

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

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

Date of Report (Date of earliest event reported): July 27, 2023

Martin Marietta Materials, Inc.

(Exact name of Registrant as Specified in Its Charter)

North Carolina
(State or Other Jurisdiction
of Incorporation)

1-12744
(Commission File Number)

56-1848578
(IRS Employer
Identification No.)

4123 Parklake Avenue
Raleigh, North Carolina
(Address of Principal Executive Offices)

27612
(Zip Code)

Registrant's Telephone Number, Including Area Code: 919 781-4550

(Former Name or Former Address, if Changed Since Last Report)

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

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$.01 par value per share	MLM	The New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02 Results of Operations and Financial Condition.

On, July 27, 2023 the Company announced financial results for the second quarter ended June 30, 2023. The press release, dated July 27, 2023, is furnished as Exhibit 99.1 to this report and is incorporated by reference herein.

Item 7.01 Regulation FD Disclosure.

On, July 27, 2023 the Company announced financial results for the second quarter ended June 30, 2023. The press release, dated July 27, 2023, is furnished as Exhibit 99.1 to this report and is incorporated by reference herein. Additional information about the quarter, and the Company's use of non-GAAP financial measures, is available on the Company's website at www.martinmarietta.com by clicking the heading "Reports & Filings", in the "Investors" section and then clicking the quick link "Non-GAAP Measures".

The Company will host an online web simulcast of its second quarter 2023 earnings conference call on Thursday, July 27, 2023. The live broadcast of the Company's conference call will begin at 10:00 a.m., Eastern Time, on July 27, 2023 and can be accessed by dialing +1 (416) 764-8658 and using conference ID 80604974. An online replay will be available approximately two hours following the conclusion of the live broadcast and will continue for one year. A link to these events will be available at the Company's website at www.martinmarietta.com. Additional information about the Company's use of non-GAAP financial measures, as well as certain other financial or statistical information the Company may present at the conference call, will be provided on the Company's website.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

[99.1](#) Press Release dated July 27, 2023, announcing financial results for the second quarter ended June 30, 2023.

104 Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURES

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

MARTIN MARIETTA MATERIALS, INC.

(Registrant)

Date: July 27, 2023

By: /s/ James A. J. Nickolas

James A. J. Nickolas,

Sr. Vice President and Chief Financial Officer



MARTIN MARIETTA REPORTS SECOND-QUARTER 2023 RESULTS

Established Quarterly Records for Revenues, Profitability and Unit Margins

Second-Quarter Aggregates Gross Profit Per Ton Increased 27.9 Percent to \$6.80

Raised Full-Year 2023 Adjusted EBITDA Guidance to \$2.0 - \$2.1 Billion

RALEIGH, N.C. (July 27, 2023) – Martin Marietta Materials, Inc. (NYSE: MLM) (“Martin Marietta” or the “Company”), a leading national supplier of aggregates and heavy building materials, today reported results for the second quarter ended June 30, 2023.

Second-Quarter Highlights

(Financial highlights are for continuing operations)

<i>(In millions, except per share)</i>	Quarter Ended June 30,		
	2023	2022	% Change
Total revenues ¹	\$ 1,820.8	\$ 1,641.7	10.9%
Gross profit	\$ 560.4	\$ 425.2	31.8%
Earnings from operations ²	\$ 463.3	\$ 478.6	(3.2)%
Net earnings from continuing operations attributable to Martin Marietta ²	\$ 347.6	\$ 353.2	(1.6)%
Adjusted EBITDA ³	\$ 596.1	\$ 478.3	24.6%
Earnings per diluted share from continuing operations ²	\$ 5.60	\$ 5.65	(0.9)%

¹ Total revenues include the sales of products and services to customers (net of any discounts or allowances) and freight revenues.

² Quarter ended June 30, 2022 earnings from operations, net earnings from continuing operations attributable to Martin Marietta and earnings per diluted share from continuing operations include \$151.7 million, \$108.1 million and \$1.73 per diluted share, respectively, for a nonrecurring gain on a divestiture.

³ Earnings from continuing operations before interest, income taxes, depreciation, depletion and amortization expense, the earnings/loss from nonconsolidated equity affiliates, acquisition and integration expenses and a nonrecurring gain on a divestiture, or Adjusted EBITDA, is a non-GAAP financial measure. See Appendix to this earnings release for a reconciliation to net earnings from continuing operations attributable to Martin Marietta.

- MORE -

Ward Nye, Chairman and CEO of Martin Marietta, stated, “Martin Marietta delivered exceptional performance across nearly every safety, financial and operational measure in the second quarter. These impressive results, despite lower aggregates shipments, demonstrate the success of our value-over-volume commercial strategy and the durability of our business model through various macroeconomic conditions. Our second-quarter results, together with our expectations for an even stronger next six months, underpin our revised full-year Adjusted EBITDA guidance range of \$2.0 – \$2.1 billion, a 28 percent increase at the midpoint as compared with the prior year.

“As record-setting public funds for infrastructure and manufacturing begin to enter the U.S. economy, we continue to expect that aggregates demand will accelerate in the second half of 2023. This well-chronicled increased investment should largely offset the current residential construction air pocket, which we expect to bottom in the third quarter of 2023.”

Mr. Nye concluded, “This scenario, combined with continued commercial momentum and moderating cost inflation, should contribute to a record-setting year in 2023 and provide a solid foundation for an even brighter 2024 and beyond. Our fidelity to safety, enterprise excellence, sustainable business practices and execution of our strategic plan reinforces our confidence in Martin Marietta’s ability to consistently deliver superior shareholder value.”

Mr. Nye’s CEO Commentary and Market Perspective can be found on the [Investor Relations](#) section of the Company’s website.

- MORE -

Second-Quarter Financial and Operating Results

(All financial and operating results are for continuing operations and comparisons are versus the prior-year second quarter, unless otherwise noted)

Building Materials Business

The Building Materials business generated record quarterly revenues \$1.74 billion, an 11.6 percent increase. Gross profit increased 34.3 percent to a quarterly record of \$536.1 million. Pricing gains contributed to gross margin improvement of 520 basis points.

Aggregates

Second-quarter aggregates shipments decreased 5.7 percent while pricing increased 18.6 percent, or 17.0 percent on a mix-adjusted basis.

Aggregates gross profit increased 20.7 percent to a quarterly record of \$370.9 million.

Cement

Second quarter cement shipments increased to 1.1 million tons while pricing increased 21.8 percent, or 21.3 percent on a mix-adjusted basis.

Cement gross profit increased 84.0 percent to an all-time quarterly record of \$93.3 million.

Downstream businesses

Ready mixed concrete revenues and gross profit increased 19.7 percent and 142.3 percent, respectively.

Asphalt and paving revenues and gross profit increased 11.7 percent and 37.9 percent, respectively.

Portfolio Optimization

During the second quarter, the Company completed the divestiture of our Stockton, California cement import terminal and terminated the agreement with CalPortland Company regarding the sale of the Tehachapi, California cement plant in light of being unable to timely obtain the necessary approval by the U.S. Federal Trade Commission. The Company is actively exploring the potential sale of Tehachapi to other interested parties. The Tehachapi cement business is classified within assets held for sale on the Company's consolidated balance sheet and the associated financial results continue to be reported as discontinued operations on the consolidated statement of earnings.

Magnesia Specialties Business

Magnesia Specialties revenues were \$80.5 million in the second quarter while gross profit increased 13.0 percent to \$27.7 million due to pricing and a moderation of energy expenses.

- MORE -

Cash Generation, Capital Allocation and Liquidity

Cash provided by operating activities for the six months ended June 30, 2023 was \$518.5 million compared with \$286.2 million for the prior-year period.

Cash paid for property, plant and equipment additions for the six months ended June 30, 2023 was \$293.4 million.

During the six months ended June 30, 2023, the Company returned \$232.5 million to shareholders through dividend payments and share repurchases. As of June 30, 2023, 12.7 million shares remained under the current repurchase authorization.

The Company had \$421.5 million of unrestricted cash and cash equivalents on hand and \$1.20 billion of unused borrowing capacity on its existing credit facilities as of June 30, 2023.

- MORE -

Full-Year 2023 Guidance

The Company's 2023 guidance excludes businesses classified as discontinued operations.

2023 GUIDANCE

<i>(Dollars in Millions)</i>	Low *	High *
Consolidated		
Total revenues ¹	\$ 6,725	\$ 6,860
Interest expense	\$ 165	\$ 170
Estimated tax rate (excluding discrete events)	21%	22%
Net earnings from continuing operations attributable to Martin Marietta	\$ 1,040	\$ 1,150
Adjusted EBITDA ²	\$ 2,000	\$ 2,100
Capital expenditures	\$ 575	\$ 625
Building Materials Business		
Aggregates		
Volume % growth ³	(5.0)%	(1.0)%
ASP % growth ⁴	17.0%	19.0%
Gross profit	\$ 1,330	\$ 1,395
Cement, Ready Mixed Concrete and Asphalt and Paving		
Gross profit	\$ 470	\$ 515
Magnesia Specialties Business		
Gross profit	\$ 100	\$ 110

* Guidance range represents the low end and high end of the respective line items provided above.

¹ Total revenues include the sales of products and services to customers (net of any discounts or allowances) and freight revenues.

² Adjusted EBITDA is a non-GAAP financial measure. See Appendix to this earnings release for a reconciliation to net earnings from continuing operations attributable to Martin Marietta.

³ Volume growth range is for aggregates shipments, inclusive of internal tons, and is in comparison to 2022 shipments of 207.7 million tons.

⁴ ASP growth is for aggregates average selling price and is in comparison to 2022 ASP of \$16.68 per ton.

- MORE -

Non-GAAP Financial Information

This earnings release contains financial measures that have not been prepared in accordance with generally accepted accounting principles in the United States (GAAP). Reconciliations of non-GAAP financial measures to the closest GAAP measures are included in the Appendix to this earnings release. Management believes these non-GAAP measures are commonly used financial measures for investors to evaluate the Company's operating performance and, when read in conjunction with the Company's consolidated financial statements, present a useful tool to evaluate the Company's ongoing operations, performance from period to period and anticipated performance. In addition, these are some of the factors the Company uses in internal evaluations of the overall performance of its businesses. Management acknowledges that there are many items that impact a company's reported results and the adjustments reflected in these non-GAAP measures are not intended to present all items that may have impacted these results. In addition, these non-GAAP measures are not necessarily comparable to similarly titled measures used by other companies.

Conference Call Information

The Company will discuss its second-quarter 2023 earnings results on a conference call and an online webcast today (July 27, 2023). The live broadcast of the Martin Marietta conference call will begin at 10:00 a.m. Eastern Time and can be accessed by dialing +1 (416) 764-8658 and using conference ID 80604974. Please dial in at least 15 minutes in advance to ensure a timely connection to the call. An online replay will be available approximately two hours following the conclusion of the live broadcast. A link to these events will be available at the Company's website. Additionally, the Company has posted Q2 2023 Supplemental Information on the **Investors** section of its website.

About Martin Marietta

Martin Marietta, a member of the S&P 500 Index, is an American-based company and a leading supplier of building materials, including aggregates, cement, ready mixed concrete and asphalt. Through a network of operations spanning 28 states, Canada and The Bahamas, dedicated Martin Marietta teams supply the resources necessary for building the solid foundations on which our communities thrive. Martin Marietta's Magnesia Specialties business provides a full range of magnesium oxide, magnesium hydroxide and dolomitic lime products. For more information, visit www.martinmarietta.com or www.magnesiaspecialties.com.

Investor Contacts:

Jennifer Park

Vice President, Investor Relations

+1 (919) 510-4736

Jennifer.Park@martinmarietta.com

Jacklyn Rooker

Director, Investor Relations

+1 (919) 510-4709

Jacklyn.Rooker@martinmarietta.com

MLM-E.

- MORE -

If you are interested in Martin Marietta stock, management recommends that, at a minimum, reading the Company's current annual report and Forms 10-K, 10-Q and 8-K reports to the Securities and Exchange Commission (SEC) over the past year. The Company's recent proxy statement for the annual meeting of shareholders also contains important information. These and other materials that have been filed with the SEC are accessible through the Company's website at www.martinmarietta.com and are also available at the SEC's website at www.sec.gov. You may also write or call the Company's Corporate Secretary, who will provide copies of such reports.

Investors are cautioned that all statements in this release that relate to the future involve risks and uncertainties, and are based on assumptions that the Company believes in good faith are reasonable but which may be materially different from actual results. These statements, which are forward-looking statements under the Private Securities Litigation Reform Act of 1995, provide the investor with the Company's expectations or forecasts of future events. You can identify these statements by the fact that they do not relate only to historical or current facts. They may use words such as "guidance", "anticipate", "may", "expect", "should", "believe", "will", and other words of similar meaning in connection with future events or future operating or financial performance. Any or all of the Company's forward-looking statements here and in other publications may turn out to be wrong.

Second-quarter results and trends described in this release may not necessarily be indicative of the Company's future performance. The Company's outlook is subject to various risks and uncertainties and is based on assumptions that the Company believes in good faith are reasonable but which may be materially different from actual results. Factors that the Company currently believes could cause actual results to differ materially from the forward-looking statements in this release (including the outlook) include, but are not limited to: the ability of the Company to face challenges, including shipment declines resulting from economic events beyond the Company's control; a widespread decline in aggregates pricing, including a decline in aggregates shipment volume negatively affecting aggregates price; the history of both cement and ready mixed concrete being subject to significant changes in supply, demand and price fluctuations; the termination, capping and/or reduction or suspension of the federal and/or state fuel tax(es) or other revenue related to public construction; the level and timing of federal, state or local transportation or infrastructure or public projects funding and any issues arising with such federal and state budgets, most particularly in Texas, Colorado, California, North Carolina, Georgia, Minnesota, Iowa, Florida, Indiana and Arizona; the United States Congress' inability to reach agreement among themselves or with the Administration on policy issues that impact the federal budget; the ability of states and/or other entities to finance approved projects either with tax revenues or alternative financing structures; levels of construction spending in the markets the Company serves; a reduction in defense spending and the subsequent impact on construction activity on or near military bases; a decline in energy-related construction activity resulting from suspension of the fuel tax or a sustained period of low global oil prices or changes in oil production patterns or capital spending, particularly in Texas and West Virginia; increasing residential mortgage interest rates and other factors that could result in a slowdown in residential construction; unfavorable weather conditions, particularly Atlantic Ocean, Pacific Ocean and Gulf of Mexico storm and hurricane activity, wildfires, the late start to spring or the early onset of winter and the impact of a drought or excessive rainfall in the markets served by the Company, any of which can significantly affect production schedules, volumes, product and/or geographic mix and profitability; the volatility of fuel costs, particularly diesel fuel and the impact on the cost, or the availability generally, of other consumables, namely steel, explosives, tires and conveyor belts, and with respect to the Company's Magnesia Specialties business, natural gas; continued increases in the cost of other repair and supply parts; construction labor shortages and/or supply-chain challenges; unexpected equipment failures, unscheduled maintenance, industrial accident or other prolonged and/or significant disruption to production facilities; the resiliency and potential declines of the Company's various construction end-use markets; the potential negative impacts of new waves of COVID-19 or its variants, or any other outbreak of disease, epidemic or pandemic, or similar public health threat, or fear of such event and its related economic and societal response; increasing governmental regulation, including environmental laws and climate change regulations; transportation availability or a sustained reduction in capital investment by the railroads, notably the availability of railcars, locomotive power and the condition of rail infrastructure to move trains to supply the Company's Texas, Colorado, Florida, Carolinas and Gulf Coast markets, including the movement of essential dolomitic lime for magnesia chemicals to the Company's plant in Manistee, Michigan and its customers; increased transportation costs, including increases from higher or fluctuating passed-through energy costs or fuel surcharges, and other costs to comply with tightening regulations, as well as higher volumes of rail and water shipments; availability of trucks and licensed drivers for transport of the Company's materials; availability and cost of construction equipment in the United States; weakening in the steel industry markets served by the Company's dolomitic lime products; trade disputes with one or more nations impacting the U.S. economy, including the impact of tariffs on the steel industry; unplanned changes in costs or realignment of customers that introduce volatility to earnings, including that of the Magnesia Specialties business that is running at capacity; proper functioning of information technology and automated operating systems to manage or support operations; inflation and its effect on both production and interest costs; the concentration of customers in construction markets and the increased risk of potential losses on customer receivables; the impact of the level of demand in the Company's end-use markets, production levels and management of production costs on the operating leverage and therefore profitability of the Company; the possibility that the expected synergies from acquisitions will not be realized or will not be realized within the expected time period, including achieving anticipated profitability to maintain compliance with the Company's leverage ratio debt covenant; changes in tax laws, the interpretation of such laws and/or administrative practices, including acquisitions or divestitures, that would increase the Company's tax rate; violation of the Company's debt covenant if price and/or volumes return to previous levels of instability; downward pressure on the Company's common stock price and its impact on goodwill impairment evaluations; the possibility of a reduction of the Company's credit rating to non-investment grade; and other risk factors listed from time to time found in the Company's filings with the SEC.

You should consider these forward-looking statements in light of risk factors discussed in Martin Marietta's Annual Report on Form 10-K for the year ended December 31, 2022 and other periodic filings made with the SEC. All of the Company's forward-looking statements should be considered in light of these factors. In addition, other risks and uncertainties not presently known to the Company or that it considers immaterial could affect the accuracy of its forward-looking statements, or adversely affect or be material to the Company. The Company assumes no obligation to update any such forward-looking statements.

- MORE -

MARTIN MARIETTA MATERIALS, INC.
Unaudited Statements of Earnings

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
	<i>(In Millions, Except Per Share Data)</i>			
Total Revenues	\$ 1,820.8	\$ 1,641.7	\$ 3,174.9	\$ 2,872.5
Total Cost of Revenues	1,260.4	1,216.5	2,311.7	2,291.2
Gross Profit	560.4	425.2	863.2	581.3
Selling, general and administrative expenses	111.6	104.1	216.0	201.2
Acquisition and integration expenses	0.4	2.9	1.2	4.3
Other operating income, net	(14.9)	(160.4)	(13.3)	(162.6)
Earnings from Operations	463.3	478.6	659.3	538.4
Interest expense	42.2	43.1	84.3	83.6
Other nonoperating income, net	(18.7)	(22.0)	(34.9)	(32.9)
Earnings from continuing operations before income tax expense	439.8	457.5	609.9	487.7
Income tax expense	91.9	104.4	127.5	110.2
Earnings from continuing operations	347.9	353.1	482.4	377.5
Earnings (Loss) from discontinued operations, net of income tax expense (benefit)	0.7	13.3	(12.2)	10.2
Consolidated net earnings	348.6	366.4	470.2	387.7
Less: Net earnings (loss) attributable to noncontrolling interests	0.3	(0.1)	0.5	(0.2)
Net Earnings Attributable to Martin Marietta	\$ 348.3	\$ 366.5	\$ 469.7	\$ 387.9
Net Earnings (Loss) Attributable to Martin Marietta				
Per Common Share:				
Basic from continuing operations	\$ 5.61	\$ 5.66	\$ 7.78	\$ 6.06
Basic from discontinued operations	0.01	0.21	(0.20)	0.16
	\$ 5.62	\$ 5.87	\$ 7.58	\$ 6.22
Diluted from continuing operations	\$ 5.60	\$ 5.65	\$ 7.76	\$ 6.04
Diluted from discontinued operations	0.01	0.21	(0.20)	0.16
	\$ 5.61	\$ 5.86	\$ 7.56	\$ 6.20
Weighted-Average Common Shares Outstanding:				
Basic	61.9	62.4	62.0	62.4
Diluted	62.1	62.5	62.2	62.6

- MORE -

MARTIN MARIETTA MATERIALS, INC.
Unaudited Operating Segment Financial Highlights

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
	<i>(Dollars in Millions)</i>			
Total revenues:				
Building Materials:				
East Group	\$ 735.1	\$ 674.5	\$ 1,264.7	\$ 1,093.3
West Group	1,005.2	885.5	1,746.3	1,620.5
Total Building Materials	1,740.3	1,560.0	3,011.0	2,713.8
Magnesia Specialties	80.5	81.7	163.9	158.7
Total	\$ 1,820.8	\$ 1,641.7	\$ 3,174.9	\$ 2,872.5
Earnings (Loss) from operations:				
Building Materials:				
East Group	\$ 227.5	\$ 210.6	\$ 336.4	\$ 238.5
West Group	239.6	274.5	334.3	317.6
Total Building Materials	467.1	485.1	670.7	556.1
Magnesia Specialties	23.3	20.3	43.9	41.8
Corporate	(27.1)	(26.8)	(55.3)	(59.5)
Total	\$ 463.3	\$ 478.6	\$ 659.3	\$ 538.4

- MORE -

MARTIN MARIETTA MATERIALS, INC.
Unaudited Product Line Financial Highlights

	Three Months Ended June 30,				Six Months Ended June 30,			
	2023		2022		2023		2022	
	Amount	% of Revenues	Amount	% of Revenues	Amount	% of Revenues	Amount	% of Revenues
<i>(Dollars in Millions)</i>								
Total revenues:								
Building Materials:								
Aggregates	\$ 1,151.4		\$ 1,057.6		\$ 2,063.3		\$ 1,814.2	
Cement	197.7		162.5		366.2		300.8	
Ready mixed concrete	271.4		226.6		491.3		517.8	
Asphalt and paving	240.9		215.7		298.8		272.5	
Less: Interproduct sales	(121.1)		(102.4)		(208.6)		(191.5)	
Total Building Materials	1,740.3		1,560.0		3,011.0		2,713.8	
Magnesia Specialties	80.5		81.7		163.9		158.7	
Consolidated total revenues	<u>\$ 1,820.8</u>		<u>\$ 1,641.7</u>		<u>\$ 3,174.9</u>		<u>\$ 2,872.5</u>	
Gross profit (loss):								
Building Materials:								
Aggregates	\$ 370.9	32.2%	\$ 307.3	29.1%	\$ 608.9	29.5%	\$ 410.0	22.6%
Cement	93.3	47.2%	50.7	31.2%	140.4	38.3%	77.5	25.8%
Ready mixed concrete	35.4	13.0%	14.6	6.4%	46.6	9.5%	36.6	7.1%
Asphalt and paving	36.5	15.2%	26.5	12.3%	16.0	5.4%	13.4	4.9%
Total Building Materials	536.1	30.8%	399.1	25.6%	811.9	27.0%	537.5	19.8%
Magnesia Specialties	27.7	34.4%	24.5	30.0%	52.7	32.1%	50.2	31.6%
Corporate	(3.4)	NM	1.6	NM	(1.4)	NM	(6.4)	NM
Consolidated gross profit	<u>\$ 560.4</u>	30.8%	<u>\$ 425.2</u>	25.9%	<u>\$ 863.2</u>	27.2%	<u>\$ 581.3</u>	20.2%

- MORE -

MARTIN MARIETTA MATERIALS, INC.
Balance Sheet Data

	June 30, 2023	December 31, 2022
	Unaudited	Audited
	<i>(In millions)</i>	
ASSETS		
Cash and cash equivalents	\$ 421.5	\$ 358.0
Restricted cash	—	0.8
Restricted investments (to satisfy discharged debt and related interest)	702.3	704.6
Accounts receivable, net	979.2	785.9
Inventories, net	954.7	873.7
Current assets held for sale	44.8	73.2
Other current assets	89.8	80.7
Property, plant and equipment, net	6,312.8	6,316.7
Intangible assets, net	4,483.3	4,497.3
Operating lease right-of-use assets, net	384.4	383.5
Noncurrent assets held for sale	325.6	372.5
Other noncurrent assets	547.8	546.7
Total assets	\$ 15,246.2	\$ 14,993.6
LIABILITIES AND EQUITY		
Current maturities of discharged long-term debt	\$ 700.0	\$ 699.1
Current liabilities held for sale	0.9	4.5
Other current liabilities	741.5	742.0
Long-term debt (excluding current maturities)	4,343.1	4,340.9
Noncurrent liabilities held for sale	17.5	21.8
Other noncurrent liabilities	2,019.8	2,012.5
Total equity	7,423.4	7,172.8
Total liabilities and equity	\$ 15,246.2	\$ 14,993.6

- MORE -

MARTIN MARIETTA MATERIALS, INC.
Unaudited Statements of Cash Flows

	Six Months Ended June 30,	
	2023	2022
	(Dollars in Millions)	
Cash Flows from Operating Activities:		
Consolidated net earnings	\$ 470.2	\$ 387.7
Adjustments to reconcile consolidated net earnings to net cash provided by operating activities:		
Depreciation, depletion and amortization	253.1	256.6
Stock-based compensation expense	27.7	24.5
Gain on sales of assets, divestitures and extinguishment of debt	(16.3)	(173.9)
Deferred income taxes, net	0.7	(32.7)
Other items, net	(4.5)	(3.4)
Changes in operating assets and liabilities, net of effects of acquisitions and divestitures:		
Accounts receivable, net	(196.2)	(252.6)
Inventories, net	(92.2)	(79.5)
Accounts payable	44.5	68.5
Other assets and liabilities, net	31.5	91.0
Net Cash Provided by Operating Activities	518.5	286.2
Cash Flows from Investing Activities:		
Additions to property, plant and equipment	(293.4)	(220.7)
Acquisitions, net of cash acquired	—	11.0
Proceeds from sales of assets and divestitures	95.5	644.4
Investments in life insurance contracts, net	4.8	1.8
Other investing activities, net	(4.2)	(3.0)
Net Cash (Used for) Provided by Investing Activities	(197.3)	433.5
Cash Flows from Financing Activities:		
Repayments of debt	—	(47.7)
Payments on finance lease obligations	(8.4)	(7.3)
Dividends paid	(82.5)	(77.0)
Repurchases of common stock	(150.0)	(50.0)
Distributions to owners of noncontrolling interest	(0.5)	—
Proceeds from exercise of stock options	0.8	0.6
Shares withheld for employees' income tax obligations	(17.9)	(25.1)
Net Cash Used for Financing Activities	(258.5)	(206.5)
Net Increase in Cash, Cash Equivalents and Restricted Cash	62.7	513.2
Cash, Cash Equivalents and Restricted Cash, beginning of period	358.8	258.9
Cash, Cash Equivalents and Restricted Cash, end of period	\$ 421.5	\$ 772.1

- MORE -

MARTIN MARIETTA MATERIALS, INC.
Unaudited Operational Highlights

	Three Months Ended June 30,			Six Months Ended June 30,		
	2023	2022	% Change	2023	2022	% Change
Total Shipments (in millions)						
Aggregates tons	54.5	57.8	(5.7)%	96.3	99.9	(3.6)%
Cement tons	1.1	1.1	0.2%	2.1	2.1	(3.2)%
Ready mixed concrete cubic yards	1.8	1.8	(1.7)%	3.3	4.2	(21.9)%
Asphalt tons	2.6	2.6	1.7%	3.1	3.3	(3.9)%
Average unit sales price by product line (including internal sales):						
Aggregates (per ton)	\$ 19.37	\$ 16.34	18.6%	\$ 19.57	\$ 16.27	20.3%
Cement (per ton)	\$ 170.46	\$ 140.00	21.8%	\$ 170.55	\$ 134.79	26.5%
Ready mixed concrete (per cubic yard)	\$ 151.75	\$ 124.51	21.9%	\$ 148.68	\$ 122.34	21.5%
Asphalt (per ton)	\$ 65.34	\$ 60.54	7.9%	\$ 65.87	\$ 60.93	8.1%

- MORE -

MARTIN MARIETTA MATERIALS, INC.
Non-GAAP Financial Measures

Earnings from continuing operations before interest; income taxes; depreciation, depletion and amortization expense; the earnings/loss from nonconsolidated equity affiliates; acquisition and integration expenses; and the nonrecurring gain on divestiture (Adjusted EBITDA) is an indicator used by the Company and investors to evaluate the Company's operating performance from period to period. Adjusted EBITDA is not defined by generally accepted accounting principles and, as such, should not be construed as an alternative to earnings from operations, net earnings attributable to Martin Marietta or operating cash flow. For further information on Adjusted EBITDA, refer to the Company's website at www.martinmarietta.com.

Reconciliation of Net Earnings from Continuing Operations Attributable to Martin Marietta to Adjusted EBITDA

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
	<i>(Dollars in Millions)</i>			
Net earnings from continuing operations attributable to Martin Marietta	\$ 347.6	\$ 353.2	\$ 481.9	\$ 377.7
Add back (Deduct):				
Interest expense, net of interest income	29.6	42.2	61.2	82.7
Income tax expense for controlling interests	91.9	104.4	127.4	110.2
Depreciation, depletion and amortization expense and earnings/loss from nonconsolidated equity affiliates	126.6	127.3	248.3	252.3
Acquisition and integration expenses	0.4	2.9	1.2	4.3
Nonrecurring gain on divestiture	—	(151.7)	—	(151.7)
Adjusted EBITDA	<u>\$ 596.1</u>	<u>\$ 478.3</u>	<u>\$ 920.0</u>	<u>\$ 675.5</u>

Reconciliation of the GAAP Measure to 2023 Adjusted EBITDA Guidance Range

	Low Point of Range	High Point of Range
	<i>(Dollars in Millions)</i>	
Net earnings from continuing operations attributable to Martin Marietta	\$ 1,040.0	\$ 1,150.0
Add back:		
Interest expense, net of interest income	150.0	155.0
Income tax expense for controlling interests	310.0	275.0
Depreciation, depletion and amortization expense and earnings/loss from nonconsolidated equity affiliates	500.0	520.0
Adjusted EBITDA	<u>\$ 2,000.0</u>	<u>\$ 2,100.0</u>

- MORE -

MARTIN MARIETTA MATERIALS, INC.
Non-GAAP Financial Measures (Continued)

Mix-adjusted average selling price (mix-adjusted ASP) is a non-GAAP measure that excludes the impact of period-over-period product, geographic and other mix on the average selling price. Mix-adjusted ASP is calculated by comparing current-period shipments to like-for-like shipments in the comparable prior period. Management uses this metric to evaluate the realization of pricing increases and believes this information is useful to investors. The following reconciles reported average selling price to mix-adjusted ASP and corresponding variances.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Aggregates:				
Reported average selling price	\$ 19.37	\$ 16.34	\$ 19.57	\$ 16.27
Adjustment for impact of product, geographic and other mix	(0.25)		(0.33)	
Mix-adjusted ASP	<u>\$ 19.12</u>		<u>\$ 19.24</u>	
Reported average selling price variance	<u>18.6%</u>		<u>20.3%</u>	
Mix-adjusted ASP variance	<u>17.0%</u>		<u>18.3%</u>	
Cement - Continuing Operations:				
Reported average selling price	\$ 170.46	\$ 140.00	\$ 170.55	\$ 134.79
Adjustment for impact of product, geographic and other mix	(0.63)		(0.61)	
Mix-adjusted ASP	<u>\$ 169.83</u>		<u>\$ 169.94</u>	
Reported average selling price variance	<u>21.8%</u>		<u>26.5%</u>	
Mix-adjusted ASP variance	<u>21.3%</u>		<u>26.1%</u>	

- END -

