a manually signed facsimile thereof), properly completed and duly executed, together with any required signature guarantees, or an Agent's Message in lieu of the Letter of Transmittal, and any other required documents, must, in any case, be received by the Depository at one of its addresses set forth on the back cover of this Offer to Purchase

prior to the Expiration Date, or the tendering stockholder must comply with the guaranteed delivery procedures described below under “Guaranteed Delivery.” Delivery of documents to DTC does not constitute delivery to the Depository.

Signature Guarantees. No signature guarantee is required on the Letter of Transmittal (i) if the Letter of Transmittal is signed by the registered holder(s) (which term, for purposes of this Section 3, includes any participant in DTC’s systems whose name appears on a security position listing as the owner of the Shares) of the Shares tendered therewith, unless such holder or holders have completed either the box entitled “Special Delivery Instructions” or the box entitled “Special Payment Instructions” on the Letter of Transmittal or (ii) if the Shares are tendered for the account of a financial institution (including most commercial banks, savings and loan associations and brokerage houses) that is a member in good standing of the Security Transfer Agents Medallion Program or any other “eligible guarantor institution,” as such term is defined in Rule 17Ad-15 of the Exchange Act (each an “**Eligible Institution**” and collectively “**Eligible Institutions**”). In all other cases, all signatures on a Letter of Transmittal must be guaranteed by an Eligible Institution. See Instruction 1 of the Letter of Transmittal. If a Share Certificate is registered in the name of a person or persons other than the signers of the Letter of Transmittal, or if payment is to be made or delivered to, or a Share Certificate not accepted for payment or not tendered is to be issued in, the name(s) of a person or persons other than the registered holder(s), then the Share Certificate must be endorsed or accompanied by appropriate duly executed stock powers, in either case signed exactly as the name(s) of the registered holder(s) appear on the Share Certificate, with the signature(s) on such Share Certificate or stock powers guaranteed by an Eligible Institution as provided in the Letter of Transmittal. See Instructions 1 and 5 of the Letter of Transmittal.

Guaranteed Delivery. If a stockholder desires to tender Shares pursuant to the Offer and the Share Certificates evidencing such stockholder’s Shares are not immediately available or such stockholder cannot deliver the Share Certificates and all other required documents to the Depository on or prior to the Expiration Date, or such stockholder cannot complete the procedure for delivery by book-entry transfer on a timely basis, such Shares may nevertheless be tendered, provided that all of the following conditions are satisfied:

- such tender is made by or through an Eligible Institution;
- a properly completed and duly executed Notice of Guaranteed Delivery, substantially in the form made available by us, is received on or prior to the Expiration Date by the Depository as provided below; and
- the Share Certificates (or a Book-Entry Confirmation) evidencing all tendered Shares, in proper form for transfer, in each case together with the Letter of Transmittal (or a manually signed facsimile thereof), properly completed and duly executed, with any required signature guarantees (or, in the case of a book-entry transfer, an Agent’s Message), and any other documents required by the Letter of Transmittal are received by the Depository within three trading days after the date of execution of such Notice of Guaranteed Delivery.

The Notice of Guaranteed Delivery may be transmitted by manually signed facsimile transmission or mailed to the Depository and must include a guarantee by an Eligible Institution in the form set forth in the form of Notice of Guaranteed Delivery made available by Purchaser.

Notwithstanding any other provision of this Offer, payment for Shares accepted for payment pursuant to the Offer will in all cases only be made after timely receipt by the Depository of (i) certificates evidencing such Shares or a Book-Entry Confirmation of a book-entry transfer of such Shares into the Depository’s account at DTC pursuant to the procedures set forth herein, (ii) the Letter of Transmittal (or a manually signed facsimile thereof), properly completed and duly executed, with any required signature guarantees or, in the case of a book-entry transfer, an Agent’s Message in lieu of the Letter of Transmittal and (iii) any other documents required by the Letter of Transmittal. Accordingly, tendering stockholders may be paid at different times depending upon when Share Certificates or Book-Entry Confirmations with respect to Shares are actually received by the Depository.

THE METHOD OF DELIVERY OF THE SHARES (OR SHARE CERTIFICATES), THE LETTER OF TRANSMITTAL AND ALL OTHER REQUIRED DOCUMENTS, INCLUDING DELIVERY THROUGH DTC,

IS AT THE ELECTION AND RISK OF THE TENDERING STOCKHOLDER. DELIVERY OF THE SHARES (OR SHARE CERTIFICATES), THE LETTER OF TRANSMITTAL AND ALL OTHER REQUIRED DOCUMENTS WILL BE DEEMED MADE, AND RISK OF LOSS THEREOF SHALL PASS, ONLY WHEN THEY ARE ACTUALLY RECEIVED BY THE DEPOSITARY (INCLUDING, IN THE CASE OF A BOOK-ENTRY TRANSFER OF SHARES, BY BOOK-ENTRY CONFIRMATION WITH RESPECT TO SUCH SHARES). IF SUCH DELIVERY IS BY MAIL, IT IS RECOMMENDED THAT THE SHARES (OR SHARE CERTIFICATES), THE LETTER OF TRANSMITTAL AND ALL OTHER REQUIRED DOCUMENTS BE SENT BY PROPERLY INSURED REGISTERED MAIL WITH RETURN RECEIPT REQUESTED. IN ALL CASES, SUFFICIENT TIME SHOULD BE ALLOWED TO ENSURE TIMELY DELIVERY.

The tender of Shares pursuant to any one of the procedures described above will constitute the tendering stockholder's acceptance of the Offer, as well as the tendering stockholder's representation and warranty that such stockholder has the full power and authority to tender and assign the Shares tendered, as specified in the Letter of Transmittal. Our acceptance for payment of Shares tendered pursuant to the Offer will constitute a binding agreement between the tendering stockholder and us upon the terms and subject to the conditions of the Offer.

Determination of Validity. All questions as to the validity, form, eligibility (including time of receipt) and acceptance for payment of any tender of Shares will be determined by us, in our sole discretion, which determination shall be final and binding on all parties. We reserve the absolute right to reject any and all tenders determined by us not to be in proper form or the acceptance for payment of which may, in our opinion, be unlawful. We also reserve the absolute right to waive any defect or irregularity in the tender of any Shares of any particular stockholder, whether or not similar defects or irregularities are waived in the case of other stockholders. No tender of Shares will be deemed to have been validly made until all defects and irregularities have been cured or waived to our satisfaction. None of Purchaser or any of its affiliates or assigns, the Depositary, the Information Agent or any other person will be under any duty to give notification of any defects or irregularities in tenders or incur any liability for failure to give any such notification. Our interpretation of the terms and conditions of the Offer (including the Letter of Transmittal and the instructions thereto) will be final and binding.

Appointment. By executing the Letter of Transmittal as set forth above, the tendering stockholder will irrevocably appoint designees of Purchaser as such stockholder's attorneys-in-fact and proxies in the manner set forth in the Letter of Transmittal, each with full power of substitution, to the full extent of such stockholder's rights with respect to the Shares tendered by such stockholder and accepted for payment by Purchaser and with respect to any and all other Shares or other securities or rights issued or issuable in respect of such Shares. All such powers of attorney and proxies will be considered irrevocable and coupled with an interest in the tendered Shares. Such appointment will be effective when, and only to the extent that, we accept for payment Shares tendered by such stockholder as provided herein. Upon such appointment, all prior powers of attorney, proxies and consents given by such stockholder with respect to such Shares or other securities or rights will, without further action, be revoked and no subsequent powers of attorney, proxies, consents or revocations may be given by such stockholder (and, if given, will not be deemed effective). The designees of Purchaser will thereby be empowered to exercise all voting and other rights with respect to such Shares and other securities or rights, including, without limitation, in respect of any annual, special or adjourned meeting of the Company's stockholders, actions by written consent in lieu of any such meeting or otherwise, as they in their sole discretion deem proper. We reserve the right to require that, in order for Shares to be deemed validly tendered, immediately upon our acceptance for payment of such Shares, Purchaser must be able to exercise full voting, consent and other rights with respect to such Shares and other related securities or rights, including voting at any meeting of stockholders.

Information Reporting and Backup Withholding. Payments made to stockholders of the Company in the Offer or the Merger generally will be subject to information reporting and may be subject to backup withholding (currently at a rate of 28%). To avoid backup withholding, any U.S. stockholder that does not otherwise establish an exemption should complete and return the IRS Form W-9 included in the Letter of Transmittal, certifying that such stockholder is a U.S. person, the taxpayer identification number provided is correct, and that such stockholder is not subject to backup withholding. Any foreign stockholder should submit an IRS Form W-8BEN or W-8BEN-E, as applicable (or other applicable IRS Form W-8), attesting to such stockholder's exempt foreign status in order to qualify for an exemption from information reporting and backup withholding. Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules will be allowed as a refund from the IRS

or a credit against a stockholder's U.S. federal income tax liability provided the required information is timely furnished to the IRS.

4. Withdrawal Rights.

Except as otherwise provided herein, tenders of Shares made pursuant to the Offer are irrevocable.

Shares tendered pursuant to the Offer may be withdrawn at any time until 5:00 PM, New York City time, on the Expiration Date. Thereafter, tenders are irrevocable, except that Shares tendered may also be withdrawn after October 19, 2014 if Purchaser has not accepted them for payment by the end of October 19, 2014. This right to withdraw will not, however, apply to Shares tendered in any subsequent offering period, if one is provided.

For a withdrawal of Shares to be effective, the Depositary must timely receive a written or facsimile transmission notice of withdrawal at the address set forth on the back cover of this Offer to Purchase. Any notice of withdrawal must specify the name of the person who tendered the Shares to be withdrawn, the number of Shares to be withdrawn and the names in which the Share Certificates are registered, if different from that of the person who tendered such Shares. The signature(s) on the notice of withdrawal must be guaranteed by an Eligible Institution, unless such Shares have been tendered for the account of an Eligible Institution. If Shares have been tendered pursuant to the procedures for book-entry transfer as set forth in "Procedures for Accepting the Offer and Tendering Shares," any notice of withdrawal must specify the name and number of the account at DTC to be credited with the withdrawn Shares. If Share Certificates representing the Shares to be withdrawn have been delivered or otherwise identified to the Depositary, then, prior to the physical release of such Share Certificates, the name of the registered owners and the serial numbers shown on such Share Certificates must also be furnished to the Depositary.

Withdrawals of tenders of Shares may not be rescinded and any Shares properly withdrawn will be deemed not validly tendered for purposes of the Offer. Withdrawn Shares may, however, be retendered by following one of the procedures for tendering Shares described in "Procedures for Accepting the Offer and Tendering Shares" at any time prior to the Expiration Date.

No withdrawal rights will apply to Shares tendered during a subsequent offering period, and no withdrawal rights apply during any subsequent offering period with respect to Shares tendered in the Offer and accepted for payment. See "Terms of the Offer."

Purchaser will determine, in its sole discretion, all questions as to the form and validity (including time of receipt) of any notice of withdrawal, and such determination will be final and binding. No withdrawal of Shares shall be deemed to have been properly made until all defects and irregularities have been cured or waived. None of Purchaser or any of its respective affiliates or assigns, the Depositary, the Information Agent or any other person will be under any duty to give notification of any defects or irregularities in any notice of withdrawal or incur any liability for failure to give such notification.

5. Certain U.S. Federal Income Tax Consequences of the Offer.

The following is a summary of the material U.S. federal income tax consequences of the Offer and the Merger to stockholders of the Company whose Shares are tendered and accepted for payment pursuant to the Offer or whose Shares are converted into the right to receive cash in the Merger. The summary is for general information only and does not purport to consider all aspects of U.S. federal income taxation that might be relevant to stockholders of the Company. The summary is based on current provisions of the Internal Revenue Code of 1986, as amended (the "Code"), existing, proposed and temporary regulations thereunder and administrative and judicial interpretations thereof in effect as of the date of this Offer, all of which are subject to change, possibly with retroactive effect. We have not sought, and do not intend to seek, any ruling from the IRS or any opinion of counsel with respect to the statements made and the conclusions reached in the following summary, and no assurance can be given that the IRS will agree with the views expressed herein, or that a court will not sustain any challenge by the IRS in the event of litigation.

The summary applies only to stockholders of the Company in whose hands Shares are capital assets within the meaning of Section 1221 of the Code. This summary does not address foreign, state or local tax consequences of the Offer or the Merger, nor does it purport to address the U.S. federal income tax consequences of the transactions to holders of the Company compensatory or other equity-based awards, or to special classes of taxpayers (*e.g.*, foreign taxpayers, small business investment companies, regulated investment companies, real estate investment trusts, controlled foreign corporations, passive foreign investment companies, cooperatives, banks and certain other financial institutions, insurance companies, tax-exempt organizations, retirement plans, stockholders that are, or hold Shares through, partnerships or other pass-through entities for U.S. federal income tax purposes, U.S. persons whose functional currency is not the U.S. dollar, dealers in securities or foreign currency, traders that mark-to-market their securities, expatriates and former long-term residents of the United States, persons subject to the alternative minimum tax, stockholders holding Shares that are part of a straddle, hedging, constructive sale or conversion transaction, stockholders who received Shares in compensatory transactions, pursuant to the exercise of employee stock options, stock purchase rights or stock appreciation rights, as restricted stock or otherwise as compensation, stockholders who received Shares pursuant to the exercise of warrants, stockholders that beneficially own (actually or constructively) more than 5% of the total fair market value of the Shares) and stockholders that exercise their appraisal right in connection with the Merger. In addition, this summary does not address U.S. federal taxes other than income taxes.

For purposes of this summary, the term “**U.S. Holder**” means a beneficial owner of Shares that, for U.S. federal income tax purposes, is: (i) an individual citizen or resident of the United States; (ii) a corporation, or an entity treated as a corporation for U.S. federal income tax purposes, created or organized under the laws of the United States, any state thereof or the District of Columbia; (iii) an estate, the income of which is subject to U.S. federal income tax regardless of its source; or (iv) a trust, if (A) a U.S. court is able to exercise primary supervision over the trust’s administration and one or more U.S. persons, within the meaning of Section 7701(a)(30) of the Code, have authority to control all of the trust’s substantial decisions or (B) the trust has validly elected to be treated as a U.S. person for U.S. federal income tax purposes. This discussion does not address the tax consequences to stockholders who are not U.S. Holders.

If a partnership, or another entity treated as a partnership for U.S. federal income tax purposes, holds Shares, the tax treatment of its partners or members generally will depend upon the status of the partner or member and the partnership’s activities. Accordingly, partnerships or other entities treated as partnerships for U.S. federal income tax purposes that hold Shares, and partners or members in those entities, are urged to consult their tax advisors regarding the specific U.S. federal income tax consequences to them of the Offer and the Merger.

Because individual circumstances may differ, each stockholder should consult its, his or her own tax advisor to determine the applicability of the rules discussed below and the particular tax effects of the Offer and the Merger on a beneficial holder of Shares, including the application and effect of the alternative minimum tax and any state, local and foreign tax laws and of changes in such laws.

The exchange of Shares for cash pursuant to the Offer or the Merger will be a taxable transaction to U.S. Holders for U.S. federal income tax purposes. In general, a U.S. Holder who sells Shares pursuant to the Offer or receives cash in exchange for Shares pursuant to the Merger will recognize gain or loss for U.S. federal income tax purposes in an amount equal to the difference, if any, between (i) the amount of cash received (determined before the deduction of any withholding tax) and (ii) the U.S. Holder’s adjusted tax basis in the Shares sold pursuant to the Offer or exchanged for cash pursuant to the Merger. Gain or loss will be determined separately for each block of Shares (that is, Shares acquired at the same cost in a single transaction) tendered pursuant to the Offer or exchanged for cash pursuant to the Merger. Such gain or loss will be long-term capital gain or loss, provided that a U.S. Holder’s holding period for such block of Shares is more than one year at the time of consummation of the Offer or the Merger, as the case may be. Capital gains recognized by an individual upon a disposition of a Share that has been held for more than one year generally will be subject to a maximum U.S. federal income tax rate of 20%. In addition, certain non-corporate stockholders may be subject to an additional 3.8% tax on all or a portion of their “net investment income,” which may include all or a portion of the gain recognized in connection with the Offer or the Merger. In the case of a Share that has been held for one year or less, such capital gains generally will be subject to tax at ordinary income tax rates. Certain limitations apply to the use of a U.S. Holder’s capital losses.

A U.S. Holder whose Shares are purchased pursuant to the Offer or exchanged for cash pursuant to the Merger is subject to information reporting and may be subject to backup withholding unless certain information is provided to the Depository or an exemption applies. See “Procedures for Accepting the Offer and Tendering Shares.”

6. Market for Shares of the Company; Price Range of Shares.

Currently, there is no active public trading market for the Company Shares. The last reported price of the Shares was \$29.50 per share and the 52-week range of the reported closing price of the Shares was from \$12.55 to \$31.75 per Share. As further described below, in May 2014, Purchaser completed the acquisition of 2.5 million Shares and negotiated an agreement to purchase an additional 198,411 Shares. The aggregate consideration for the Shares, representing an approximately 65% interest in Schuff, was approximately \$85 million (representing a purchase price of \$31.50 per Share). Schuff subsequently repurchased a portion of its outstanding Shares in June 2014, which had the effect of increasing Purchaser’s ownership interest to 70%. We encourage you to obtain a recent market quotation for Shares before deciding whether to tender your Shares.

7. Certain Information Concerning the Company.

The Company makes available certain information about its business on its website. For general information about the Company see www.schuff.com/schuff-international/about-us/ and for selected financials of the Company see www.schuff.com/schuff-international/investors/selected-financials/. The summary information set forth below is qualified in its entirety by reference to the information provided on the Company’s website and should be considered in conjunction with other publicly available information. Purchaser has no knowledge that would indicate that any statements contained in this Offer to Purchase based on such information are untrue. However, Purchaser assumes no responsibility for the accuracy or completeness of the information concerning the Company, whether furnished by the Company or contained on its website, or for any failure by the Company to disclose events that may have occurred or that may affect the significance or accuracy of any such information but which are unknown to Purchaser.

General. The Company is a Delaware corporation. The Company and its family of steel companies is the largest steel fabrication and erection company in the United States. The Company offers integrated steel construction services from a single source. Professional services include design-build, design-assist, engineering, BIM participation, 3D steel modeling/detailing, fabrication, advanced field erection, joist and joist girder manufacturing, project management, and single-source steel management systems. Major market segments include industrial, public works, bridges, healthcare, gaming and hospitality, convention centers, stadiums, mixed-use and retail, transportation, and international projects. The Company is headquartered in Phoenix, AZ, owns and operates ten steel fabrication plants in the United States.

The business address and business telephone number of the Company are as set forth below:

1841 W. Buchanan
Phoenix, AZ 85007
(800) 435-8528

Financial Information. We currently own 70% of the outstanding Shares. Philip A. Falcone, our President, CEO and Chairman of the Board, Keith Hladek, our Chief Operating Officer, and Paul Voigt, our Managing Director - Investments, serve as a director on the Company’s board of directors and as a result we have access to current financial and other information about the Company and participate in the direction and management of the Company. We therefore have information regarding the Company not made available to you or the public. Nevertheless, the Offer Price represents the same price per Share as we paid to SAS Venture LLC, a Delaware limited liability company and an entity controlled by Scott A. Schuff, a former director of the Company, in respect of 2.5 million Shares as described below which we acquired in May 2014.

8. Certain Information Concerning Purchaser.

Purchaser is a Delaware corporation. Purchaser is one of the leading international wholesale service providers to fixed and mobile network operators worldwide. Purchaser owns and operates its own global network of next-generation IP soft switches and media gateways. Founded in 1994, Purchaser is headquartered in Herndon, Virginia.

Purchaser completed various financing transactions in May 2014, as more fully described in Purchaser's Quarterly Report on Form 10-Q for the quarter ended June 30, 2014, filed with the SEC on August 11, 2014. The new sources of financing will allow Purchaser to pursue strategic acquisitions in addition to the purchase of 70% of the Shares in May 2014.

The business address and business telephone number of Purchaser are as set forth below:

460 Herndon Parkway, Suite 150
Herndon, VA 20170
(703) 456-4100

The summary information set forth herein is qualified in its entirety by reference to Purchaser's public filings with the Securities and Exchange Commission (the "SEC") (which may be obtained and inspected as described below under "Additional Information") and should be considered in conjunction with the more comprehensive financial and other information in such filings and other publicly available information.

Additional Information. Purchaser is subject to the information and reporting requirements of the Exchange Act and in accordance therewith is obligated to file reports, proxy statements and other information with the SEC relating to its business, its financial condition, information as of particular dates concerning Purchaser's directors and officers, information as of particular dates concerning the principal holders of Purchaser's securities and any material interests of such persons in transactions with Purchaser. Such reports, proxy statements and other information are available for inspection at the SEC's Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the public reference room. Copies of such information may be obtainable by mail, upon payment of the SEC's customary charges, by writing to the SEC at the address above. The SEC also maintains a web site on the Internet at <http://www.sec.gov> that contains reports, proxy statements and other information regarding registrants, including the Company, that file electronically with the SEC.

9. Source and Amount of Funds.

We estimate that we will need approximately \$36.5 million to purchase Shares pursuant to the Offer and to complete the Merger. The Offer is conditioned upon Purchaser's ability to finance the purchase of Shares pursuant to the Offer. Purchaser has engaged in negotiations with financial institutions which have indicated a willingness to provide financing in an amount necessary to fund Purchaser's purchase pursuant to the Offer.

Purchaser expects to obtain the necessary funds to pay for Shares validly tendered, and not withdrawn, pursuant to the Offer from cash on hand and funds received from certain of the financial institutions described above, and to obtain the necessary funds to pay for Shares exchanged for cash in the Merger from cash on hand, funds received from certain of the financial institutions described above and available borrowings under the Company's current lines of credit.

10. Background of the Offer.

In May 2014, Purchaser completed the acquisition of 2.5 million Shares and negotiated an agreement to purchase an additional 198,411 Shares, representing an approximately 65% interest in Schuff. Schuff subsequently repurchased a portion of its outstanding Shares in June 2014, which had the effect of increasing Purchaser's ownership interest to 70%. The 2.5 million Shares were purchased from SAS Venture LLC, a Delaware limited liability company and an entity controlled by Scott A. Schuff, a former director of the Company.

The aggregate consideration for the Shares of the Company acquired was approximately \$85 million, representing a purchase price of \$31.50 per Share. The aggregate purchase price was funded using the net proceeds from (i) the issuance of \$30 million of Series A Convertible Participating Preferred Stock of Purchaser and \$6 million of common stock of Purchaser, and (ii) the entry into a senior secured credit facility providing for an eighteen month term loan of \$80 million, each of which was also completed on May 29, 2014. Additional information concerning these transactions can be found in Purchaser's Quarterly Report on Form 10-Q for the quarter ended June 30, 2014, filed with the SEC on August 11, 2014.

Since completing the May 2014 purchases, Purchaser has determined that it is in Purchaser's best interests to acquire the remaining outstanding Shares and to consummate the short-form merger.

11. Purpose of the Offer; The Merger.

We are making the Offer in order to acquire all of the outstanding Shares that we do not own. Our Offer is conditioned on, among other things, the tender of at least a number of Shares, which, together with the Shares then held by Purchaser, constitute at least 90% of the outstanding Shares. If that condition is satisfied and if the Offer is consummated, we will own more than 90% of the outstanding common stock of the Company. Under Delaware law, this would allow us to effect a "short-form" merger of the Company with a subsidiary of Purchaser holding Company shares without stockholder approval. If that condition is satisfied, we will, as soon as practicable after consummation of the Offer, effect such a Merger, with the surviving company becoming a wholly-owned subsidiary of Purchaser, unless we are prevented from doing so by a court or other legal requirement. To effect the Merger, Purchaser expects that it would contribute all of the Shares of Company common stock to a wholly-owned subsidiary of Purchaser and that subsidiary would merge with and into the Company.

If the Merger takes place and you have not validly tendered your Shares in the Offer, your Shares will be exchanged for the same consideration per Company Share you own that you would have received, without interest, if you had tendered your Shares in the Offer, unless you properly perfect your appraisal rights under Delaware law.

If, upon final expiration of the Offer, the 90% Condition has not been met, we will, in our sole discretion, either elect not to consummate the Offer or, if the Majority-of-the-Minority Condition has been met, waive the 90% Condition and acquire the tendered Shares. If we were to consummate the Offer but not effect the Merger as a result of the 90% Condition not being satisfied or us being prevented from doing so by a court or other legal requirement, the liquidity of and market for the remaining publicly held Shares, and the rights of the holders of those Shares could be adversely affected.

12. Certain Effects of the Offer.

It is expected that the Merger will be consummated pursuant to Section 253 of the DGCL promptly after the consummation of the Offer. Immediately following the Merger, all of the outstanding shares of the Company's common stock will be held by Purchaser.

Market for the Shares. The purchase of Shares pursuant to the Offer will reduce the number of holders of Shares and the number of Shares that might otherwise trade publicly, which could adversely affect the liquidity of the already very limited market for the Shares. Following the Merger, all of the Shares will be held by Purchaser. We cannot predict whether or when the reduction in the number of Shares that might otherwise trade publicly would have an adverse or beneficial effect on the market price for, or marketability of, the Shares or whether such reduction would cause future market prices to be greater or less than the Offer Price.

If, upon final expiration of the Offer, the 90% Condition has not been met, we will, in our sole discretion, either elect not to consummate the Offer or, if the Majority-of-the-Minority Condition has been met, waive the 90% Condition and acquire the tendered Shares. If we were to consummate the Offer but not effect the Merger as a result of the 90% Condition not being satisfied or us being prevented from doing so by a court or other legal requirement, the liquidity of and market for the remaining publicly held Shares, and the rights of the holders of those Shares could be adversely affected.

13. Conditions of the Offer.

The obligation of Purchaser to accept for payment and pay for Shares validly tendered (and not withdrawn) pursuant to the Offer is subject to the satisfaction of the conditions below. Notwithstanding any other provision of the Offer, Purchaser shall not be required to accept for payment or pay for, and may delay the acceptance for payment or the payment for, any tendered Shares, and may terminate the Offer at any scheduled Expiration Date, if: (i) the Majority-of-the-Minority Condition shall not be satisfied by 5:00 PM, Eastern Time, on the scheduled Expiration Date of the Offer; (ii) the 90% Condition shall not be satisfied by 5:00 PM, Eastern Time, on the scheduled Expiration Date of the Offer; (iii) the Financing Condition shall not be satisfied by 5:00 PM, Eastern Time, on the scheduled Expiration Date of the Offer; or (iv) any of the following shall have occurred and continue to exist as of immediately prior to the expiration of the Offer:

- (1) any governmental authority of competent jurisdiction in the United States shall have (i) enacted, issued or promulgated any law that is in effect as of immediately prior to the expiration of the Offer and has the effect of making the Offer or the Merger illegal in the United States or which has the effect of prohibiting or otherwise preventing the consummation of the Offer or the Merger in the United States; or (ii) issued or granted any Order that is in effect as of immediately prior to the expiration of the Offer and has the effect of making the Offer or the Merger illegal in the United States or which has the effect of prohibiting or otherwise preventing the consummation of the Merger in the United States; and
- (2) there not having occurred any other event that would reasonably be expected to have a material adverse effect on the Company or our ability to effect the Offer or the Merger.

The foregoing conditions are for the sole benefit of Purchaser and may, to the extent permitted by applicable law, be waived by Purchaser (other than the Majority-of-the-Minority Condition which is non-waivable), in whole or in part at any time and from time to time, in the sole discretion of Purchaser. The failure by Purchaser at any time to exercise any of the foregoing rights shall not be deemed a waiver of any such right, and each such right shall be deemed an ongoing right which may be asserted at any time and from time to time.

14. Certain Legal Matters; Regulatory Approvals.

General. Based on our examination of publicly available information concerning the Company, we are not aware of any governmental license or regulatory permit that appears to be material to the Company's business that would be adversely affected by our acquisition of Shares pursuant to the Offer or, except as set forth below, of any approval or other action by any government or governmental administrative or regulatory authority or agency, domestic or foreign, that would be required for our purchase of Shares pursuant to the Offer. Should any such approval or other action be required or desirable, we currently contemplate that, except for takeover laws in jurisdictions other than Delaware as described below under "State Takeover Laws," such approval or other action will be sought. However, we do not anticipate delaying the purchase of Shares tendered pursuant to the Offer pending the outcome of any such matter. There can be no assurance that any such approval or action, if needed, will be obtained or, if obtained, that it will be obtained without substantial conditions; and there can be no assurance that, in the event that such approvals were not obtained or such other actions were not taken, adverse consequences might not result to the Company's business or that certain parts of the Company's business might not have to be disposed of or held separate, any of which may give us the right to terminate the Offer at any Expiration Date without accepting for payment any Shares validly tendered (and not withdrawn) pursuant to the Offer. Our obligation under the Offer to accept for payment and pay for Shares is subject to the conditions to the Offer. See "Conditions of the Offer."

Antitrust Compliance. Purchaser submitted a Notification and Report Form pursuant to the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, and the rules and regulations promulgated thereunder in connection with Purchaser's prior acquisition of more than 50% of the Company's voting shares on May 13, 2014; early termination of the waiting period was granted on May 21, 2014.

State Takeover Laws. The Company is incorporated under the laws of the State of Delaware. In general, Section 203 of the DGCL prevents a Delaware corporation from engaging in a "business combination" (defined to

include mergers and certain other actions) with an “interested stockholder” (including a person who owns or has the right to acquire 15% or more of a corporation’s outstanding voting stock) for a period of three years following the date such person became an “interested stockholder” unless, among other things, the “business combination” is approved by the board of directors of such corporation before such person became an “interested stockholder.”

A number of states have adopted laws and regulations applicable to attempts to acquire securities of corporations that are incorporated, or have substantial assets, stockholders, principal executive offices or principal places of business, or whose business operations otherwise have substantial economic effects, in such states. In 1982, in *Edgar v. MITE Corp.*, the Supreme Court of the United States invalidated on constitutional grounds the Illinois Business Takeover Statute which, as a matter of state securities law, made takeovers of corporations meeting certain requirements more difficult. However, in 1987, in *CTS Corp. v. Dynamics Corp. of America*, the Supreme Court held that the State of Indiana could, as a matter of corporate law, constitutionally disqualify a potential acquirer from voting shares of a target corporation without the prior approval of the remaining stockholders where, among other things, the corporation is incorporated, and has a substantial number of stockholders, in the state. Subsequently, in *TLX Acquisition Corp. v. Telex Corp.*, a U.S. federal district court in Oklahoma ruled that the Oklahoma statutes were unconstitutional as applied to corporations incorporated outside Oklahoma in that they would subject such corporations to inconsistent regulations. Similarly, in *Tyson Foods, Inc. v. McReynolds*, a U.S. federal district court in Tennessee ruled that four Tennessee takeover statutes were unconstitutional as applied to corporations incorporated outside Tennessee. This decision was affirmed by the United States Court of Appeals for the Sixth Circuit. In December 1988, a U.S. federal district court in Florida held in *Grand Metropolitan PLC v. Butterworth* that the provisions of the Florida Affiliated Transactions Act and the Florida Control Share Acquisition Act were unconstitutional as applied to corporations incorporated outside of Florida.

The Company, directly or through subsidiaries, conducts business in a number of states throughout the United States, some of which have enacted takeover laws. We do not know whether any of these laws will, by their terms, apply to the Offer or the Merger and have not attempted to comply with any such laws. Should any person seek to apply any state takeover law, we will take such action as then appears desirable, which may include challenging the validity or applicability of any such statute in appropriate court proceedings. In the event any person asserts that the takeover laws of any state are applicable to the Offer or the Merger, and an appropriate court does not determine that it is inapplicable or invalid as applied to the Offer or the Merger, we may be required to file certain information with, or receive approvals from, the relevant state authorities. In addition, if enjoined, we may be unable to accept for payment any Shares tendered pursuant to the Offer, or be delayed in continuing or consummating the Offer and the Merger. In such case, we may not be obligated to accept for payment any Shares tendered in the Offer. See “Conditions of the Offer.”

15. Appraisal Rights.

No appraisal rights are available to the holders of Shares in connection with the Offer. If the Merger is completed, appraisal rights will be available in connection with the Merger as further described below.

If the Merger is completed, the holders of Shares who (i) did not tender their Shares in the Offer; (ii) follow the procedures set forth in Section 262 of the DGCL; and (iii) do not thereafter lose their appraisal rights (by withdrawal, failure to perfect or otherwise), in each case in accordance with the DGCL, will be entitled to have their Shares appraised by the Delaware Court of Chancery and receive payment of the “fair value” of such Shares, exclusive of any element of value arising from the accomplishment or expectation of the Merger, together with interest, as determined by such court. Unless the court in its discretion determines otherwise for good cause shown, interest from the effective date of the Merger through the date of payment of the judgment shall be compounded quarterly and shall accrue at 5% over the Federal Reserve Board’s discount rate (including any surcharge) as established from time to time during the period between the effective date of the Merger and the date of payment of the judgment.

The “fair value” of any Shares could be based upon considerations other than, or in addition to, the price paid in the Offer and the market value of such Shares. Moreover, the “fair value” so determined could be higher or lower than, or the same as, the Offer Price. Moreover, we may argue in an appraisal proceeding that, for purposes of such proceeding, the fair value of such Shares is less than the Offer Price.

Section 262 of the DGCL provides that, if a merger was approved pursuant to Section 253, either a constituent corporation before the effective date of the merger, or the surviving corporation within ten days thereafter, shall notify each of the holders of any class or series of stock of such constituent corporation who are entitled to appraisal rights of the approval of the merger and that appraisal rights are available for any or all shares of such class or series of stock of such constituent corporation, and shall include in such notice a copy of Section 262 of the DGCL.

If a stockholder wishes to elect to exercise appraisal rights under Section 262 of the DGCL, such stockholder must do all of the following:

- no later than 20 days after the date of mailing of a notice of appraisal rights from us or the Company, deliver to the Company a written demand for appraisal of Shares held, which demand must reasonably inform the Company of the identity of the stockholder and that the stockholder is demanding appraisal;
- not tender such stockholder's Shares in the Offer; and
- continuously hold of record the Shares from the date on which the written demand for appraisal is made through the Effective Time.

The foregoing summary of the appraisal rights of stockholders under the DGCL does not purport to be a complete statement of the procedures to be followed by stockholders desiring to exercise any appraisal rights available thereunder and is qualified in its entirety by reference to Section 262 of the DGCL. The proper exercise of appraisal rights requires strict and timely adherence to the applicable provisions of the DGCL. A notice of appraisal rights including a copy of Section 262 of the DGCL will be provided to each stockholder of record within 10 days after the effective date of the Merger in the event that the Merger is consummated without any meeting of the Company's stockholders pursuant to Section 253 of the DGCL.

The information provided above is for informational purposes only with respect to your alternatives if the Merger is completed. If you tender your Shares into the Offer, you will not be entitled to exercise appraisal rights with respect to your Shares, but, instead, upon the terms and subject to the conditions to the Offer, you will receive the Offer Price for your Shares.

16. Fees and Expenses.

Purchaser has retained Georgeson to be the Information Agent and American Stock Transfer & Trust Company, LLC to be the Depositary in connection with the Offer. The Information Agent may contact holders of Shares by mail, electronic mail, telephone, telecopy, personal interview and other methods of electronic communication and may request banks, brokers, dealers and other nominees to forward materials relating to the Offer to beneficial owners of Shares.

The Information Agent and the Depositary each will receive reasonable and customary compensation for their respective services in connection with the Offer, will be reimbursed for reasonable out-of-pocket expenses and will be indemnified against certain liabilities and expenses in connection therewith, including certain liabilities under federal securities laws.

Purchaser will not pay any fees or commissions to any broker or dealer or to any other person (other than to the Depositary and the Information Agent) in connection with the solicitation of tenders of Shares pursuant to the Offer. Brokers, dealers, commercial banks and trust companies will, upon request, be reimbursed by Purchaser for customary mailing and handling expenses incurred by them in forwarding offering materials to their customers. In those jurisdictions where applicable laws or regulations require the Offer to be made by a licensed broker or dealer, the Offer shall be deemed to be made on behalf of Purchaser by one or more registered brokers or dealers licensed under the laws of such jurisdiction to be designated by Purchaser.

17. Miscellaneous.

The Offer is not being made to (nor will tenders be accepted from or on behalf of) holders of Shares in any jurisdiction in which the making of the Offer or the acceptance thereof would not be in compliance with the securities, blue sky or other laws of such jurisdiction. In those jurisdictions where applicable laws or regulations require the Offer to be made by a licensed broker or dealer, the Offer shall be deemed to be made on behalf of Purchaser by one or more registered brokers or dealers licensed under the laws of such jurisdiction to be designated by Purchaser.

No person has been authorized to give any information or to make any representation on behalf of Purchaser not contained herein or in the Letter of Transmittal, and, if given or made, such information or representation must not be relied upon as having been authorized. No broker, dealer, bank, trust company, fiduciary or other person shall be deemed to be the agent of Purchaser, the Depositary or the Information Agent for the purposes of the Offer.

HC2 Holdings, Inc.

August 21, 2014

Manually signed facsimiles of the Letter of Transmittal, properly completed, will be accepted. The Letter of Transmittal and certificates evidencing Shares and any other required documents should be sent by each holder or such holder's broker, dealer, commercial bank, trust company or other nominee to the Depositary at one of its addresses set forth below:

The Depositary for the Offer is:



If delivering by mail:

*American Stock Transfer & Trust Company, LLC
Operations Center
Attn: Reorganization Department
P.O. Box 2042
New York, New York 10272-2042*

*If delivering by hand, express mail, courier, or
other expedited service:*

*American Stock Transfer & Trust Company, LLC
Operations Center
Attn: Reorganization Department
6201 15th Avenue
Brooklyn, New York 11219*

Questions or requests for assistance may be directed to the Information Agent at the address and telephone numbers listed below. Additional copies of this Offer to Purchase, the Letter of Transmittal and the Notice of Guaranteed Delivery may also be obtained from the Information Agent. Stockholders may also contact brokers, dealers, commercial banks or trust companies for assistance concerning the Offer.

The Information Agent for the Offer is:

Georgeson

480 Washington Blvd., 26th Floor
Jersey City, NJ 07310
All Shareholders Call Toll-Free: (888) 505-9118