Martin Marietta

MARTIN MARIETTA
DISCUSSION MATERIALS

SEPTEMBER 2024

BUILDING AND SUSTAINING A WORLD-CLASS ORGANIZATION

Statement Regarding Safe Harbor for Forward-Looking Statements

Investors are cautioned that all statements herein 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.

Non-GAAP Financial Measures

This material 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 accompanying Appendix. 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 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.

Results and Trends

Results and trends described in this Discussion Materials may not necessarily be indicative of the Company's future performance.

COMPANY OVERVIEW

Martin Marietta

MARTIN MARIETTA AT A GLANCE

COMPANY OVERVIEW (as of June 30, 2024)

9,200+
Employees

0.12
World-class
lost-time incident rate (LTIR)[1]

~75
Years of aggregates reserves at current extraction rates

BUILDING MATERIALS

~380
Aggregate Quarries, Mines and Yards

1
Cement Plant

65
Ready Mix Concrete Plants (RMC)

38
Asphalt Plants

MAGNESIA SPECIALTIES

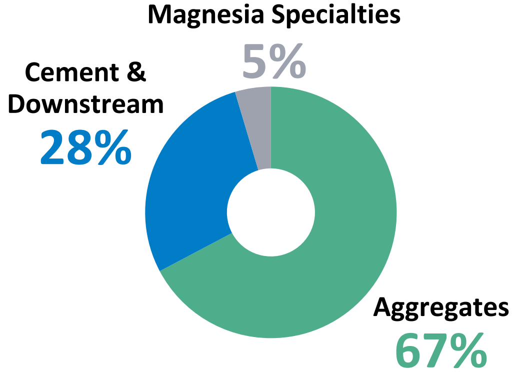
1
Lime Plant

12
Mg

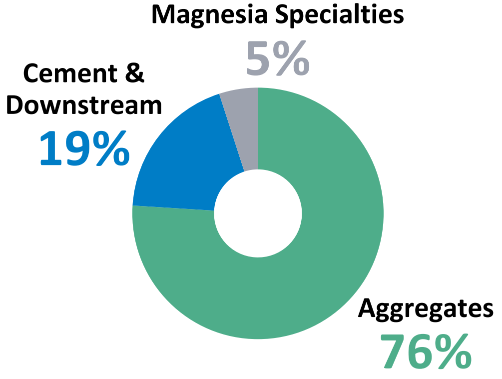
1
Magnesia Plant

PRODUCT MIX (2024 Guidance Midpoint)

TOTAL REVENUES



GROSS PROFIT



FULL YEAR 2024 GUIDANCE[2]

$6.72B	$2.10B	$2.20B
Total Revenues	Net Earnings from Continuing Operations Attributable to Martin Marietta[3]	Adjusted EBITDA[4]

Note: All metrics include the recently closed Blue Waters Industries (BWI) acquisition

1. *Safety data for the six months ended June 30, 2024; LTIR rate per 200,000 man hours worked.*
2. *Full Year 2024 Guidance as of August 8, 2024 – not an update or reaffirmation*
3. *Net earnings from continuing operations attributable to Martin Marietta includes $0.9 billion for a gain on a divestiture partially offset by a noncash asset and portfolio rationalization charge, acquisition, divestiture and integration expenses and fair market value inventory adjustment.*
4. *Adjusted EBITDA is a Non-GAAP measure. See Appendix for reconciliation to nearest GAAP measure.*

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STRATEGICALLY LOCATED IN HIGH-GROWTH MARKETS

West Division

Aggregates[1]

Asphalt (CO, CA, AZ)

Ready Mix (AZ)

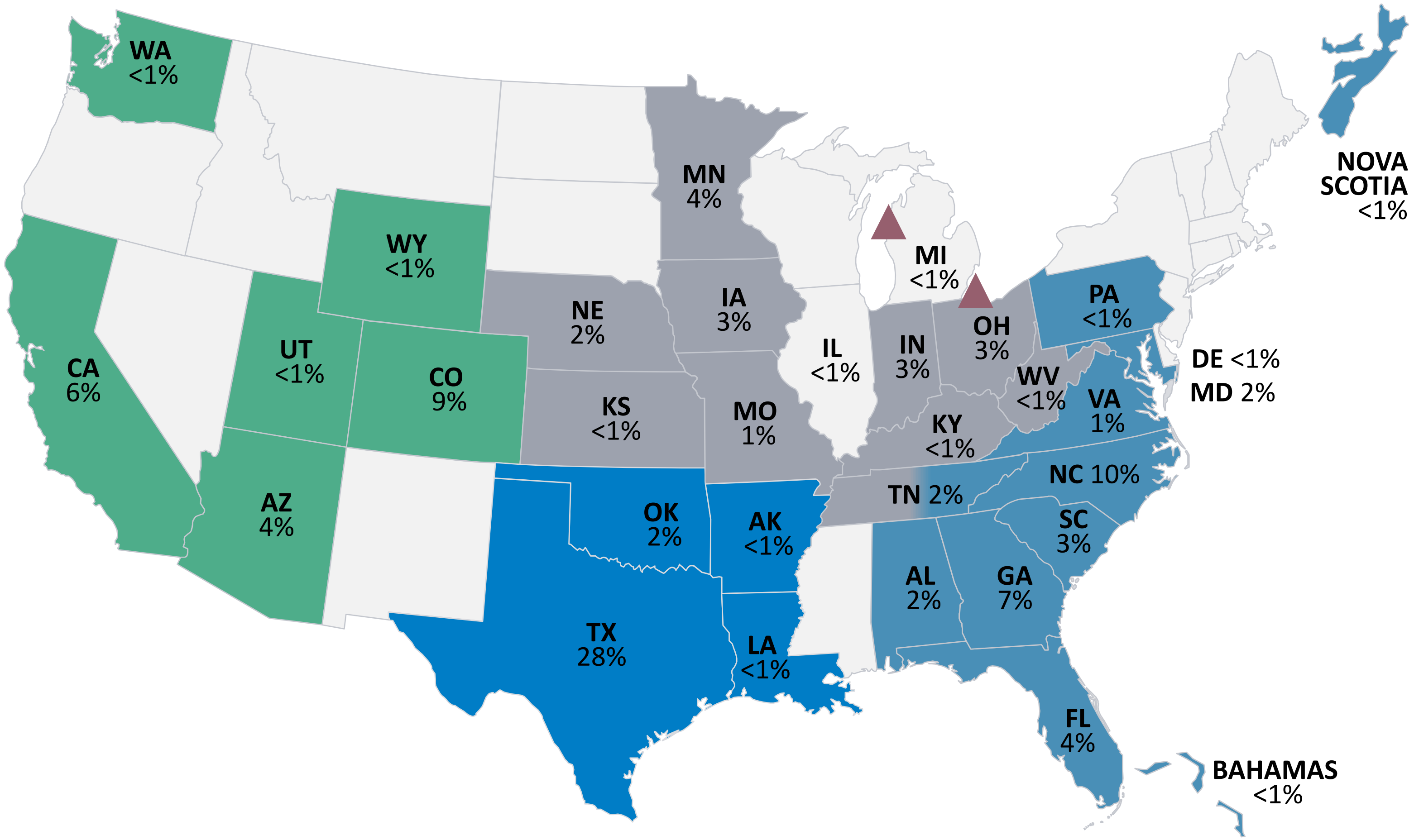
Southwest Division

Aggregates[1]

Cement (Dallas/ Fort Worth)

Ready Mix (TX)

2024 MIDPOINT GUIDANCE REVENUES BY DESTINATION



East Division

Aggregates

Central Division

Aggregates[1]

Asphalt (MN)

Magnesia Specialties

12 Mg

Dolomitic Lime & Magnesia

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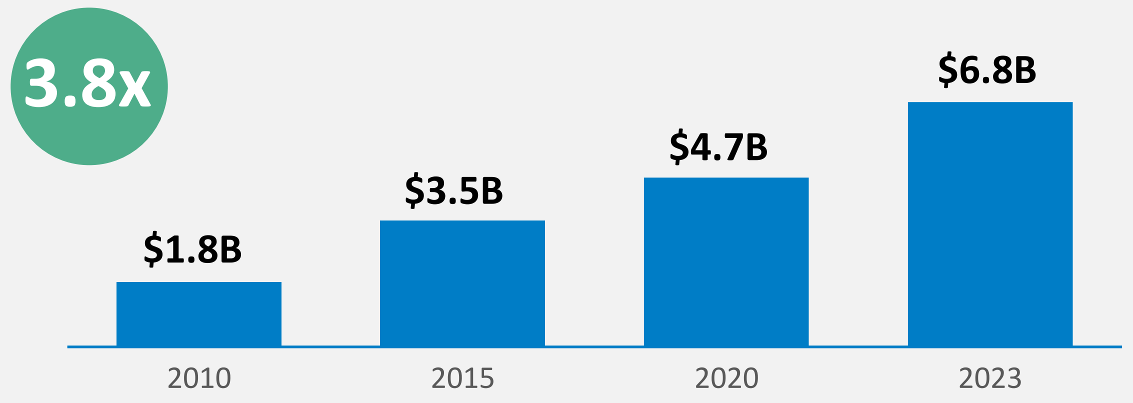
Source: Company data

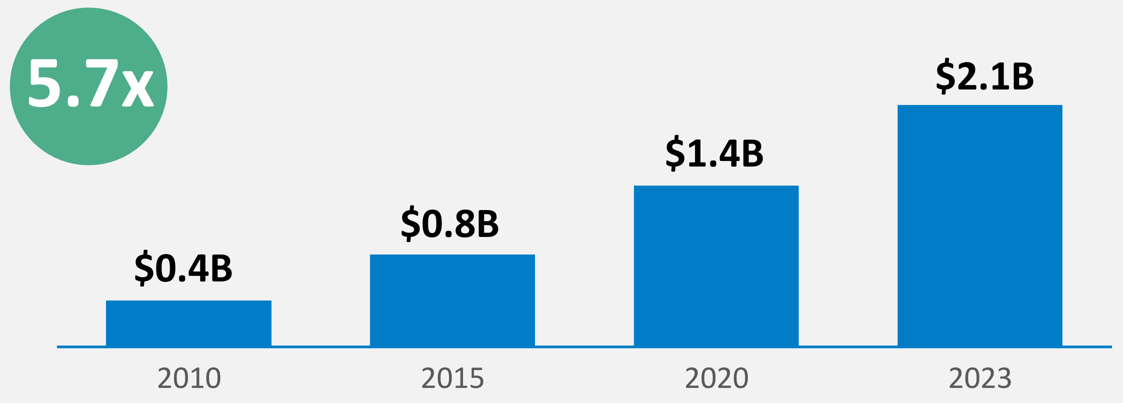
1. Includes recycled aggregates operations

OUR STRATEGIC OPERATING ANALYSIS & REVIEW (SOAR) PLAN PROVIDES A LONG TRACK RECORD OF FINANCIAL PERFORMANCE

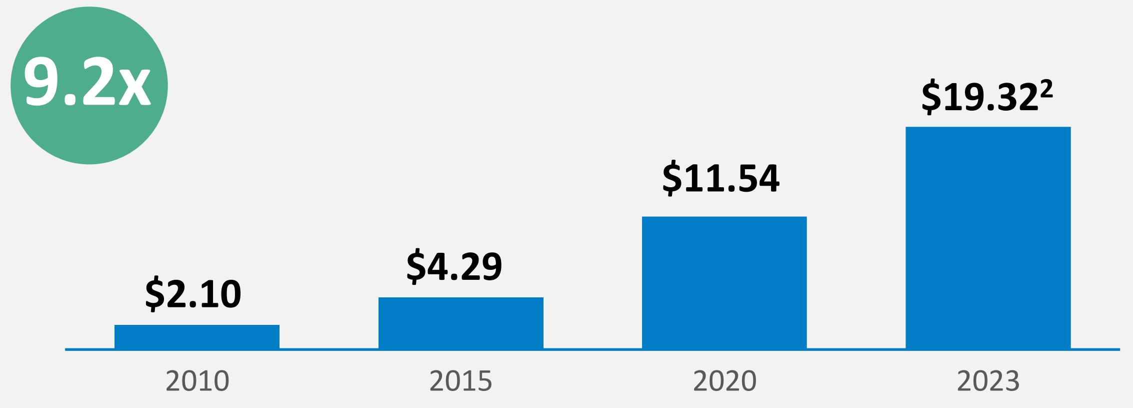
TOTAL REVENUES



ADJUSTED EBITDA



DILUTED EARNINGS PER SHARE



TOTAL SHAREHOLDER RETURNS

Martin Marietta

1. Reflects Total Shareholder Returns (TSR) with all periods ending 12/31/2023
2. Reflects Diluted Earnings Per Share from Continuing Operations

SOAR'S DISCIPLINED CAPITAL ALLOCATION APPROACH

1

Mergers & Acquisitions

MAINTAINING INVESTMENT GRADE CREDIT RATING METRICS

2

Sustaining and Growth Capital Expenditures

PRUDENT BUSINESS REINVESTMENT

3

Returns to shareholders through dividends and share repurchases

NEVER SUSPENDED OR CUT DIVIDEND

INVESTMENT HIGHLIGHTS

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INVESTMENT HIGHLIGHTS

Pricing growth through cycles drives compounding unit margins

Diversified end-market exposure reduces cyclical demand volatility

Disciplined execution of a proven strategic plan: SOAR

Strong balance sheet and significant opportunities for acquisitive growth

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AGGREGATES PRICING GROWTH THROUGH CYCLES UNDERPINS THE INVESTMENT THESIS

MARKET-BASED VALUE DRIVERS

Depleting natural resource buttressed by long-lived reserves

Barriers to entry for new supply

Limited substitute products

Value-to-weight ratio/logistical moats

COMPANY-SPECIFIC VALUE DRIVERS

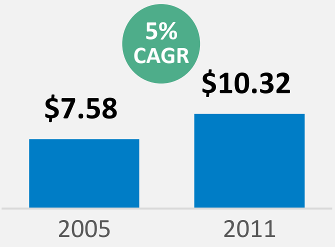
Value-over-volume commercial strategy

Flexible cash cost structure

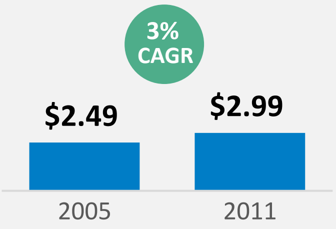
Operational excellence

PEAK-TO-TROUGH[1]

AVERAGE SELLING PRICE (ASP) [2]

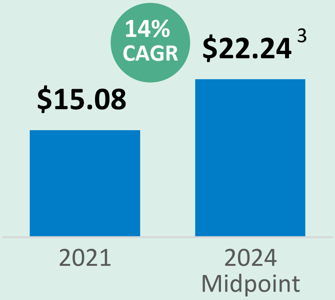


CASH GROSS PROFIT PER TON[4]

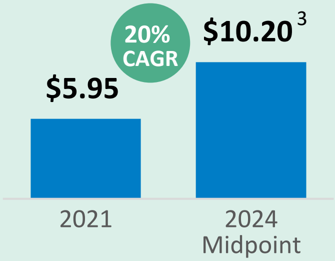


POST-COVID ACCELERATION

AVERAGE SELLING PRICE (ASP) [2]



CASH GROSS PROFIT PER TON[4]



	2005	2011	2021	2024 Midpoint
INDUSTRY TONS	3.3B	2.2B	2.7B	2.7B
% FROM PEAK	---	(34%)	(18%)	(19%)

STRUCTURALLY IMPROVED UNIT PROFITABILITY ON FEWER TONS

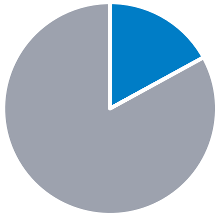
1.Peak-to-trough timeframe represents peak Martin Marietta aggregates shipments in 2005 and Great Recession industry trough in 2011.
2.Actual prices are determined locally based on a variety of factors
3.2024 ASP and 2024 Cash Gross Profit Per Ton reflects midpoint of full-year 2024 guidance as of August 8, 2024 – not updating or reaffirming
4.Cash gross profit per ton is a Non-GAAP measure. See Appendix for reconciliation to nearest GAAP measure.
Source: U.S. Geological Survey (USGS) for industry tons; USGS converted to short tons

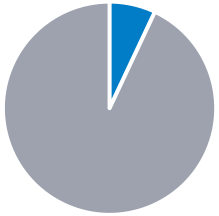
AGGREGATES REPRESENT A FRACTION OF THE COST OF CONSTRUCTION

CLEAN STONE
PRICING SENSITIVITY

$1/TON
PRICE INCREASE

	MARGINAL IMPACT ON DOWNSTREAM COST	CLEAN STONE AS % OF TOTAL COST OF GOODS SOLD
RMC	**$0.90 / Yd³** **+0.6%** increase required in RMC ASP to pass through $1/ton of clean stone price	~17%
ASPHALT	**$0.20 / Ton** **+0.3%** increase required in Hot Mix Asphalt ASP to pass through $1/ton of clean stone price	~7%





Downstream cost profile for illustrative purposes only

DIVERSIFIED END MARKET EXPOSURE AND PUBLIC FUNDING REDUCES CYCLICAL DEMAND VOLATILITY

INFRASTRUCTURE

~35% of Total Shipments[1]

Public Funding

- Federal (IIJA)
- State Department of Transportation (DOT)

NONRESIDENTIAL

~36% of Total Shipments[1]

Public / Private Funding

- Schools, healthcare and municipal facilities
- Heavy industrial, retail and commercial

RESIDENTIAL

~24% of Total Shipments[1]

Private Funding

- Single-family and multi-family development

STABLE DEMAND (Infrastructure)

CYCLICAL DEMAND (Nonresidential, Residential)

1. Reflects aggregates shipments to each end use for the six-months ended June 30, 2024

SOAR GROWTH PILLARS PROVIDE FRAMEWORK FOR CAPITAL DEPLOYMENT

Drive profitable materials growth while maximizing shareholder value

ORGANIC GROWTH	INORGANIC GROWTH	PORTFOLIO OPTIMIZATION
Commercial Excellence	Bolt-on Acquisitions	Asset Swaps / Divestitures
Growth Capital Investments	New Market Expansion	Monetize Surplus & Excess Land
Operational Excellence		

STRONG BALANCE SHEET AND UNRIVALED OPPORTUNITIES FOR ATTRACTIVE ACQUISITIVE GROWTH

FAVORABLE LEVERAGE POSITION

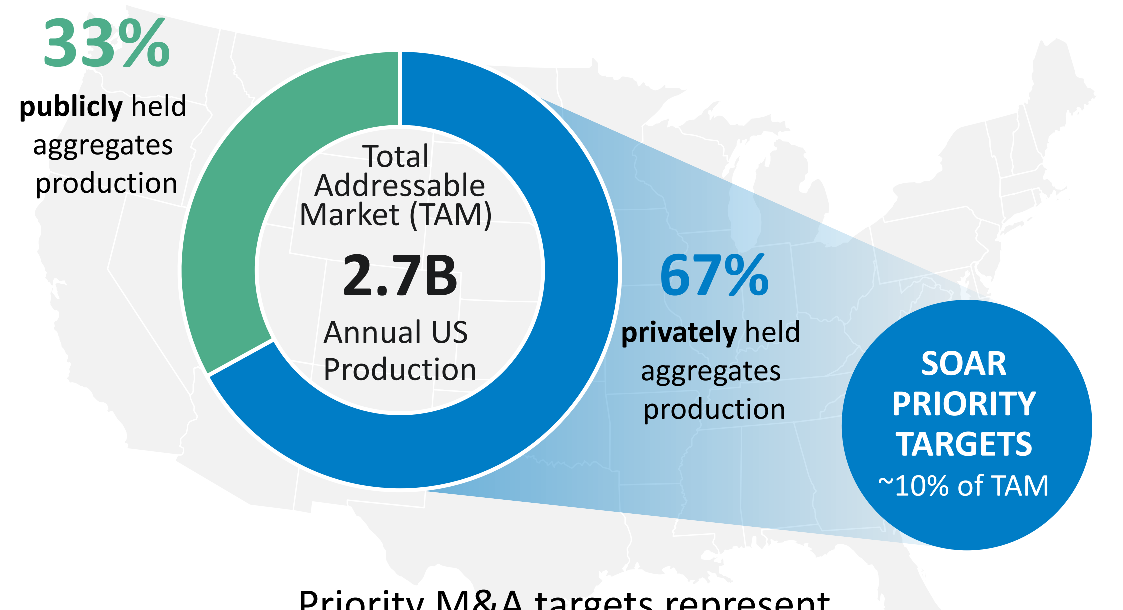
BBB+
Credit Rating

2.0x
Net Leverage Ratio as of June 30, 2024

~$4-5 BILLION

Acquisition firepower while maintaining Investment Grade rating leverage parameters

ROBUST AND ACTIVE M&A PIPELINE IN FRAGMENTED INDUSTRY



Priority M&A targets represent
~235 MILLION TONS
of incremental annual production

Source: USGS and management estimates; USGS converted to short tons

END USE OUTLOOK

WHAT WE ARE TRACKING - INFRASTRUCTURE

FEDERAL

$74B
FY 2024 Total Federal Highway Investment

$53B
CHIPS Act Funding for Semiconductor Research, Development, and Manufacturing

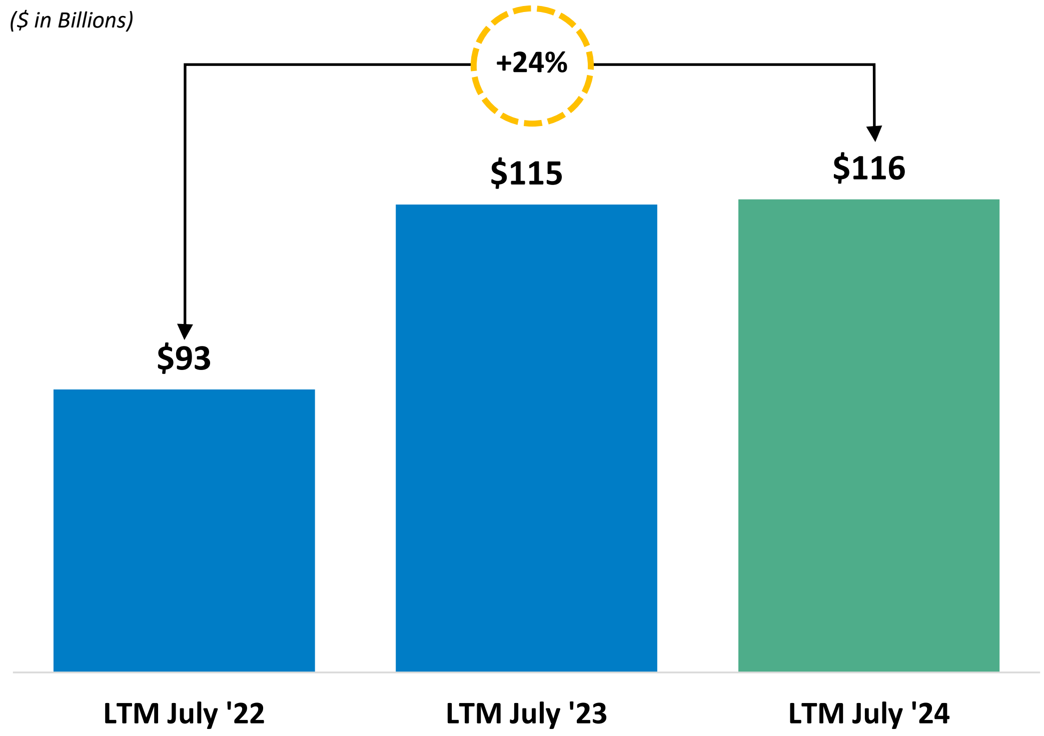
$250B
Green Energy Tax Credits from the Inflation Reduction Act (Wind, Solar, Nuclear)

FY 2025 DOT BUDGET IN KEY STATES

Texas	North Carolina	Colorado	California	Georgia
$19B	$8B	$2B	$18B	$4B

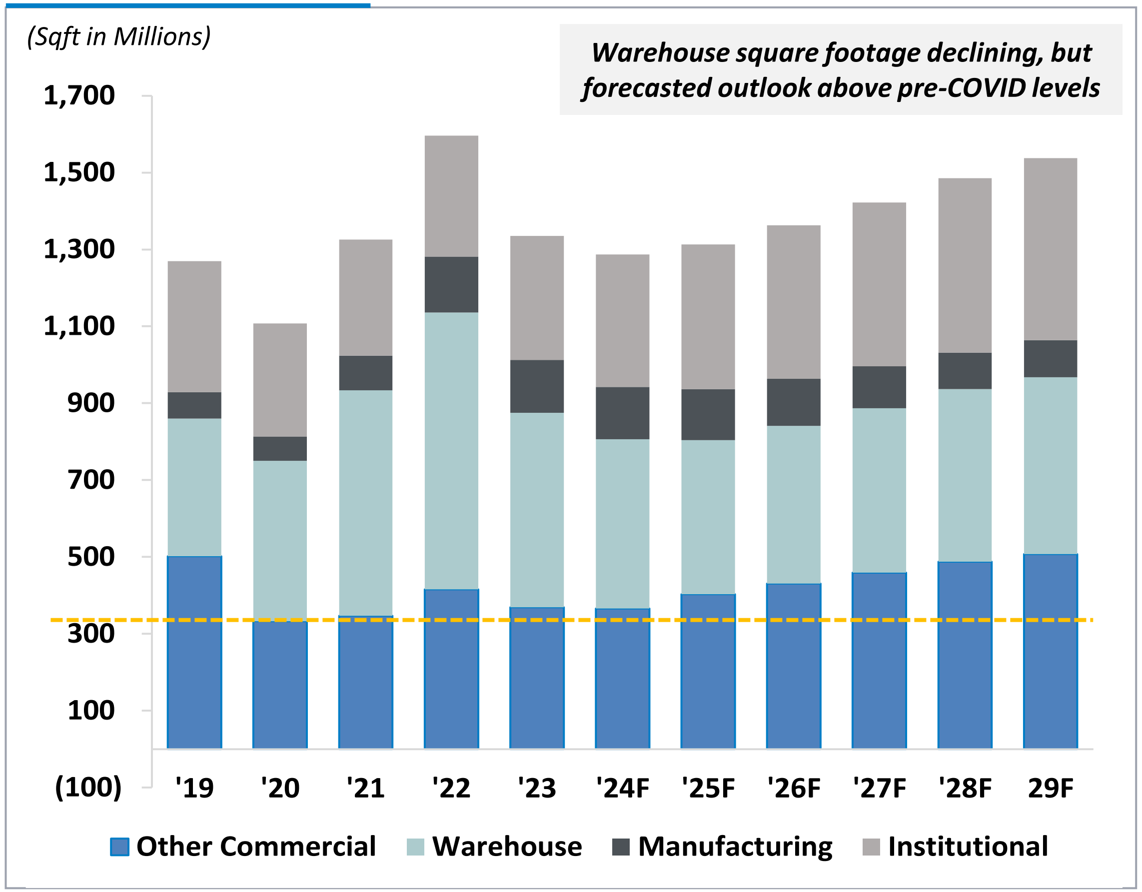
CONTRACT AWARDS REMAIN ROBUST

While highway, bridge and tunnel contract awards for the twelve-month period ending July 31, 2024, are up modestly 1%, infrastructure investment is predicted to remain well above historical levels.

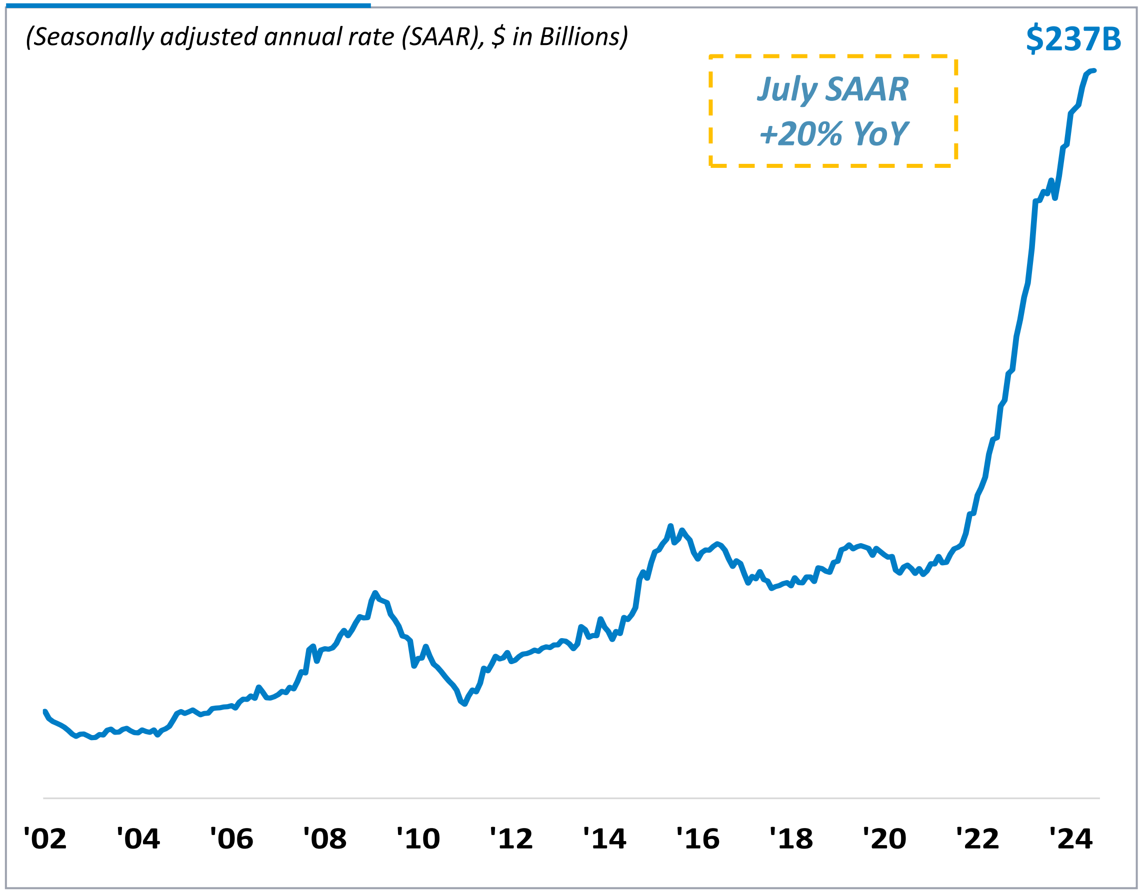


WHAT WE ARE TRACKING – NONRESIDENTIAL

DODGE NONRESIDENTIAL SQUARE FOOTAGE STARTS



MANUFACTURING CONSTRUCTION INVESTMENT



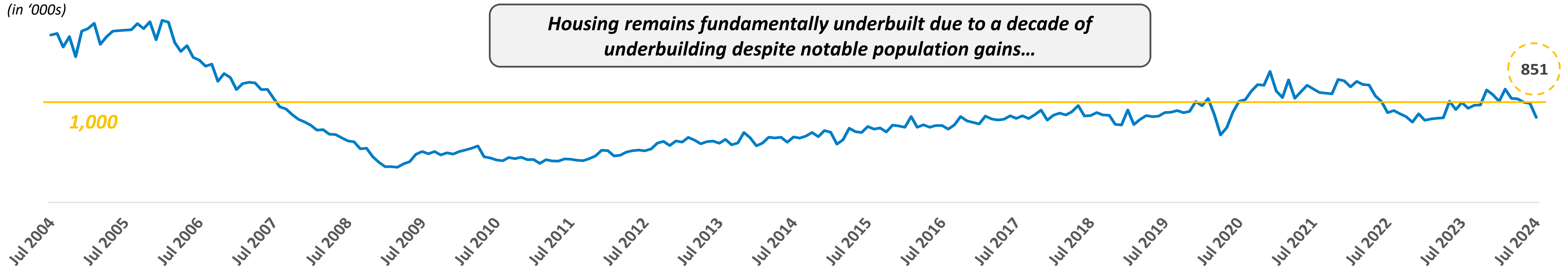
Source: Dodge Data & Analytics, FRED Economic Data

NONRESIDENTIAL ACTIVITY VARIES BY SECTOR

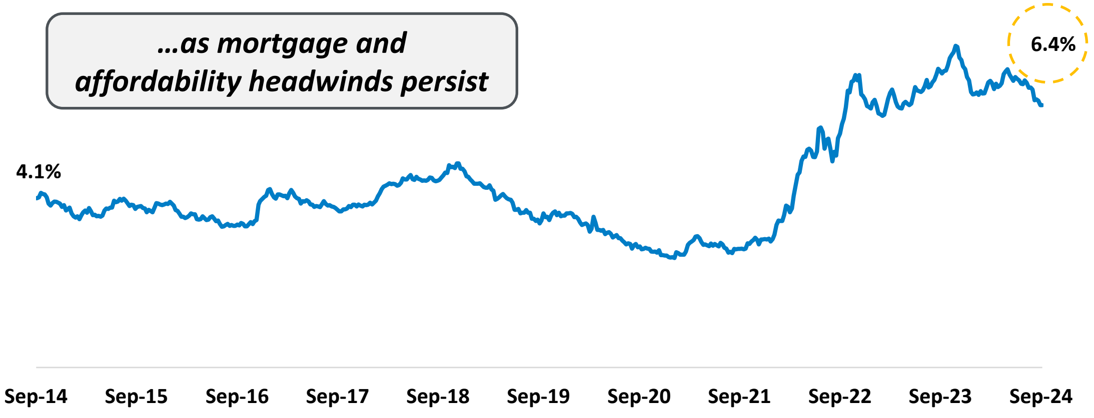
CATEGORIES	OUTLOOK	COMMENTARY
Manufacturing	Green	• Reshoring of U.S.-based manufacturing of critical products (e.g., automotive, batteries, semiconductors and pharmaceuticals) support product demand
Energy	Green	• Energy projects along the Gulf Coast continue to drive demand • Renewable energy project tailwinds supported by Inflation Reduction Act credits • Expected energy infrastructure investment required to support Artificial Intelligence (AI) data centers
Warehouses	Red	• Warehouse demand continues to decline; however, square footage starts are forecasted to sustain above pre-COVID levels
Data Centers	Green	• Long-term cloud trends remain positive • AI infrastructure build out in early innings
Light Commercial	Yellow	• Restrictive monetary policy and office vacancy rates continue to pressure this interest rate-sensitive sector

WHAT WE ARE TRACKING – RESIDENTIAL

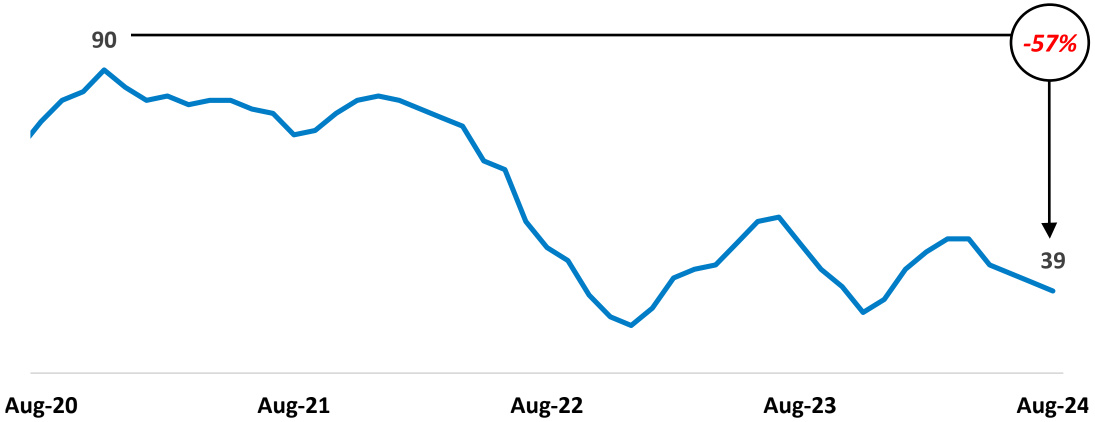
SINGLE-FAMILY HOUSING STARTS



30-YEAR FIXED MORTGAGE RATES



NAHB HOUSING MARKET INDEX



Source: Federal Reserve Economic Data, U.S. Census Bureau and National Association of Home Builders (NAHB)


SOAR 2025 PROGRESS
SOAR 2025
Martin Marietta

SOAR 2025 CAPITAL DEPLOYMENT CONSISTENT WITH CAPITAL ALLOCATION PRIORITIES

1

Mergers & Acquisitions

$5.7 BILLION[1]

2

Sustaining and Growth Capital Expenditures

$1.9 BILLION[1]

3

Returns to shareholders through dividends and share repurchases

$1.3 BILLION[1]

1.Reflects capital deployment for the period 1/1/2021 – 6/30/2024

2024 GUIDANCE

Martin Marietta

Note: 2024 Guidance as of August 8, 2024 – not an update or reaffirmation

2024 GUIDANCE SUMMARY[1]

Note: all percentages below represent change over prior year

KEY DRIVERS

- Revised full-year 2024 Adjusted EBITDA[2] of **$2.2B at the midpoint** reflects weather-impacted first-half results and revised second-half shipment expectations due to weather and uncertainty relative to demand softening in private construction markets
- Aggregates ASP guidance of **+11%** to **+13%**

CONSOLIDATED FINANCIAL HIGHLIGHTS

$6.72B
Total Revenues
-1%

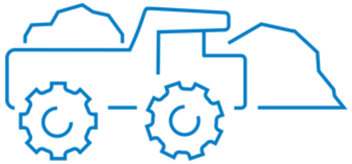
$2.10B
Net Earnings from Continuing Operations Attributable to Martin Marietta[3,4]
+75%

$2.20B
Adjusted EBITDA[2]
+3%

AGGREGATES

194M
Shipment Tons
-2.5%

$1.57B
Gross Profit[4]
+14%

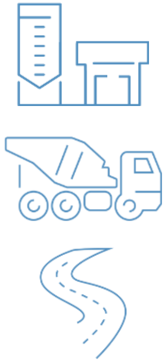


$22.24
ASP
+12%

$8.08
Gross Profit Per Shipped Ton[4]
+17%

OTHER PRODUCTS AND SERVICES

Cement and Downstream
$392M
Gross Profit
-28%[5]



12
Mg

Magnesia Specialties
$105M
Gross Profit
+8%

2024 figures based on midpoint of full-year guidance included in Q2 2024 Earnings Release

1. *2024 Guidance as of August 8, 2024 – not an update or reaffirmation*
2. *Adjusted EBITDA is a Non-GAAP financial measure; see Appendix for reconciliation to nearest GAAP measure.*
3. *Net earnings from continuing operations attributable to Martin Marietta include $0.9 billion for a nonrecurring gain on a divestiture partially offset by acquisition, divestiture and integration expenses, impact of selling acquired inventory after its markup to fair value as part of acquisition accounting and a noncash asset and portfolio rationalization charge.*
4. *Net earnings from continuing operations attributable to Martin Marietta, aggregates gross profit and aggregates gross profit per shipped ton include a $20 million, or $0.10 per ton, impact of selling acquired inventory after its markup to fair market value as part of acquisition accounting.*
5. *Cement and downstream gross profit decrease of 28% is primarily due to the February 2024 divestiture of the South Texas cement plant and related concrete operations.*

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APPENDIX

Martin Marietta

ADJUSTED EBITDA

$ in Millions

	Year Ended Dec 31, 2010	Year Ended Dec 31, 2015	Year Ended Dec 31, 2020	Year Ended Dec 31, 2023	Year Ended Dec 31, 2024 (Midpoint Guidance)
Net earnings from continuing operations attributable to Martin Marietta	$97	$289	$721	$1,200	$2,098
Add back (Deduct):					
Interest expense, net of interest income	69	76	118	119	135
Income tax expense for controlling interests	29	125	168	292	625
Depreciation, depletion and amortization expense and earnings/loss from nonconsolidated equity affiliates	180	261	386	505	566
Acquisition, divestiture and integration expenses	-	-	-	12	37
Impact of selling acquired inventory after its markup to fair value as part of acquisition accounting	-	-	-	-	20
Nonrecurring gain on divestiture	-	-	-	-	(1,331)
Noncash asset and portfolio rationalization charge	-	-	-	-	50
Adjusted EBITDA	**$375**	**$751**	**$1,393**	**$2,128**	**$2,200**
Total Revenues	$1,783	$3,540	$4,730	$6,777	$6,720
Adjusted EBITDA Margin	**21%**	**21%**	**29%**	**31%**	**33%**

Earnings from continuing operations before interest; income taxes; depreciation, depletion and amortization expense; the earnings/loss from nonconsolidated equity affiliates; effective January 1, 2024, for transactions with at least $2 billion in consideration and transaction expenses expected to exceed $15 million, acquisition, divestiture and integration expenses and the impact of selling acquired inventory after its markup to fair value as part of acquisition accounting; nonrecurring gain on divestiture; and noncash asset and portfolio rationalization charge (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 GAAP and, as such, should not be construed as an alternative to earnings from operations, net earnings or operating cash flow.

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AGGREGATES CASH GROSS PROFIT PER TON

In Millions, except Per Ton

	Year Ended Dec 31, 2005[1]	Year Ended Dec 31, 2011[1]	Year Ended Dec 31, 2021[1]	Year Ended Dec 31, 2024 (Midpoint Guidance)
Aggregates gross profit	$390	$223	$908	$1,565[2]
Add back:				
Depreciation, depletion and amortization	118	153	289	412
Cash Gross Profit	**$508**	**$376**	**$1,197**	**$1,977**
Shipments (tons)	204	126	201	194[2]
Cash Gross Profit per Ton	**$2.49**	**$2.99**	**$5.95**	**$10.20**

Aggregates cash gross profit per ton is an indicator used by the Company and investors to evaluate the Company's operating performance from period to period.

Cash gross profit adds back noncash charges for depreciation, depletion and amortization to gross profit.

Cash gross profit is not defined by generally accepted accounting principles and, as such, should not be construed as an alternative to gross profit or other earnings or cash flow measures defined by GAAP.

Aggregates cash gross profit per ton is computed by dividing aggregates cash gross profit by tons shipped.

1.Aggregates gross profit, depreciation, depletion and amortization expense and shipments for the periods ended December 31, 2005, December 31, 2011, and December 31, 2021, were reclassified to reflect current reporting methodology.
2.Aggregates gross profit, cash gross profit and cash gross profit per ton includes $20 million, or $0.10 per ton, impact of selling acquired inventory after its markup to fair value as part of acquisition accounting, which was fully realized in the quarter ended June 30, 2024.

NET LEVERAGE AT JUNE 30, 2024

$ in Millions

	12-Month Period Jul 1, 2023 to Jun 30, 2024
Net earnings from continuing operations attributable to Martin Marietta	$2,058
Add back (Deduct):	
Interest expense, net of interest income	105
Income tax expense for controlling interests	609
Depreciation, depletion and amortization expense and earnings/loss from nonconsolidated equity affiliates	524
Acquisition, divestiture and integration expenses[1]	48
Nonrecurring gain on divestiture	(1,331)
Noncash asset and portfolio rationalization charge	50
Impact of selling acquired inventory after markup to fair value as part of acquisition accounting[1]	20
Consolidated Adjusted EBITDA	**$2,083**
Consolidated debt at June 30, 2024	$4,347
Less: Unrestricted cash at June 30, 2024	(109)
Consolidated net debt at June 30, 2024	**$4,238**
Consolidated net debt to Consolidated Adjusted EBITDA at June 30, 2024, for the trailing-12 months consolidated Adjusted EBITDA	**2.0 times**

[1] *Effective January 1, 2024, the Company has elected to add back, for purposes of its Adjusted EBITDA calculation, acquisition, divestiture and integration expenses and the impact of selling acquired inventory after its markup to fair value as part of acquisition accounting (the Inventory Markup) only for transactions with consideration of $2.0 billion or more and expected acquisition, divestiture and integration expenses of at least $15 million.*

Consolidated net debt to consolidated Adjusted EBITDA at June 30, 2024, for the trailing-12 months, is a non-GAAP measure.

Management uses this ratio to assess its capacity for additional borrowings. The calculation in the table is not intended to be a substitute for the Company's leverage covenant under its credit facility.