Martin Marietta

FOUNDATION ♦ TRANSFORMATION ♦ VALUE

Bank of America Merrill Lynch
2016 Global Metals, Mining & Steel Conference

May 11, 2016
Fontainebleau Miami Beach
Miami Beach, Florida
www.martinmarietta.com

Disclaimer

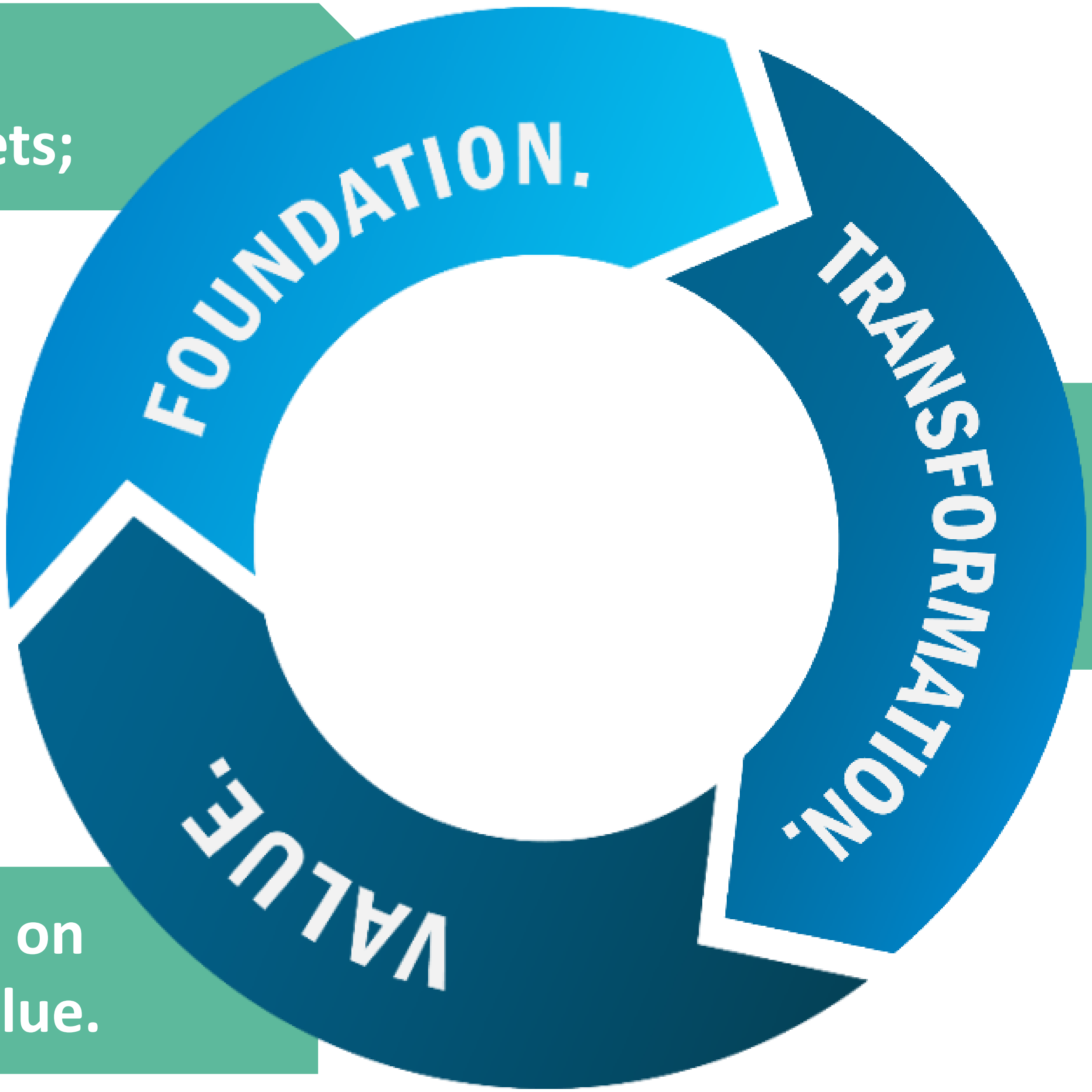
Statement Regarding Safe Harbor for Forward-Looking Statements

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, including the risks and uncertainties discussed 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. 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.

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.

The right people
with the right assets;



driving operational
excellence against the
right strategic plan;

with a relentless focus on
driving shareholder value.

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THE PATH FORWARD

Pillars of Shareholder Value

COMMUNITY WELL-BEING

Martin Marietta is committed to being a responsible neighbor and supporting the communities that are home to our businesses.

EMPLOYEE WELL-BEING

Martin Marietta recognizes that our people are the foundation of our success.

ENVIRONMENTAL STEWARDSHIP

Martin Marietta is committed to protecting the Earth's resources and reducing our environmental impact.

World-Class Safety

WORLD-CLASS SAFETY DRIVES. . .

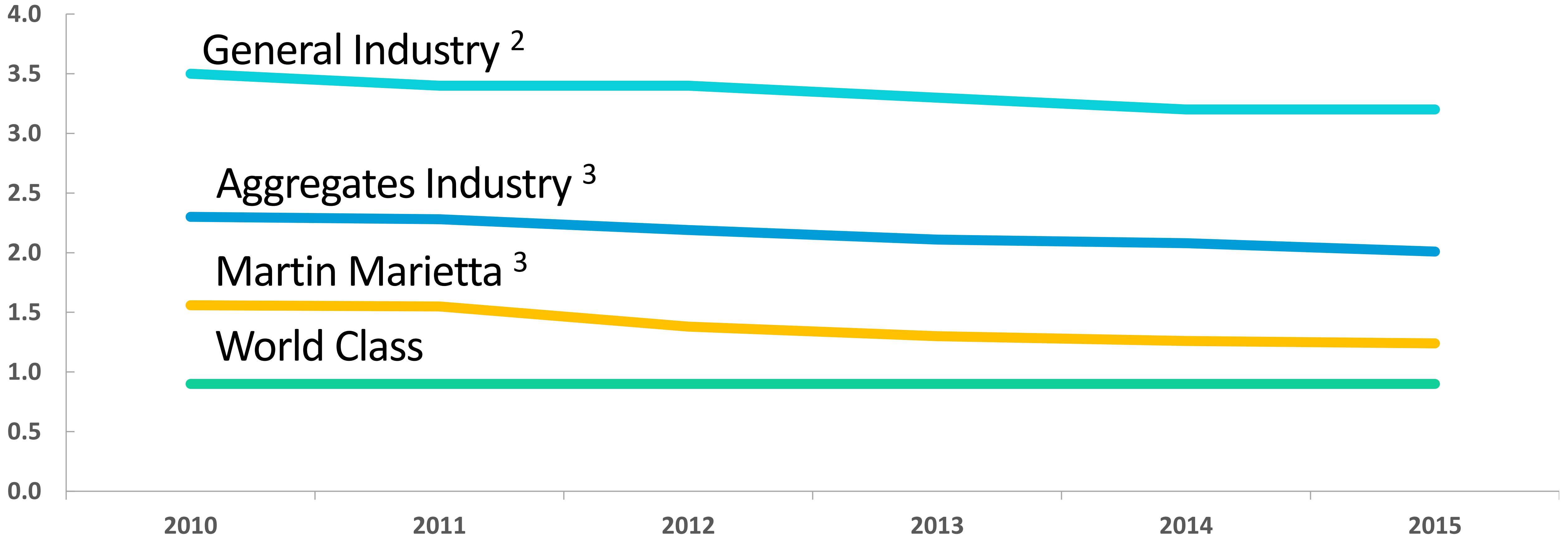
MM GUARDIAN ANGEL

- Well-being of all we touch
- Reduced workers compensation claims and related costs

[1] Total Incident Injury Rate per 200,000 man hours worked.
[2] Reported as of 12.31.14 by BLS. Latest available data.
[3] Reported as of 12.31.15 by MSHA for the Aggregates Industry and Martin Marietta.

World-Class Safety

TOTAL INCIDENT INJURY RATE [1]



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Sustainability

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SOAR 2010 Key Accomplishments

2010	2011	2012	2013	2014
SOAR Process Launch	**Tausch Acquisition**	**New Kiln at Specialty Products**	**Atlanta Acquisition**	**Texas Industries Acquisition**
Port Canaveral, FL Marine Terminal	**River/Colorado Swap**	Bird Hill Trap Rock Greenfield		Gregory Yard Expansion
Loamy Sand & Gravel Acquisition (SC)	**Suburban Ready Mix Acquisition**	Avard, OK Rail Yard		**Medina Rock & Rail**
Kansas City Rail Yard	Texas Millet Yard			Boral – Davis, OK Acquisition

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Kansas City Rail Yard	Texas Millet Yard			Boral – Davis, OK Acquisition

Became a Leading Aggregates and Heavy Building Materials Supplier

	2009	2015
Aggregates		
Reserves (tons) [1]	13.5 billion	**15.6 billion**
Intrinsic value of reserves[2]	$9.7 billion	**$11.6 billion**
Years of production available[3]	109	**102**
Aggregates facilities	289	**272**
Number of production states (plus Bahamas, Nova Scotia)	27	**26**
Ready mix and asphalt plants	15	**131**
Cement plants	--	**2**

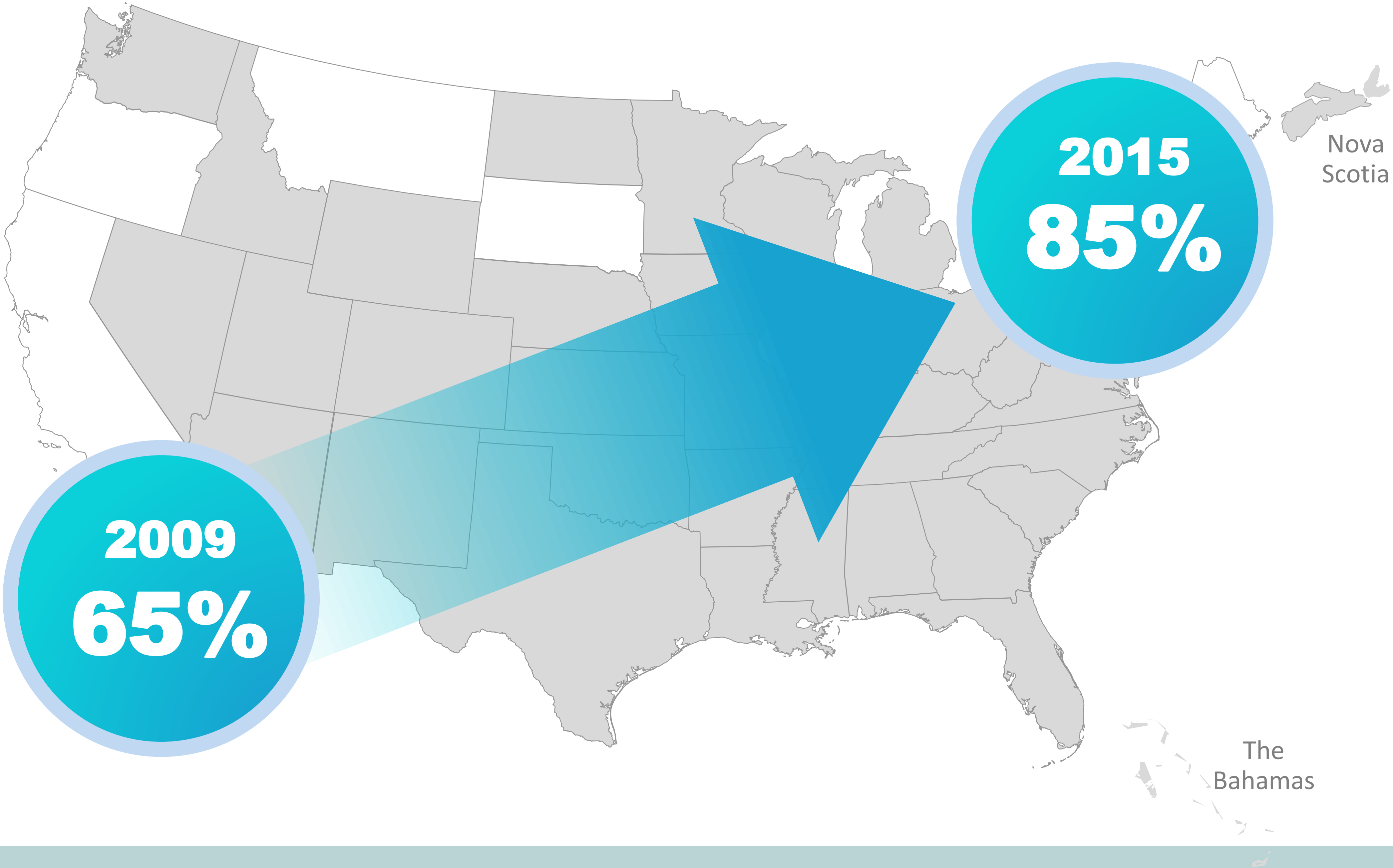
[1] Current probable reserves as of December 31 [2] See Appendix for calculation [3]At current production rates.

Validated the Success of SOAR 2010

	2010[1]		2015[1]
	Martin Marietta Materials		Martin Marietta
Net Sales	$1.6 billion	↑	$3.3 billion
Operating Income	$196 million	↑	$479 million
Market Capitalization	$4.2 billion	↑	$8.8 billion
Earnings Per Share	$2.10	↑	$4.29

1 As of December 31

Where Is Martin Marietta Today?



Strategically Positioning for the Next Five

SOAR 2010

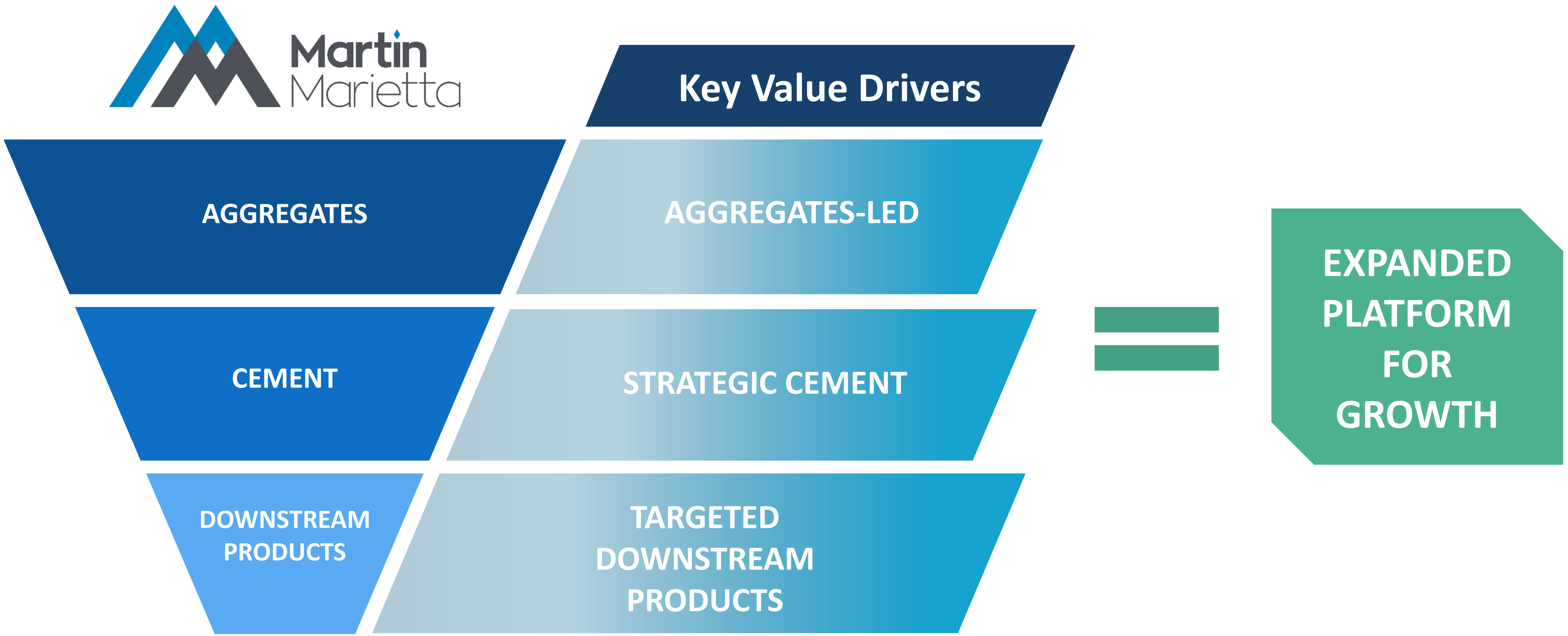
SOAR 2020

Geography Still Matters

Where You are Matters

	MARKET ATTRACTIVENESS DRIVER	ADVANTAGE
	Population growth	Increased per capita aggregates consumption
	Market economic diversity	Market stability
	Superior state financial position	Supports infrastructure growth
	Population density	Large infrastructure network leads to increased repair & maintenance expenditures
	High barriers to entry	Protects location advantage

Aligning Key Value Drivers

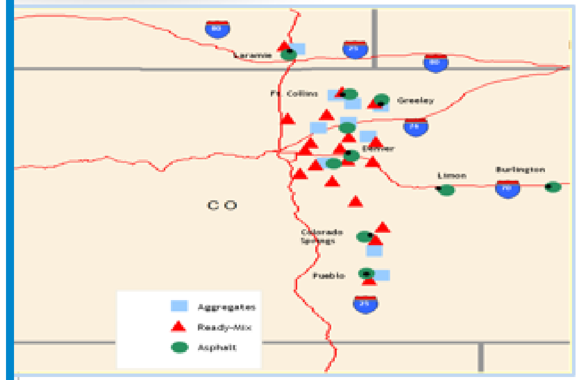


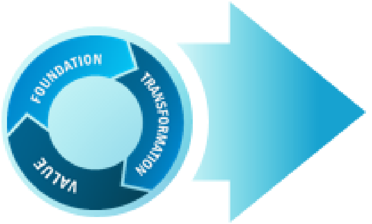
February 2015 Analyst & Investor Day – An Update

TRANSFORMATION

Trading the River for the Rockies

2011





2014

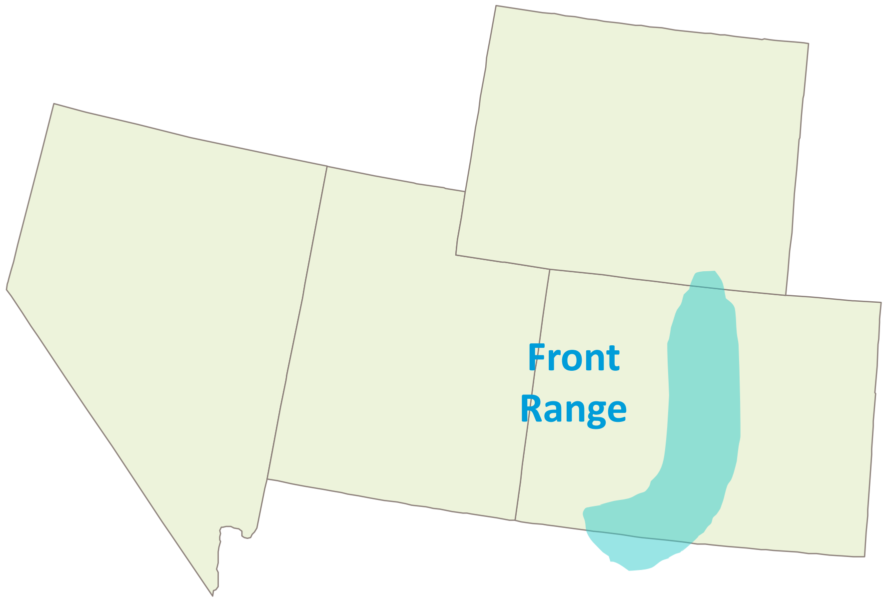
Results vs. the River at Peak [1]

- 4x greater sales
- 4x greater gross profit
- 3.6x greater EBITDA
- 820 bps higher return on assets

[1] 2014 Rocky Mountain Division results versus the River District Results in 2007

Rocky Mountain Division

Division Profile



Key Performance Drivers

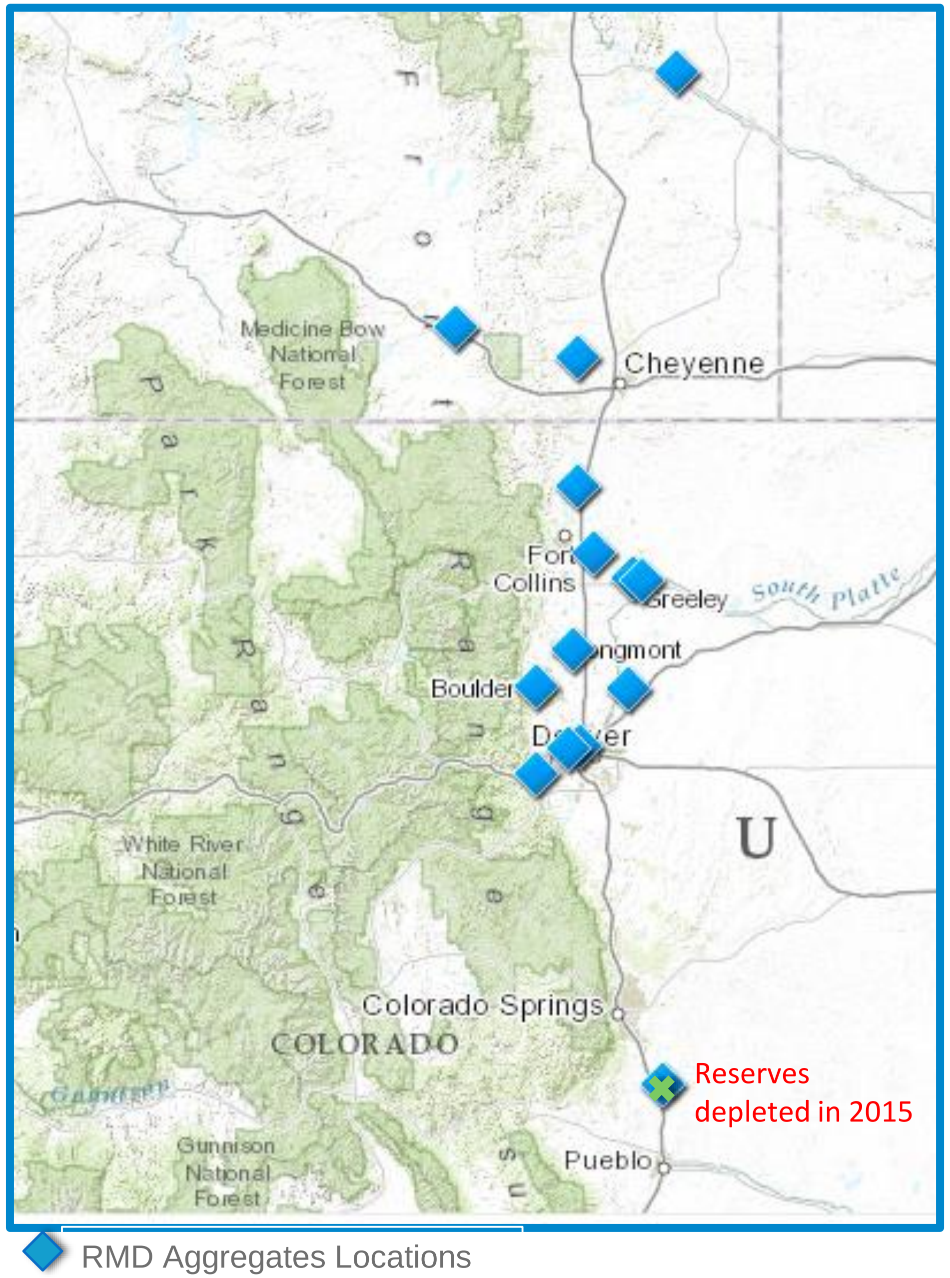
- Front Range houses 80% of Colorado's population
- Fastest growing region in the country
- High demand and limited availability of coarse aggregates
- Future growth with rail access

2015 Statistics

- Over 14 million tons of aggregates
- Over 2 million cubic yards of ready mixed concrete
- Nearly 3 million tons of asphalt
- Over 200 million tons of reserves[1]

[1] Excludes February 2016 acquisition of nearly one billion tons of aggregates reserves

Transforming Colorado's Front Range

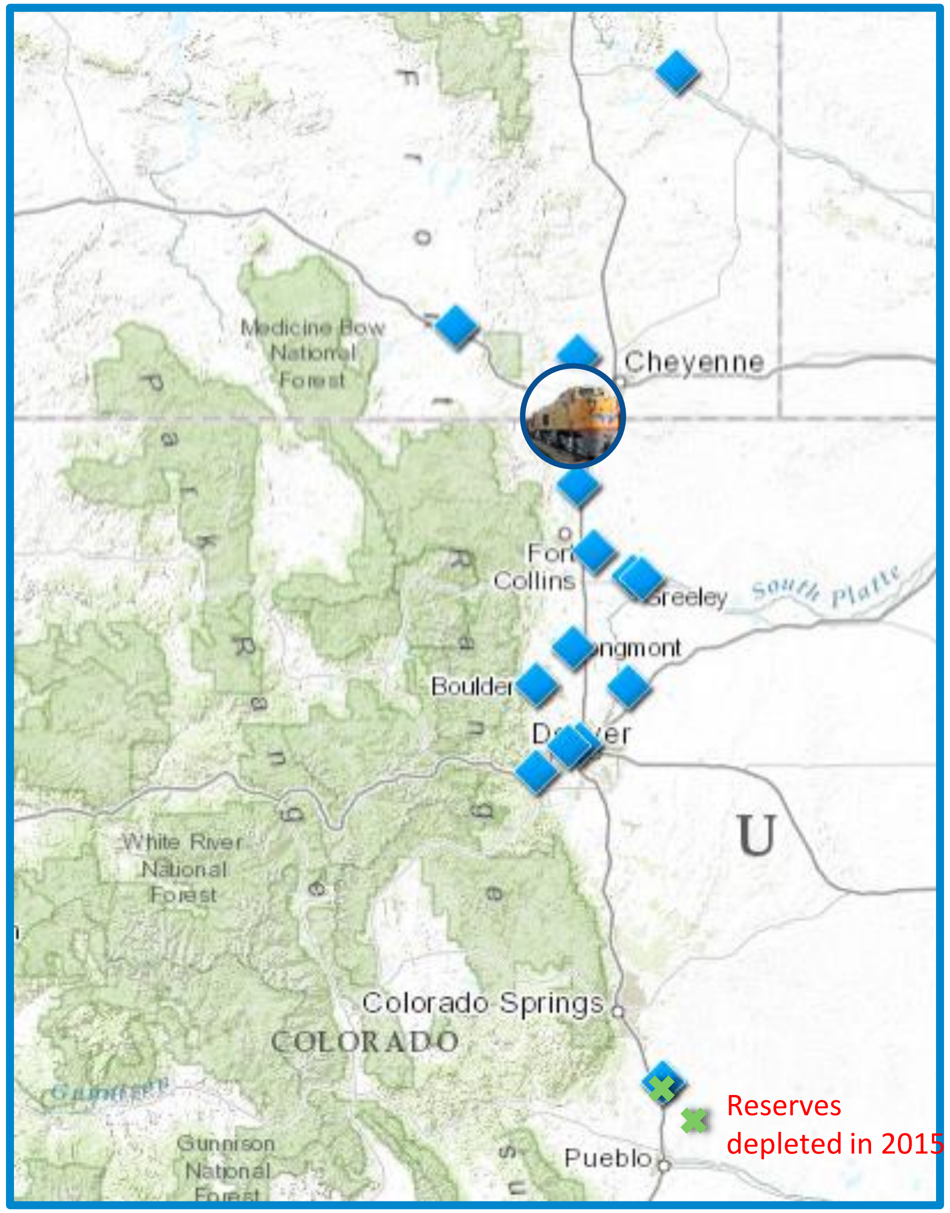


- Transition from local alluvial (sand and gravel) material market to long-haul granite market over the next 5 to 10 years
- Well-positioned to provide long-haul materials via existing northern assets and acquisitive expansion in southern Colorado
- Continued growth from Fort Collins to Pueblo

SOAR 2020 → PROTECT EXPAND

Strategic source and distribution locations need to be secured to better provide products and services to customers

Transitioning from Alluvial to Rail



RMD Aggregates Locations

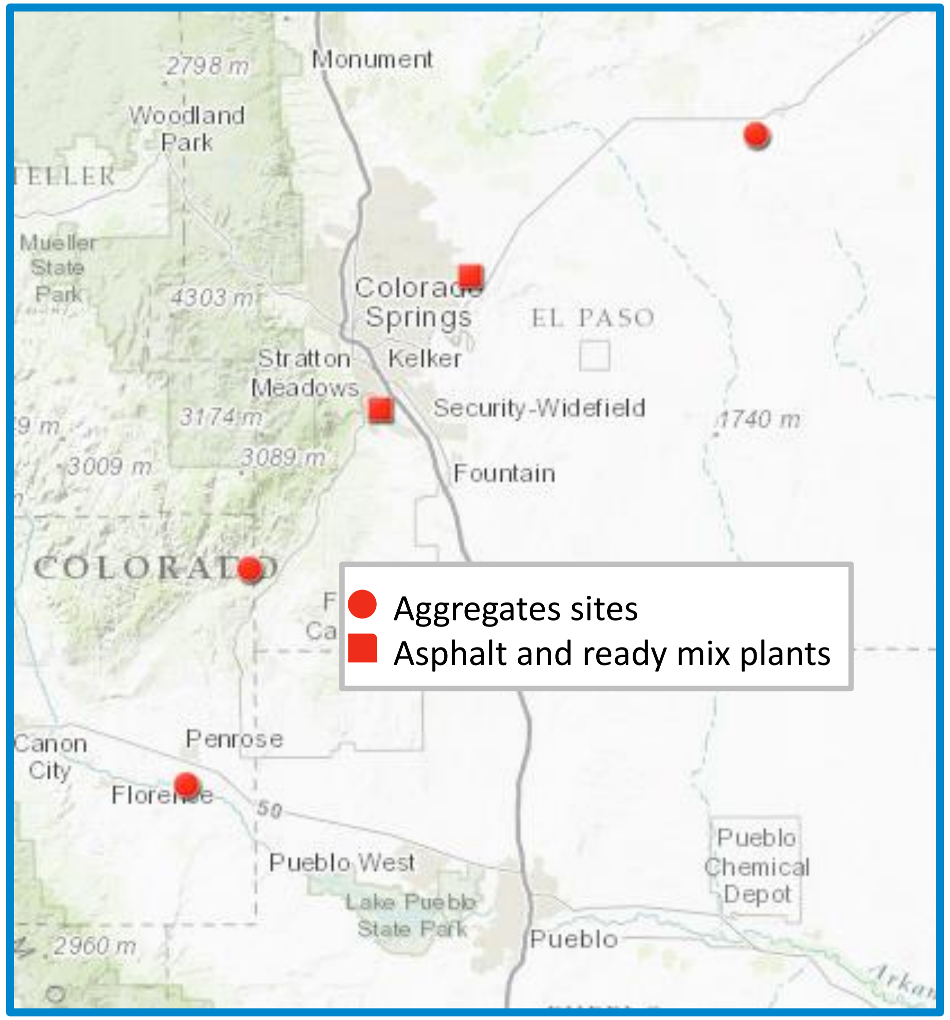
- Greenfield development of aggregates rail yard, ready mix plant and asphalt plant
- Capable of railing 2 million tons of aggregates annually
- Aggregates to be sourced from our Granite Canyon Quarry
- Aim is to be operational in 2017

Robust Economy

Rapid Alluvial Reserve Depletion

Highway 34 Rock & Rail

Establishing a Southern Colorado Platform



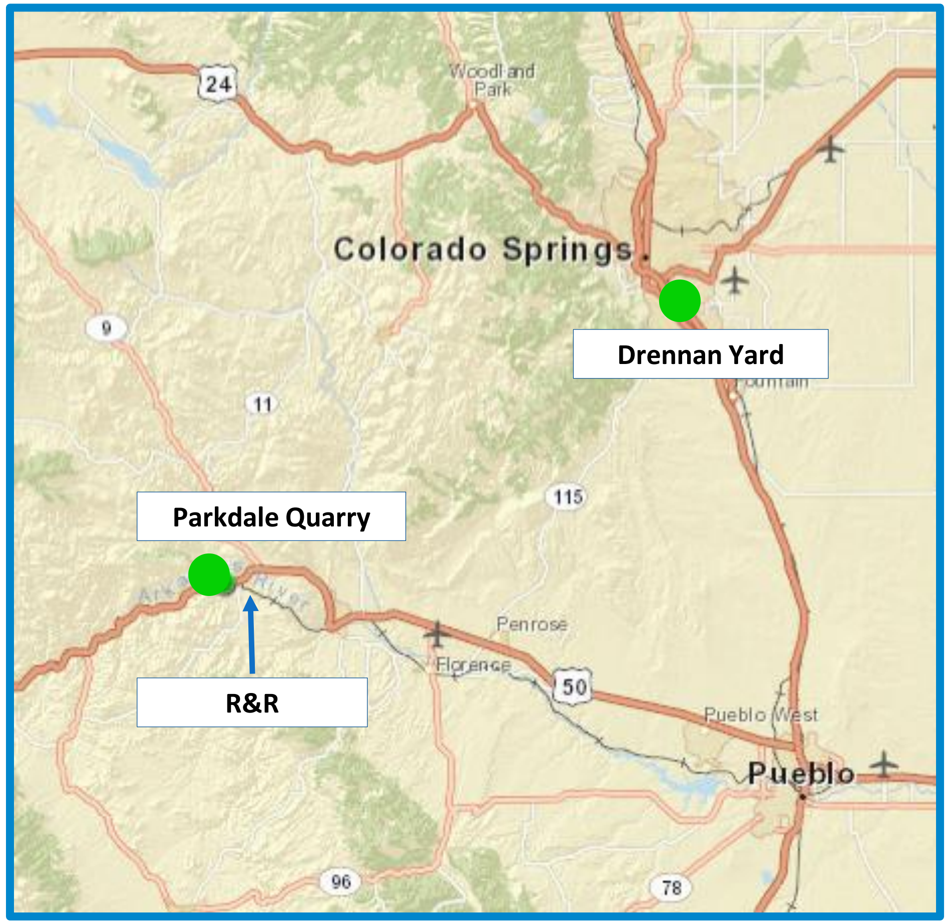
Rocky Mountain Materials

- Producer of aggregates, asphalt and ready mix in southern Colorado (3 quarries, 2 asphalt plants and 2 ready mix plants)
- ***Over 900 million permitted tons of proven and probable aggregates reserves***
- Strategic locations




ROCKY MOUNTAIN MATERIALS & ASPHALT, INC.

Linking Northern and Southern Colorado



Front Range Aggregates, LLC

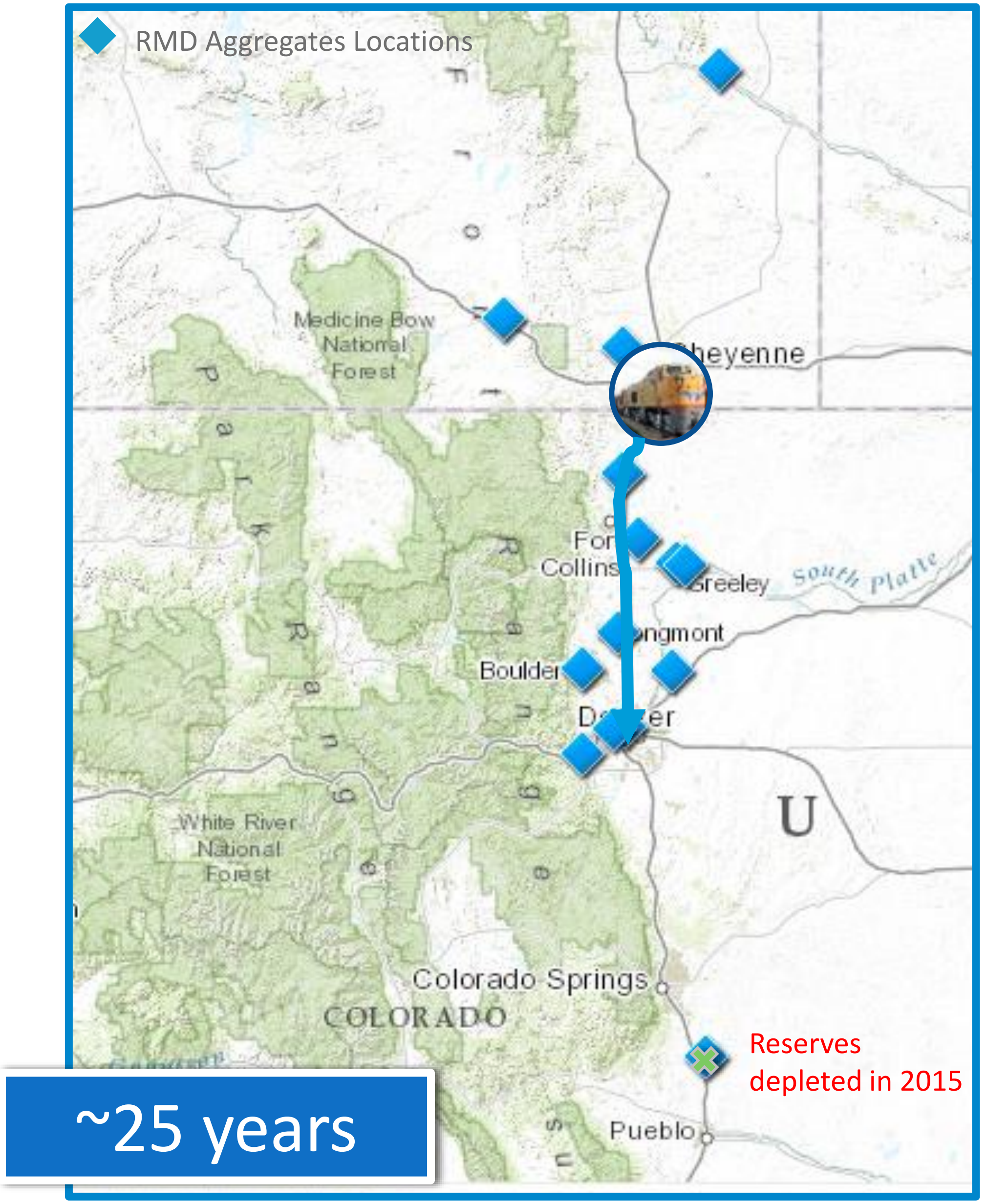
- Over 50M tons of owned alluvial and granite reserves
- Life-of-mine permit
- Potentially 200M tons of adjacent granite reserves on Bureau of Land Management property
- Strategic locations



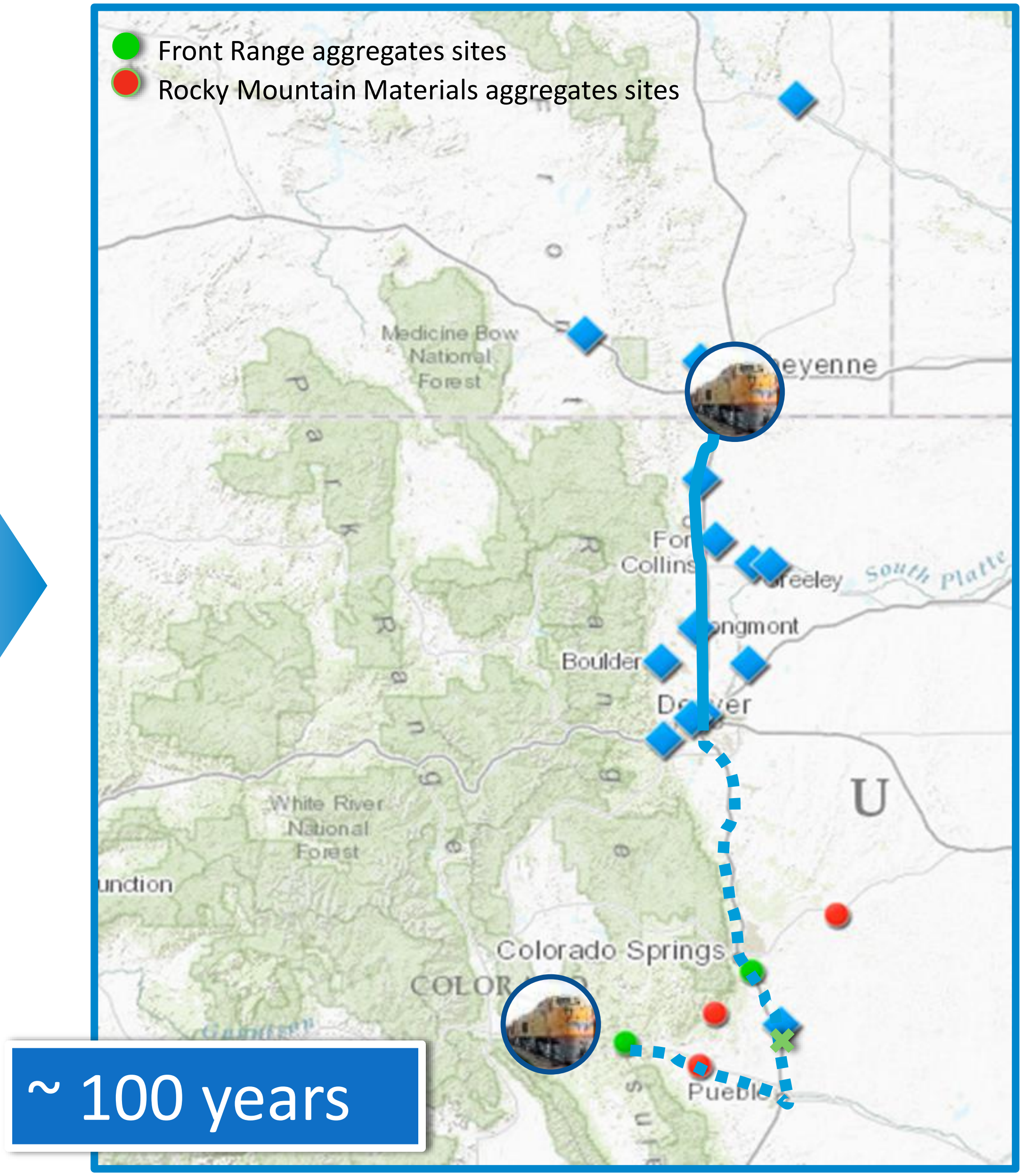


FRONT RANGE AGGREGATES

Transforming Colorado's Front Range



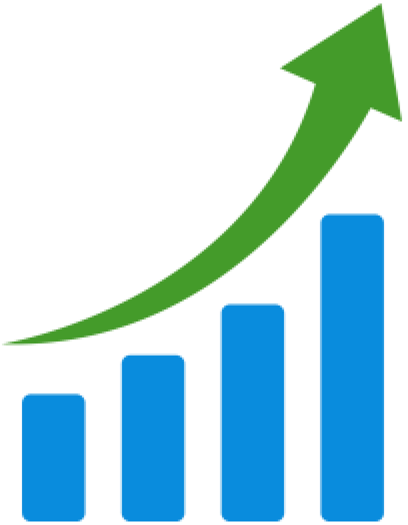
SOAR 2020



February 2015 Analyst & Investor Day – An Update

$120 million synergy expectations

Completed divestiture of California Cement



Record financial performance

Executed against share repurchase program

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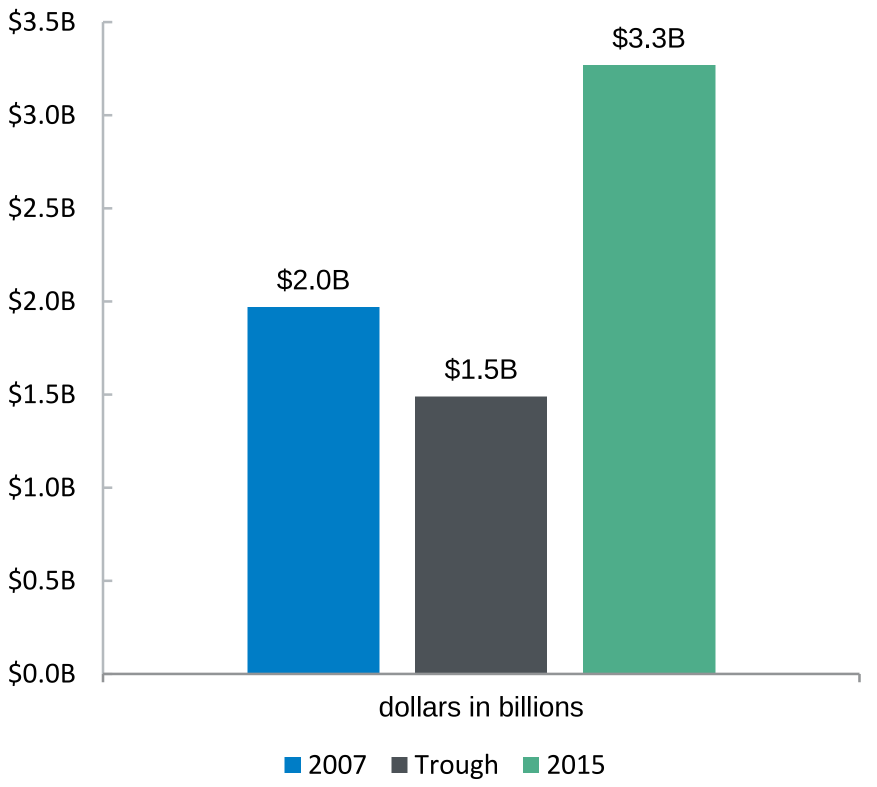
Full-Year 2015 Record Consolidated Operating Results

Record net sales of $3.3 billion

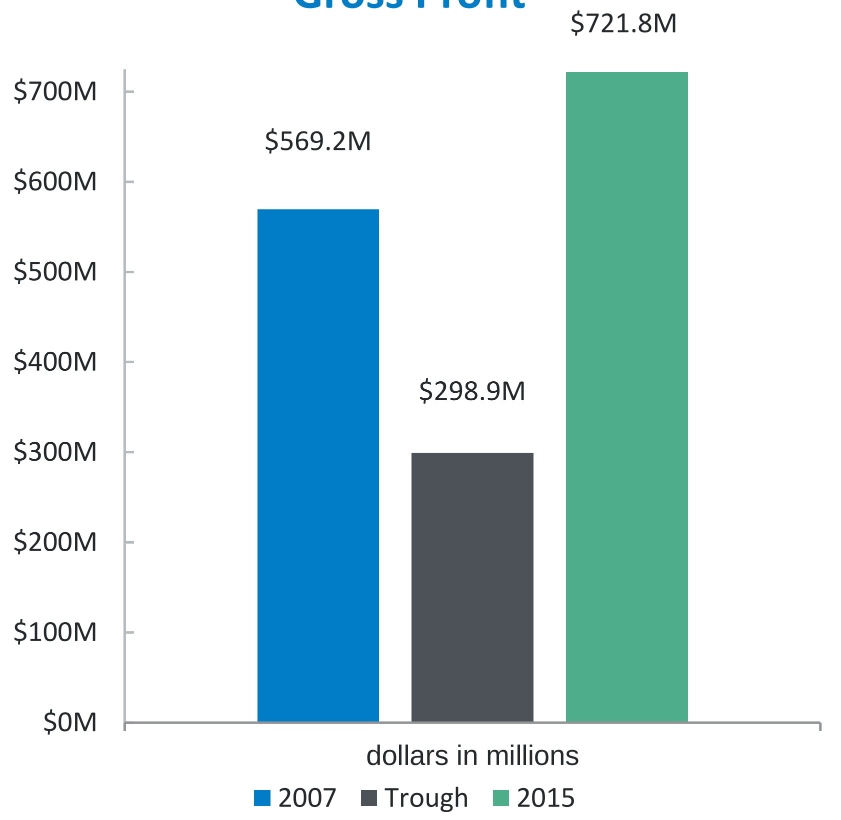
Record gross profit of $721.8 million

Record net sales and gross profits with less than 75% of peak volumes

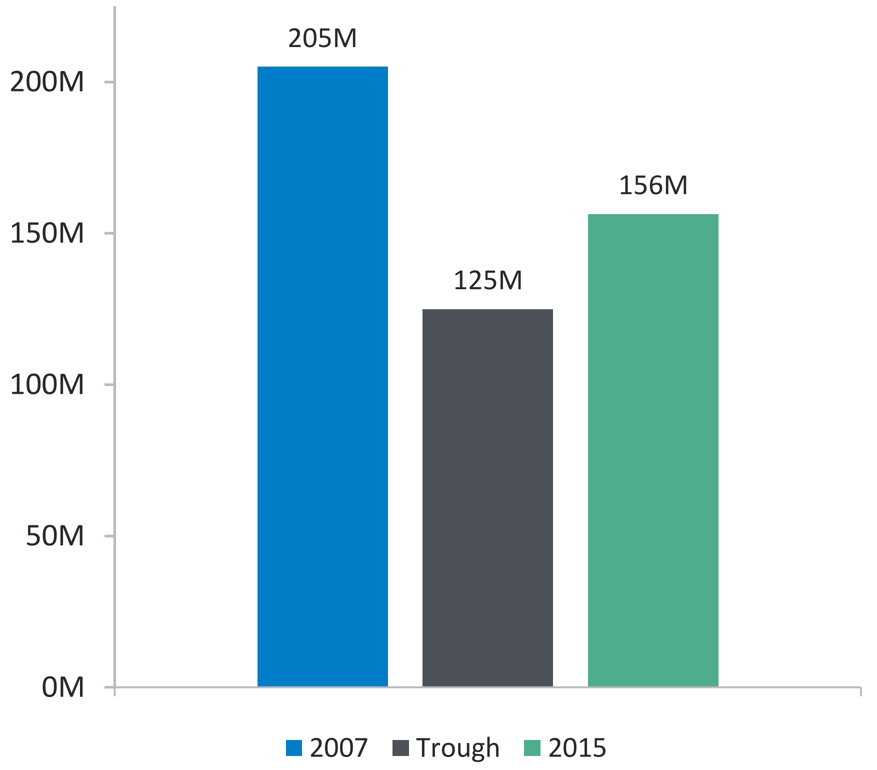
Net Sales



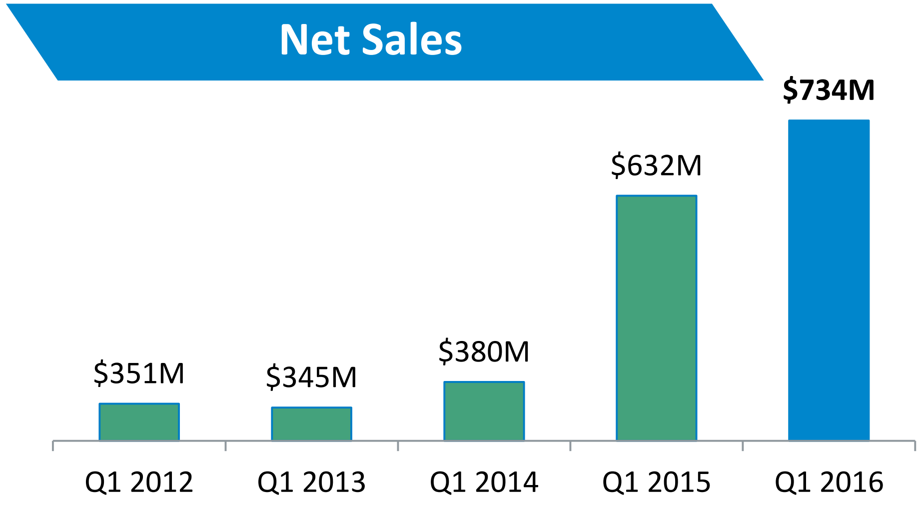
Gross Profit

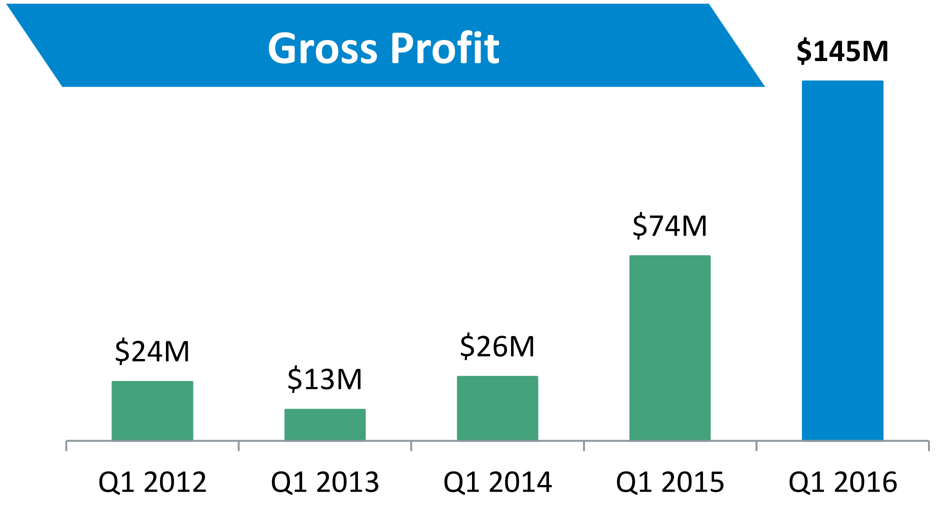


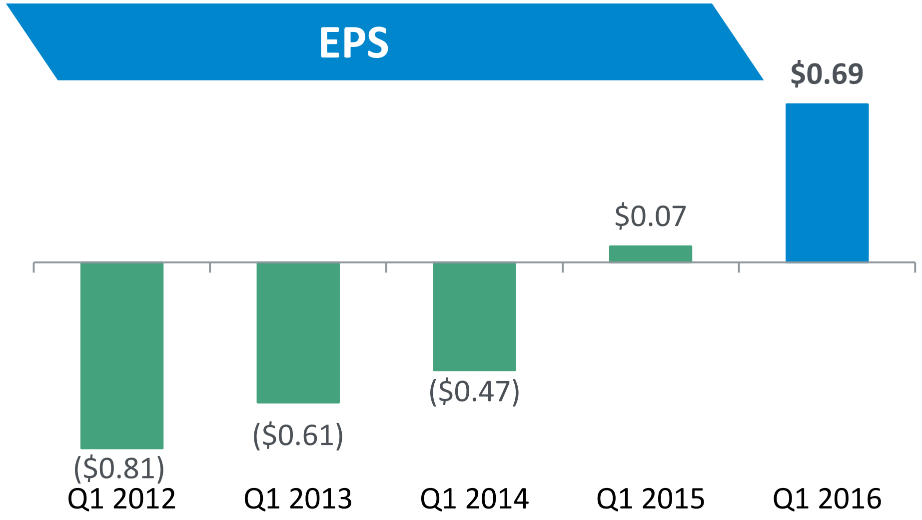
Aggregate Volumes

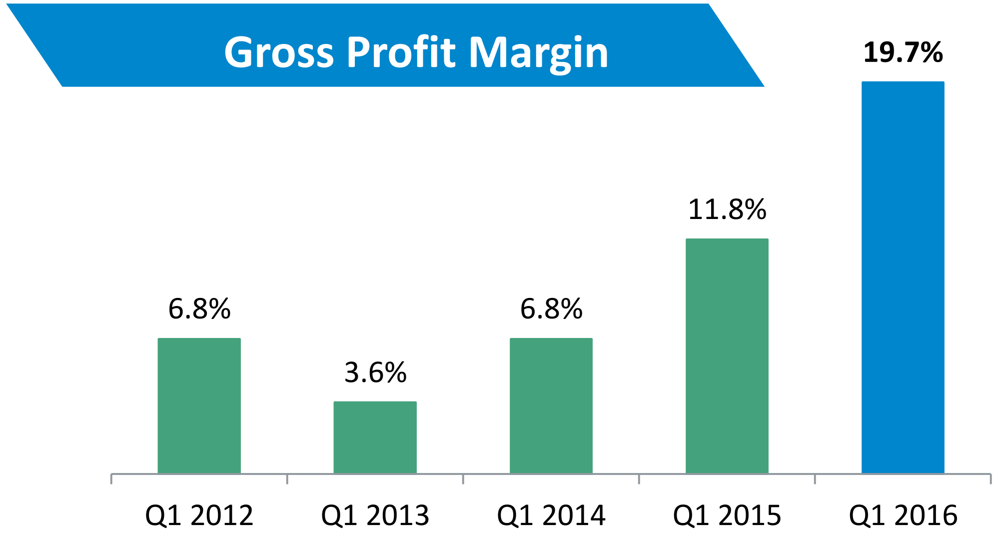


First-Quarter 2016 Consolidated Operating Results



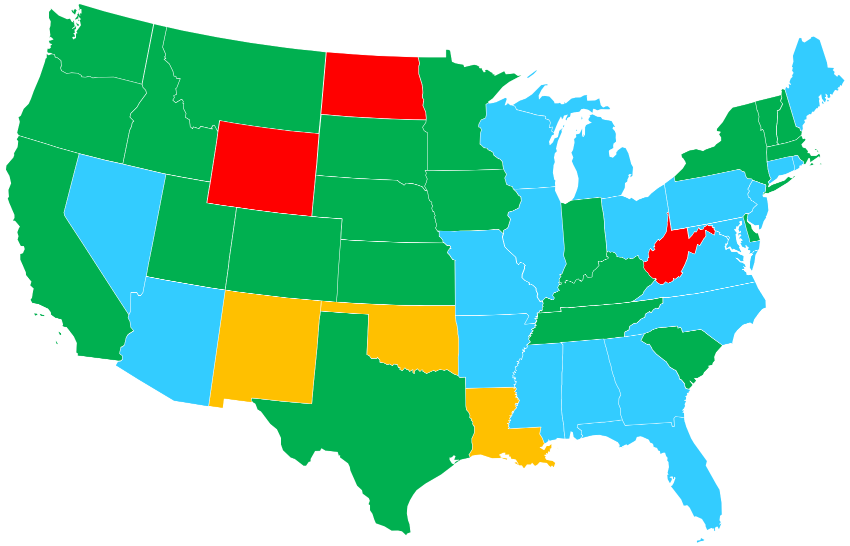






Macroeconomic Drivers Support Construction-Centric Growth

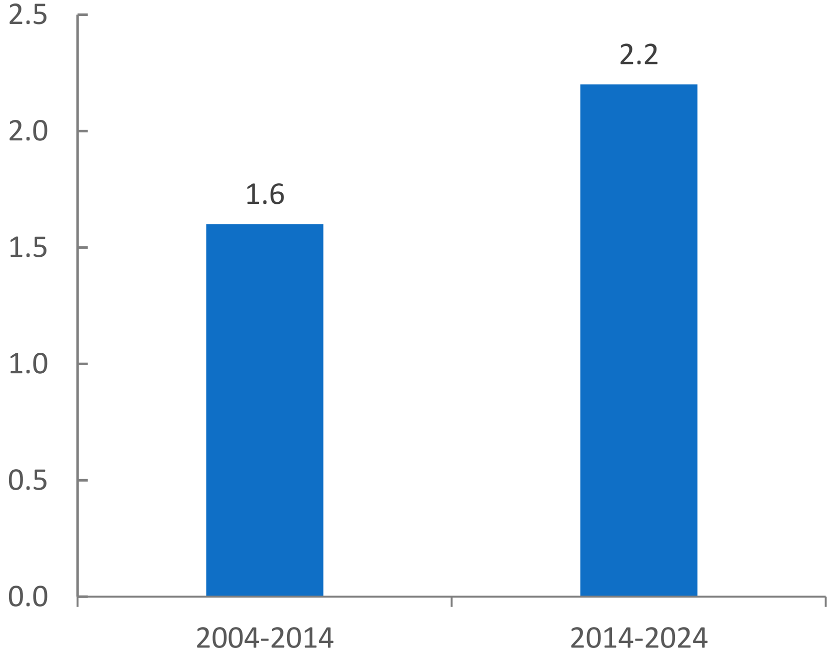
Early stage southeastern US recovery



Expanding
Recovering
Moderating
Recession

Source: April 2016 Economy.com

Rising GDP growth



Growth in GDP; 10-year CAGR (%)
Source: US Bureau of Labor Statistics

Growing population

Rank	2030 State Population
1	California
2	**Texas**
3	**Florida**
4	New York
5	Illinois
6	Pennsylvania
7	**North Carolina**
8	**Georgia**
9	**Ohio**
10	Arizona

Projected US Population, 2030
Source: US Census Bureau

Federal Infrastructure Funding.. A Decade in the Making

Fixing America's Surface Transportation Act, "The FAST Act"

HIGHWAY BILL BENEFITS

- Multi-year highway bill passed
- Funding certainty and project visibility
- Enable long-term planning
- Strengthens state infrastructure spending initiatives
- New construction more aggregates intensive
- Stimulates rural market transportation construction

State-Level Infrastructure Funding Initiatives

Texas Department of Transportation

DOT
DEPARTMENT OF TRANSPORTATION

NCDOT
NORTH CAROLINA
DEPARTMENT OF TRANSPORTATION

GDOT
Georgia Department of Transportation

IOWADOT
SMARTER | SIMPLER | CUSTOMER DRIVEN

Nonresidential and Residential Construction Trends

Steady annual growth

2016 Outlook by End Market

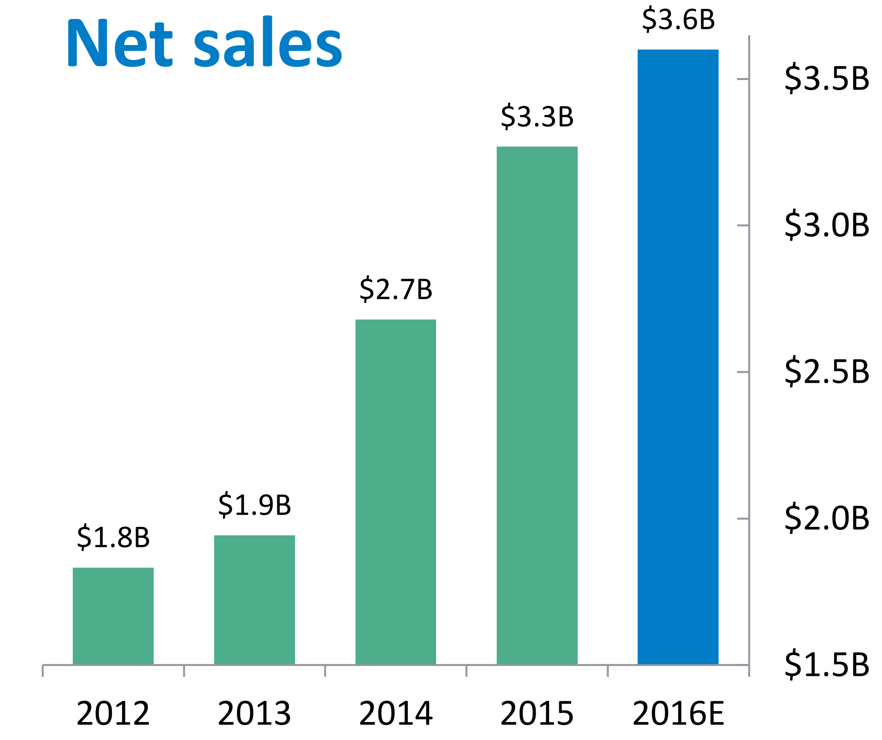
End Market		Q1’16[1]	2016[1]
Infrastructure 	♦ State department of transportation initiatives drive growth ♦ New federal dollars expected in the second half of 2016	+13%	Mid-to-high single digits
Nonresidential 	♦ Both heavy industrial and light commercial sectors increase	+14%	High-single digits
Residential 	♦ 2015 housing permits drive 2016 construction ♦ Top 10 Starts: Florida, Texas, Colorado, Georgia and North Carolina	+20%	Double-digits
ChemRock/Rail 	♦ Ballast construction dependent	+1%	Relatively flat

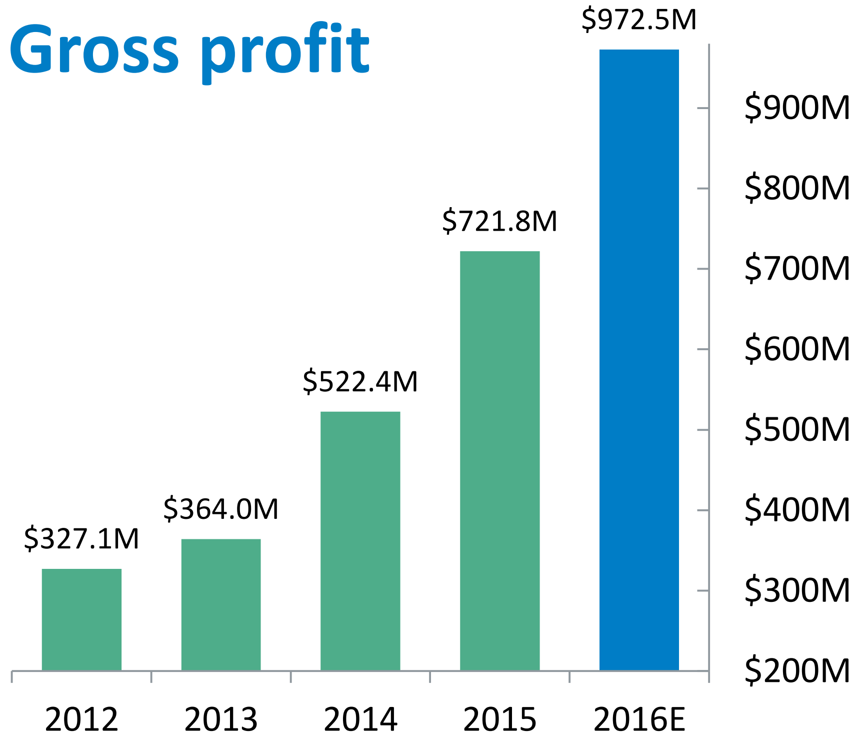
[1] Growth rate as compared to prior comparable period

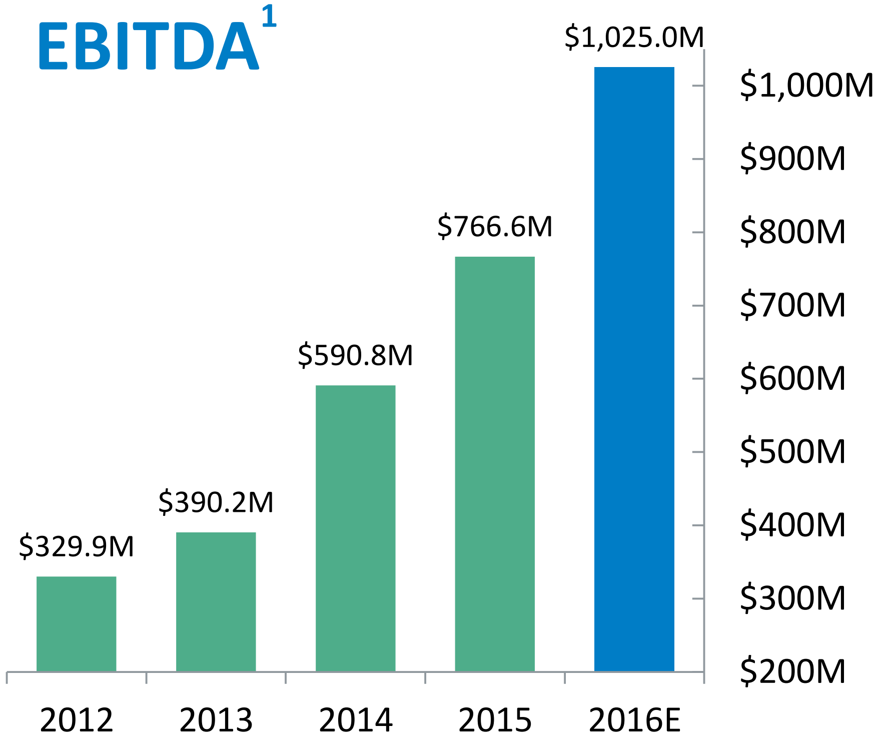
2016 Outlook

Based on the midpoint of 2016 guidance:

- Net sales of **$3.6 billion**; growth of **10 percent** year-over-year
- Gross profit of **$972.5 million**; growth of **35 percent** year-over-year
- EBITDA of **$1.025 billion**; growth of **34 percent** over 2015 adjusted EBITDA







1 As reported adjusted EBITDA is presented for 2014 and 2015.

2016 Outlook Update

$ Millions

$85-$90

Magnesia Specialties

$130-$140

Cement

$110-$115

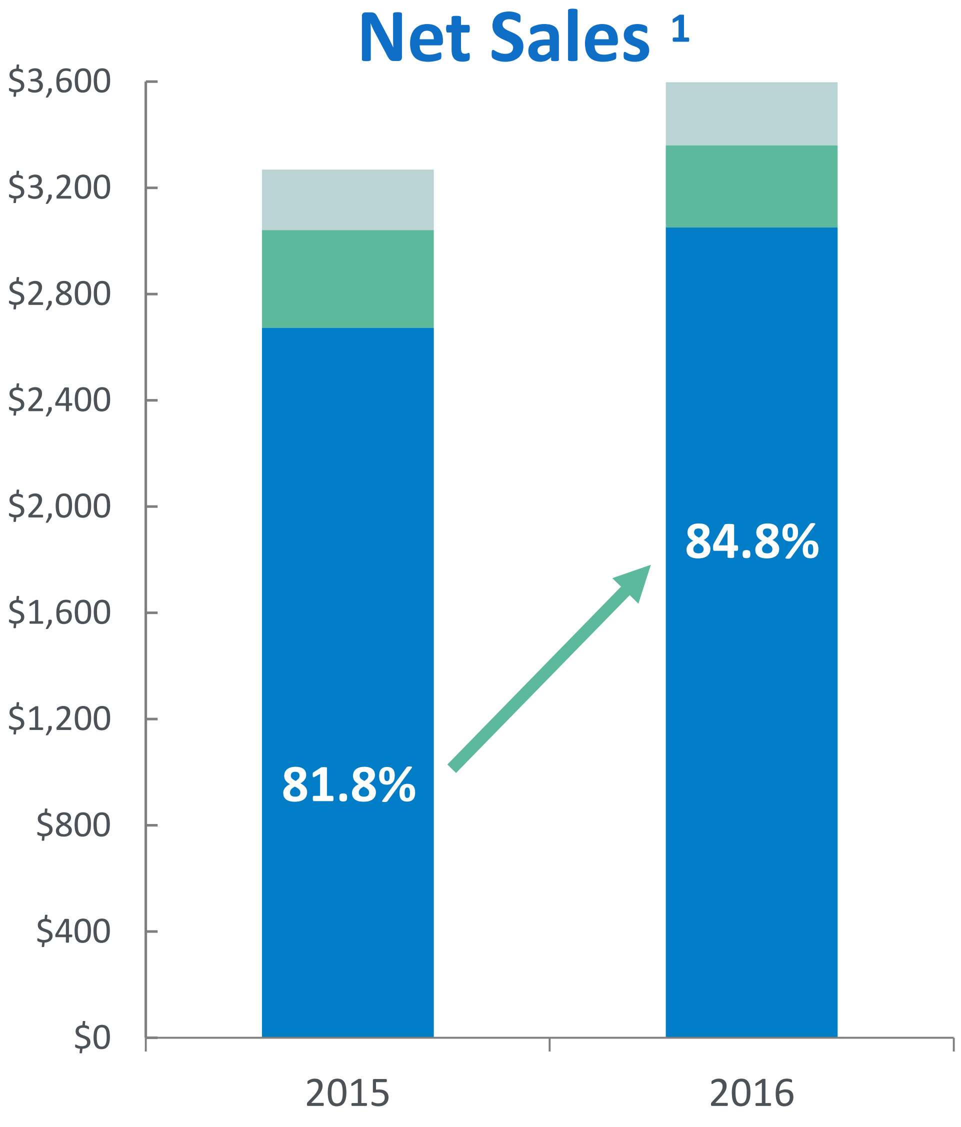
Aggregate-Related

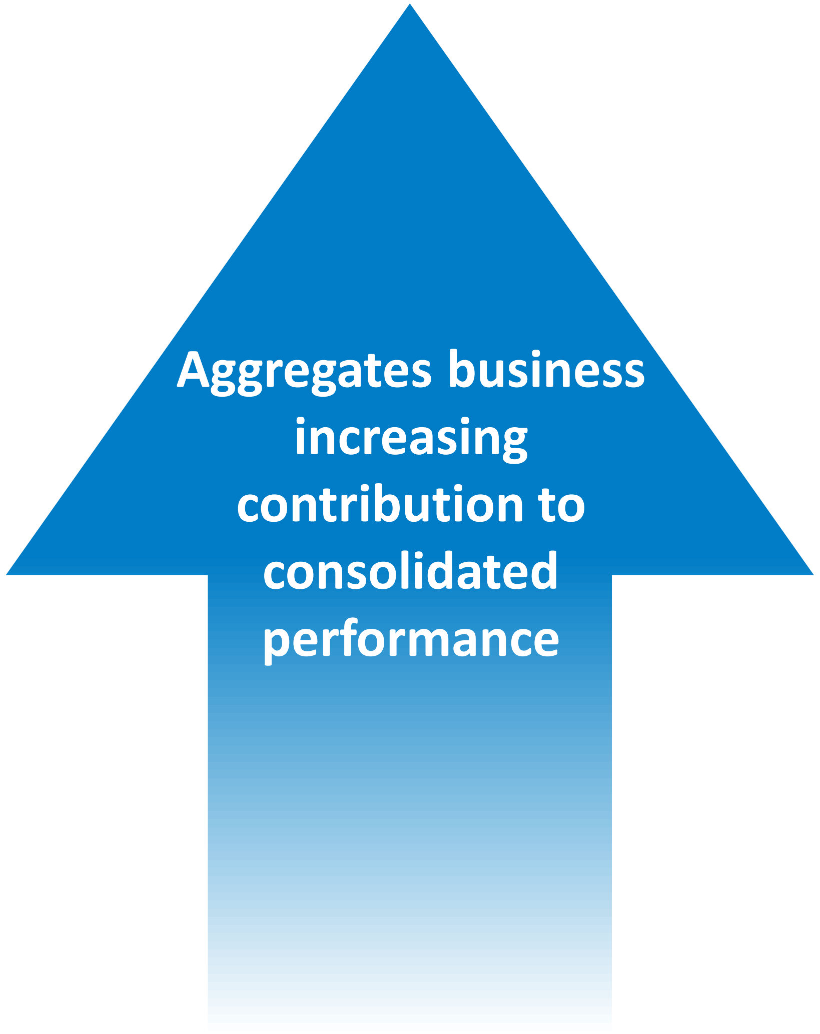
$620-$655

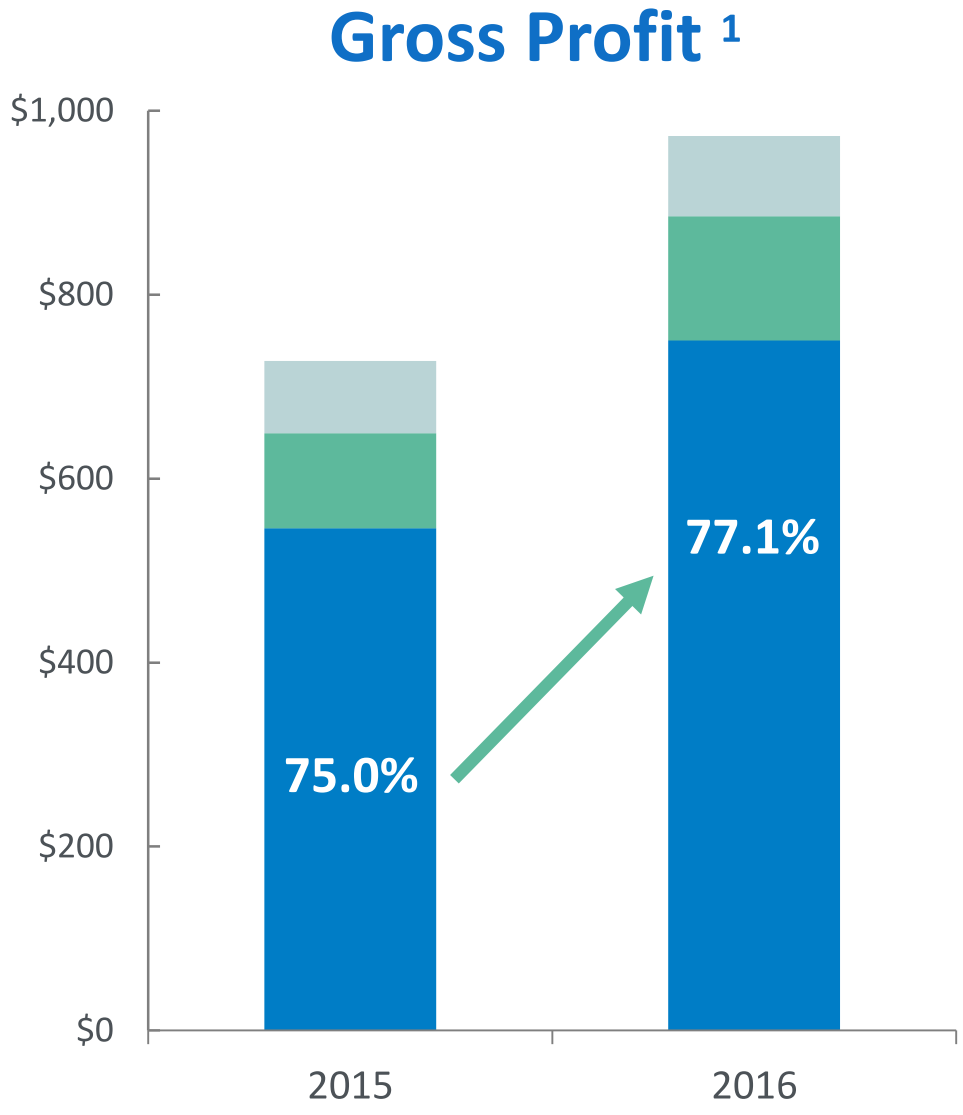
Aggregates

Gross Profit Guidance increased in all business lines

2016 Outlook







Aggregates business
Cement business
Magnesia Specialties business

[1] 2016 totals are based on the mid-point of the Company's guidance as of May 5, 2016.

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Early Stages of Steady Economic Recovery Drives

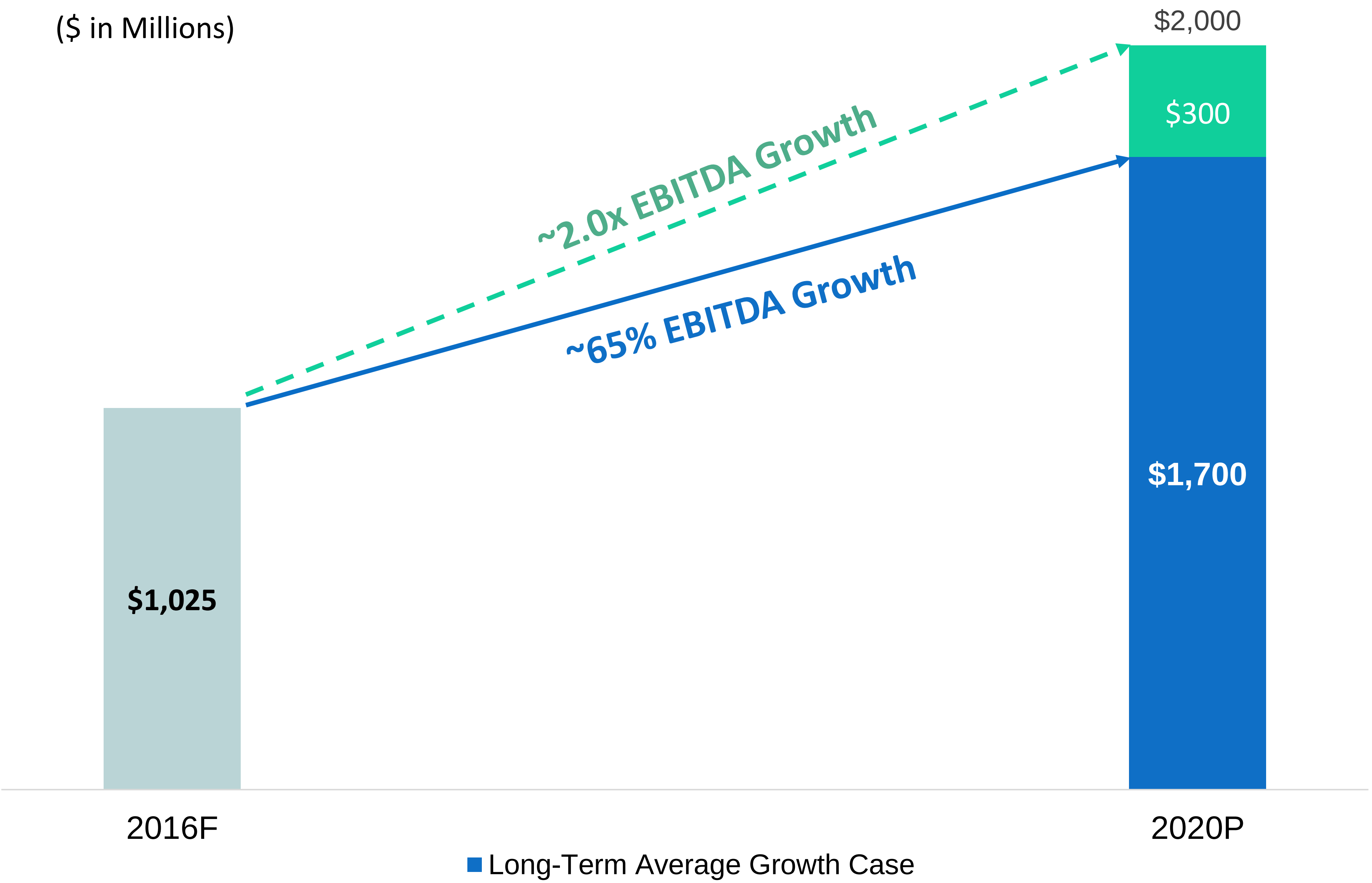
What if…

- **Aggregates**: ~30-year average volume and pricing growth
- **Cement**: Practical volume capacity by 2020 [1] with 2.5% pricing growth
- Margin expansion of 820 bps driven by operating leverage and performance improvements
- All organic growth

+1.25% CAGR Case

- **Aggregates**: +1.25% volume and pricing

EBITDA



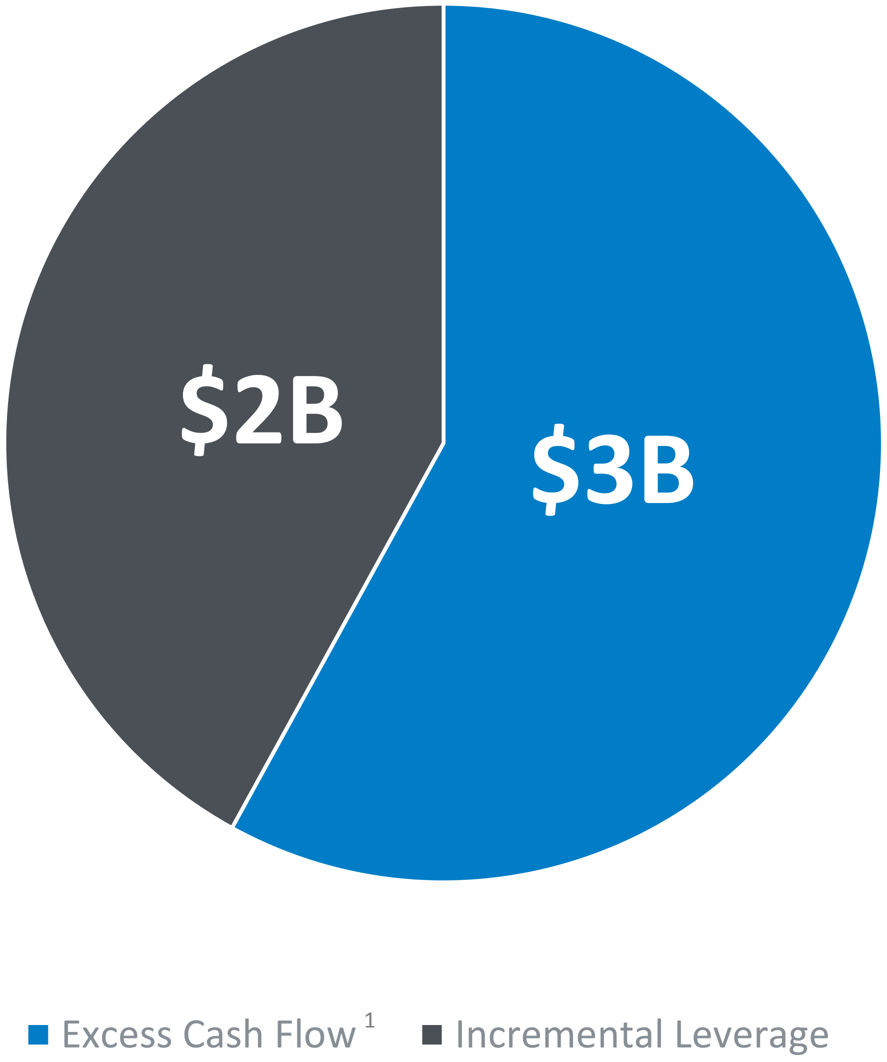
[1] Implied 2016F to 2020P CAGR of 2.7%

Financial Flexibility to Execute Strategic Plan

What if…

- Aggregates: ~30-year average volume and pricing growth
- Cement: Practical volume capacity by 2020 with 2.5% pricing growth
- Margin expansion of 820 bps driven by operating leverage and performance improvements
- All organic growth
- **Operating cash flow approximately 73% of EBITDA**
- **Minimum leverage target of 2.0x debt-to-EBITDA**
- **Rounded to nearest billion**

SOAR 2020 Horizon

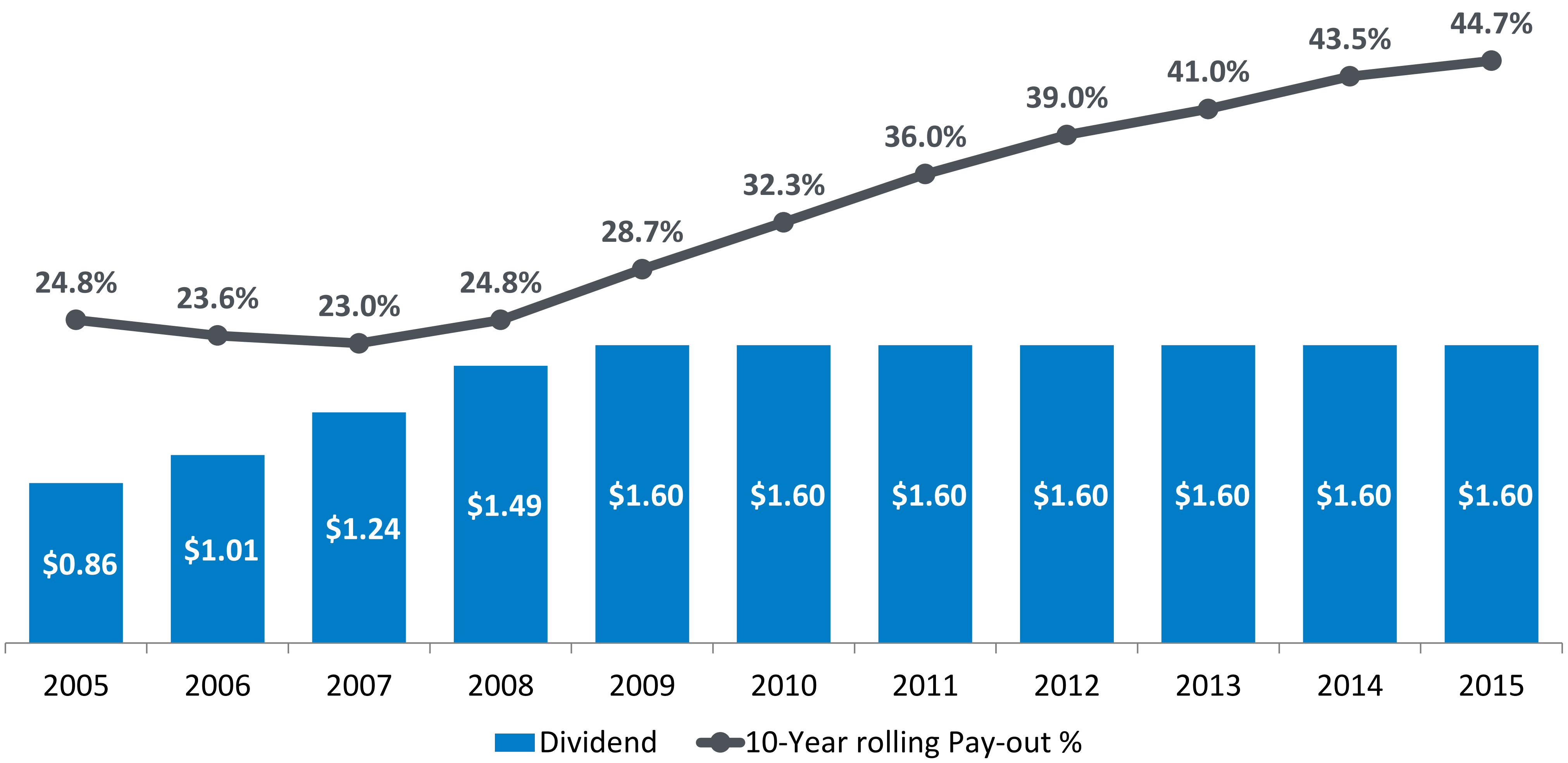


[1] Excess cash flow defined as operating cash flow less capital expenditures and dividends

Capital Allocation Priorities

PRIORITIES		FORWARD VIEW
Acquisitions		Execution against strategic assessment
Organic Capital Investment		Above maintenance level of capital spending expected over long range operating plan horizon
Return of Cash to Shareholders **Dividends**		Earnings payout practice of 25% to 30% over a 10-year cycle
Share Repurchases		Repurchase authorization of 20.0M shares ≈ 30% of outstanding; 15.7M shares remaining

Return of Cash through Sustained, Meaningful Dividend



Earnings Payout Target of 25% to 30% over ten-year cycle

Return of Cash through Share Repurchases

Systematic Structured Share Repurchase

– Target a 20 million share buy back

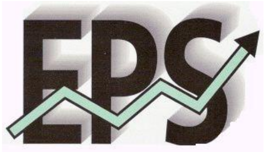
Leverage

- Target 2.0x to 2.5x EBITDA through cycle
- Preserve financial flexibility

Liquidity

- Free cash flow after dividends

Financial Impact



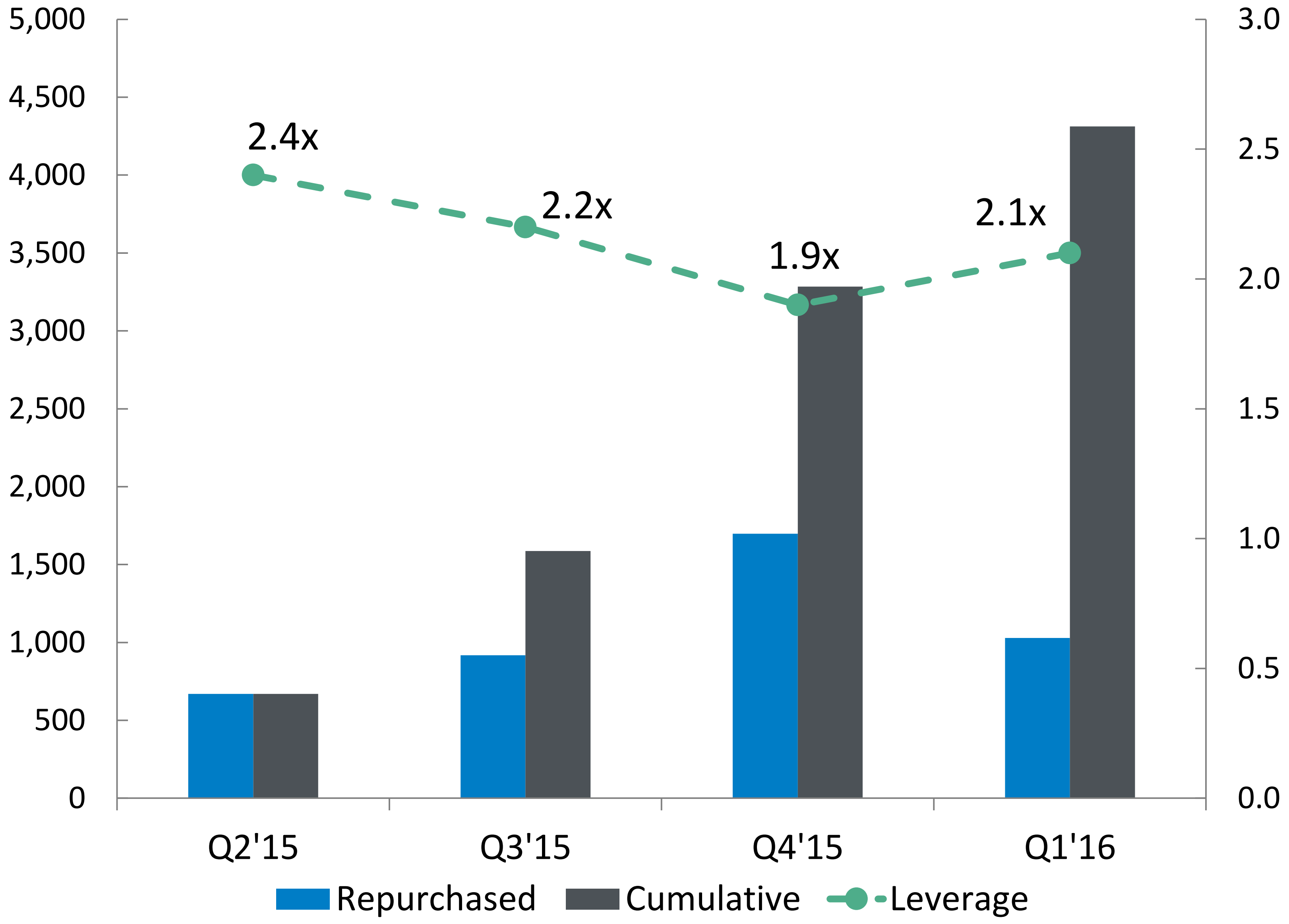
- Accretive

Capital Allocation Priority

SOAR 2020

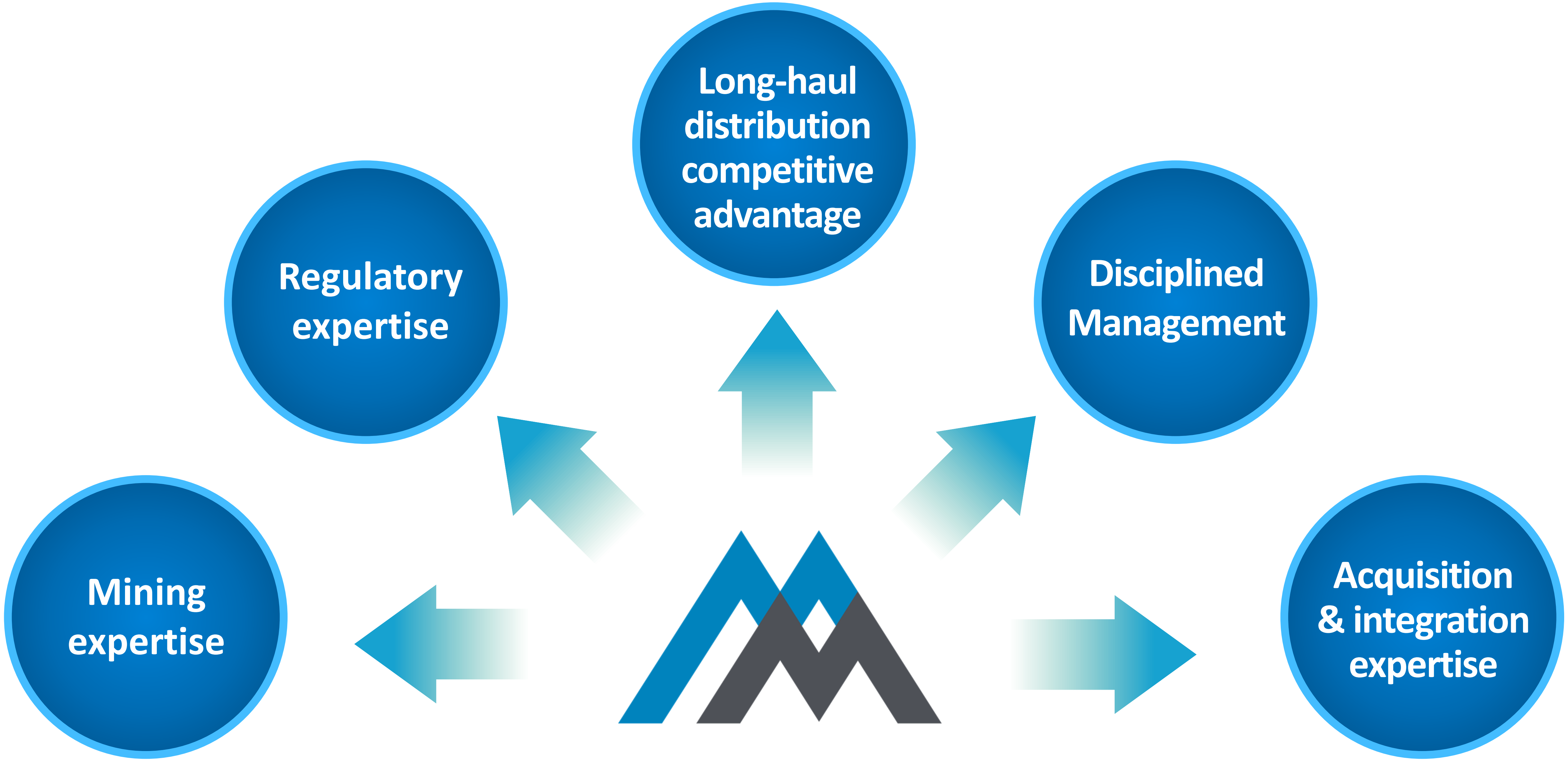
- SOAR 2020 strategic opportunities

Share Repurchase Program in Line with Objectives



- 20 million share authorization in February 2015
- 4.3 million shares repurchased through March 31, 2016
- Maintained reasonable leverage targets
- Funded organic capital needs
- Executed against strategic acquisition targets
- Returned nearly $670 million to shareholders

Core Competencies Drive Forward Value Growth



Where Do We Go From Here?

Building a Solid Base
1994 to 2006

Focusing on Fundamentals
2007 to 2010

Expanding the Platform
2011 to 2015

Strengthening our Outlook
2016 to 2020

Scale and Scope

Leading aggregates producer in the U.S.

LAFARGE

Colorado and Atlanta

txi

SOAR 2020

Time

APPENDIX

Gross margin (excluding freight and delivery revenues) 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).

Earnings before interest, income taxes, depreciation, depletion and amortization (EBITDA) is a widely accepted financial indicator of a company's ability to service and/or incur indebtedness. EBITDA is not defined by generally accepted accounting principles and, as such, should not be construed as an alternative to net earnings or operating cash flow. Further, 2015 adjusted EBITDA excludes the impact of the loss on the sale of the California cement business and related expenses as well as the gain on the sale of the San Antonio asphalt business. 2014 adjusted EBITDA excludes the impact of TXI acquisition-related expenses, net, and the impact of the write-up of acquired inventory to fair value.

Adjusted net earnings and **Adjusted Earnings Per Diluted Share** are non-GAAP measures and exclude the impact of TXI acquisition-related expenses, net; the impact of the markup of acquired inventory to fair value; and the gain or loss on business divestitures. Management believes these adjusted measures provide investors more relevant metrics for forecasting future operating results. The non-GAAP measures are reconciled to net earnings and earnings per diluted share in accordance with generally accepted accounting principles.

APPENDIX

(dollars in millions)	Quarter-ended March 31, 2016	2015	2014	2013	2012
Gross margin in accordance with GAAP					
Total revenues	$ 788.7	$ 691.3	$ 428.6	$ 383.9	$ 394.0
Gross profit	$ 144.6	$ 74.3	$ 25.8	$ 12.8	$ 23.8
Gross margin, as a percentage of total sales	**18.3%**	**10.7%**	**6.0%**	**3.3%**	**6.0%**
Gross margin, as a percentage of net sales					
Total revenues	$ 788.7	$ 691.3	$ 428.6	$ 383.9	$ 394.0
Less: freight and delivery revenues	(54.7)	(59.4)	(48.9)	(39.8)	(43.5)
Net sales	$ 734.0	$ 631.9	$ 379.7	$ 344.1	$ 350.5
Gross profit	$ 144.6	$ 74.3	$ 25.8	$ 12.8	$ 23.8
Gross margin, as a percentage of net sales	**19.7%**	**11.8%**	**6.8%**	**3.6%**	**6.8%**

APPENDIX

(dollars in millions)	Year-ended December 31, 2015	2014	2013	2012
Net earnings attributable to Martin Marietta	$ 288.8	$ 155.6	$ 121.3	$ 84.5
Add back:				
Interest expense	76.3	66.1	53.5	53.3
Income tax expense for controlling interests	124.9	94.8	43.5	16.6
Depreciation, depletion & amortization expense	260.7	220.5	171.9	175.5
EBITDA	**$ 750.7**	**$ 537.0**	**$ 390.2**	**$ 329.9**
Nonrecurring expenses (acquisition-related expenses, net loss on divestitures and other noncash related charge)	15.9	53.8	--	--
Adjusted EBITDA	**$ 766.6**	**$ 590.8**	**$ 390.2**	**$ 329.9**

APPENDIX

(aggregates reserves in thousands)	As of December 31, 2015 Owned	Leased
U.S. aggregates reserves	8,155,793	6,567,753
Non-U.S. aggregates reserves	861,420	--
Total aggregates reserves	9,017,213	6,567,753
Intrinsic value per ton	$1.00	$0.40
Intrinsic value	$ 9,017,213	$ 2,627,101
Total Intrinsic Value of Aggregates Reserves		**$ 11,644,314**

Intrinsic Value of Reserves

The intrinsic value of aggregates reserves represents management's estimate of the value of the 15.6 billion of aggregates reserves, either owned (55%) or leased (45%), at December 31, 2015. The calculation of intrinsic value assumes a royalty rate of $1.00 per ton for owned reserves and $0.40 per ton for leased reserves, representing the estimated per ton royalty rate that would be currently paid to replace reserves of the same quality, in the same geographic location and in the same competitive position. The per ton rate for leased reserves reflects a reduction for the current average royalty rate paid for leased reserves. Intrinsic value for reserves, and therefore, the amount currently paid to acquire reserves, varies, sometimes widely, based on the nature and location of the aggregates acquired, among other things. The value of reserves is highly dependent on specific location, quality and other factors.

Martin Marietta

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www.martinmarietta.com