



Martin Marietta First Quarter 2015

Supplemental Financial Information

April 30, 2015



Disclaimer

Statement Regarding Safe Harbor for Forward-Looking Statements

This presentation may contain forward-looking statements, that is, information related to future, not past, events. Like other businesses, Martin Marietta is subject to risks and uncertainties which could cause its actual results to differ materially from its projections or that could cause forward-looking statements to prove incorrect. Except as legally required, Martin Marietta undertakes no obligation to publicly update or revise any forward-looking statements, whether resulting from new information, future developments or otherwise. Please refer to the legal disclaimers contained in Martin Marietta's most recent Annual Report on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K, which have been filed with the Securities and Exchange Commission and are readily available on the Internet at www.sec.gov.

Non-GAAP Financial Terms

These slides contain certain "non-GAAP financial terms" which are defined in the Appendix. Reconciliations of non-GAAP terms to the closest GAAP term are also provided in the Appendix.

Heritage Martin Marietta

For the 3-months ended March 31, 2015 (in millions of dollars)	Q1 2015	Q1 2014	Variance – Favorable (Unfavorable)
Net sales	\$ 417.0	\$ 379.7	\$ 37.3
Freight and delivery revenues	48.6	49.0	(0.4)
Total revenues	465.6	428.7	36.9
Cost of sales	364.7	353.9	(10.8)
Freight and delivery costs	48.6	49.0	0.4
Total cost of revenues	413.3	402.9	(10.4)
Gross profit	52.3	25.8	26.5
Selling, general & administrative expenses	36.7	34.2	(2.5)
Acquisition-related expenses, net	0.2	9.5	9.3
Other operating (income), net	(2.5)	(2.0)	0.5
Earnings (Loss) from operations	\$ 17.9	\$ (15.9)	\$ 33.8

Heritage Operations - Product Line Metrics

For the 3-months ended March 31, 2015 compared with prior-year quarter	Volume Variance	Price Variance
Aggregates product line		
Mid-America Group	18.1%	3.2%
Southeast Group	2.2%	6.0%
West Group	(6.1%)*	17.6%
Heritage aggregates product line	3.7%*	10.5%
Asphalt	(17.2%)	3.3%
Ready mixed concrete	(2.0%)	10.8%

* Heritage aggregates product line volume variance excluding Q1 2014 shipments from operations divested in third quarter of 2014:

West Group	0.2%
Heritage aggregates product line	7.0%

Acquired Operations

For the 3-months ended March 31, 2015 (in millions of dollars)	Aggregates	Ready Mixed Concrete	Cement	Corporate	Total Acquired Operations
Net Sales	\$31.9	\$86.4	\$96.6	-	\$214.9
Gross Profit	\$6.9	\$(3.1)	\$19.0	\$(0.8)	\$22.0
Gross Margin, as a percentage of net sales*	21.7%	<i>Not Meaningful</i>	19.7%	<i>Not Meaningful</i>	10.2%

* Definitions of non-GAAP financial terms and reconciliations to the closest GAAP term are provided in the Appendix.

Acquired Operations - Product Line Metrics

For the 3-months ended March 31, 2015 (volume in 000s)	Volume	Price
Aggregates – external customers	2,500	
Internal aggregates used in other product lines	813	
Total aggregates (measured in tons)	3,313	\$ 12.83
Ready mixed concrete (measured in cubic yards)	964	\$ 88.75
Cement – external customers	1,025	
Internal cement used in other product lines	192	
Total cement (measured in tons)	1,217	\$ 93.41

Consolidated Earnings from Operations

For the 3-months ended March 31, 2015 (in millions of dollars)

Consolidated loss from operations, Q1 2014		\$(15.9)
Gross profit (loss):		
Heritage aggregates product line:		
Volume strength	9.8	
Pricing strength	28.9	
Cost increases, net	(14.3)	
Increase in heritage aggregates product line gross profit	24.4	
Increase in heritage aggregates-related downstream product lines	2.9	
Acquired Aggregates business operations	3.8	
Cement	19.0	
Increase in Magnesia Specialties	1.4	
Decrease in Corporate – heritage and acquired	(3.0)	
Increase in consolidated gross profit		48.5
Increase in selling, general & administrative expenses		(15.3)
Change in acquisition-related expenses and other operating income, net		8.3
Consolidated earnings from operations, Q1 2015		\$25.6

Appendix: Definitions and Reconciliations of Non-GAAP Measures

Gross margin, as a percentage of net sales represents a non-GAAP measure. Martin Marietta presents this ratio calculated based on net sales, as it is consistent with the basis by which management reviews the Corporation's results. Further, management believes it is consistent with the basis by which investors analyze the Corporation's results, given that freight and delivery revenues and costs represent pass-throughs and have no profit markup. Gross margin calculated as a percentage of total revenues represents the most directly comparable financial measure calculated in accordance with generally accepted accounting principles (GAAP).

Aggregates product line volume variance excluding shipments from three operations divested operations in the third quarter of 2014 is presented to provide a comparison of volume for the first quarter of 2015 compared with the prior-year quarter using the operations that are owned as of March 31, 2015. Management believes a same-on-same comparison provides a better indicator of aggregates product line volume trends.

Appendix: Definitions and Reconciliations of Non-GAAP Measures

For the 3-months ended March 31, 2015 (in millions of dollars)	Acquired Aggregates Operations
Gross margin in accordance with GAAP	
Gross profit	\$ 6.9
Total revenues	\$ 37.0
Gross margin	18.6%
Gross margin, as a percentage of net sales	
Gross Profit	\$ 6.9
Total revenues	\$ 37.0
Less: freight and delivery revenues	(5.1)
Net sales	\$ 31.9
Gross margin, as a percentage of net sales	21.7%

Appendix: Definitions and Reconciliations of Non-GAAP Measures

For the 3-months ended March 31, 2015 (in millions of dollars)	Acquired Cement Operations
Gross margin in accordance with GAAP	
Gross profit	\$ 19.0
Total revenues	\$ 102.1
Gross margin	18.6%
Gross margin, as a percentage of net sales	
Gross Profit	\$ 19.0
Total revenues	\$ 102.1
Less: freight and delivery revenues	(5.5)
Net sales	\$ 96.6
Gross margin, as a percentage of net sales	19.7%

Appendix: Definitions and Reconciliations of Non-GAAP Measures

For the 3-months ended March 31, 2015 (in millions of dollars)	Total Acquired Operations
Gross margin in accordance with GAAP	
Gross profit	\$ 22.0
Total revenues	\$ 225.8
Gross margin	9.7%
Gross margin, as a percentage of net sales	
Gross Profit	\$ 22.0
Total revenues	\$ 225.8
Less: freight and delivery revenues	(10.9)
Net sales	\$ 214.9
Gross margin, as a percentage of net sales	10.2%

Appendix: Definitions and Reconciliations of Non-GAAP Measures

Aggregates Product Line Shipments (tons in 000s)	West Group	Heritage Aggregates Business
Reported heritage aggregates product line shipments - quarter ended March 31, 2014	12,068	24,619
Less: aggregates product line shipments for three operations divested in third quarter of 2014	<u>(759)</u>	<u>(759)</u>
Adjusted heritage aggregates shipments – quarter ended March 31, 2014	11,309	23,860
Reported heritage aggregates shipments – quarter ended March 31, 2015	11,332	25,523
Increase in heritage aggregates shipments for quarter ended March 31 – actual 2015 over adjusted 2014	0.2%	7.0%



Thank you for your interest in Martin Marietta. For additional information, please visit www.martinmarietta.com.