

Martin Marietta
(dollars in millions)

Adjusted gross profit excludes the impact of selling acquired inventory after its markup to fair value as part of acquisition accounting and is not defined by generally accepted accounting principles (GAAP). Adjusted gross profit is an indicator used by the Company and investors to evaluate the Company's operating performance from period to period, as the impact of selling acquired inventory after its market to fair value as part of acquisition accounting is not recurring. The following reconciles gross profit in accordance with GAAP to adjusted gross profit:

	For the year ended December 31,	
	2021	2020
Consolidated		
Gross profit in accordance with GAAP	\$ 1,348.4	\$ 1,252.8
Addback: Impact of selling acquired inventory after its markup to fair value as part of acquisition accounting	30.6	-
Adjusted gross profit	<u>\$ 1,379.0</u>	<u>\$ 1,252.8</u>
Increase for 2021 over 2020	<u>10%</u>	
Aggregates Product Line		
Gross profit in accordance with GAAP	\$ 904.8	\$ 848.5
Addback: Impact of selling acquired inventory after its markup to fair value as part of acquisition accounting	25.4	-
Adjusted gross profit	<u>\$ 930.2</u>	<u>\$ 848.5</u>
Aggregates product line products and services revenues	<u>\$ 3,058.5</u>	<u>\$ 2,769.3</u>
Adjusted aggregates product line products and services gross margin	<u>30.4%</u>	<u>30.6%</u>
Asphalt and Paving Product Line		
Gross profit in accordance with GAAP	\$ 79.2	\$ 60.4
Addback: Impact of selling acquired inventory after its markup to fair value as part of acquisition accounting	5.2	-
Adjusted gross profit	<u>\$ 84.4</u>	<u>\$ 60.4</u>
Asphalt and paving products and services revenues	<u>\$ 514.2</u>	<u>\$ 331.7</u>
Adjusted asphalt and paving products and services gross margin	<u>16.4%</u>	<u>18.2%</u>