Martin Marietta

Q2 2020

Supplemental Information*

July 28, 2020

** All the information provided in these slides is qualified in its entirety by reference to the Company's filings with the Securities and Exchange Commission (SEC), which are available on both our own and the SEC websites.*

DISCLAIMER

Statement Regarding Safe Harbor for Forward-Looking Statements

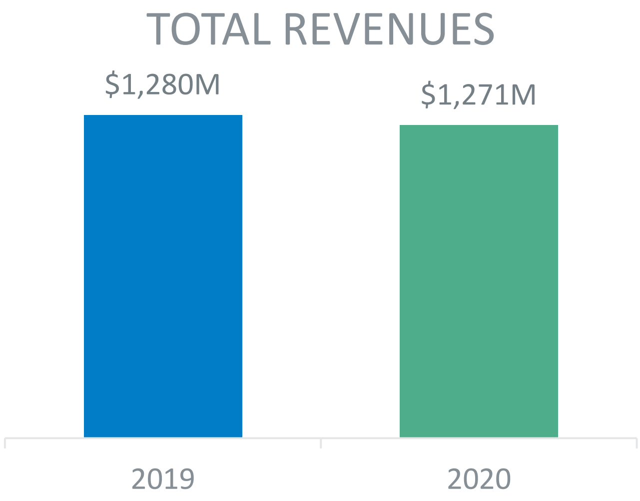
This presentation may contain forward-looking statements – that is, information related to future, not past, events. Like other businesses, Martin Marietta (the “Company”) is subject to risks and uncertainties that could cause its actual results to differ materially from its projections or that could 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 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.

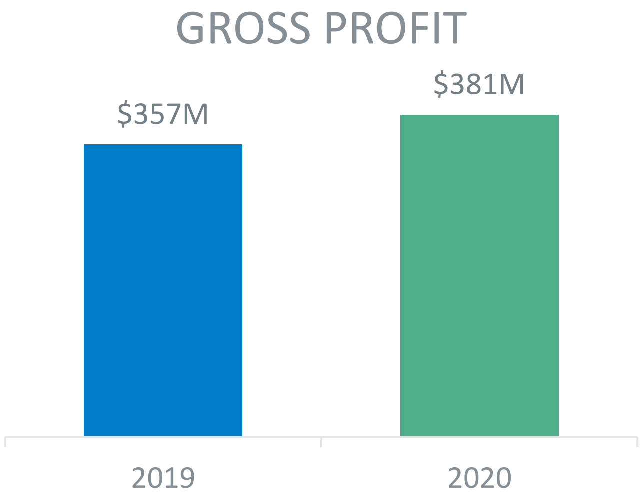
Non-GAAP Financial Measures

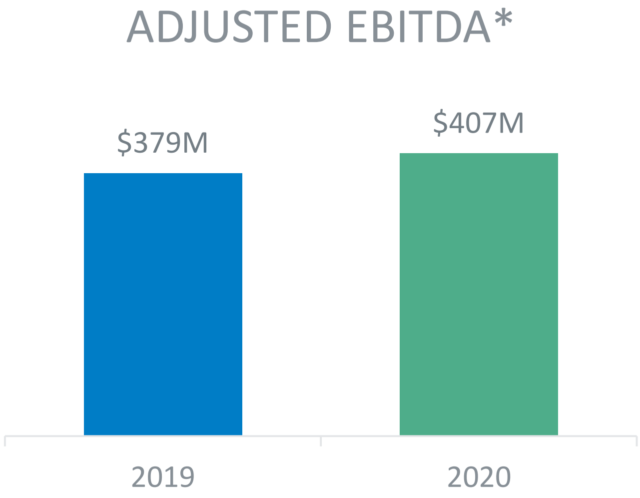
These slides contain certain “non-GAAP financial measures” which are defined in the Appendix. Reconciliations of non-GAAP measures to the closest GAAP measures are also provided in the Appendix. Management believes these non-GAAP measures are commonly used financial measures for investors to evaluate 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 used in internal evaluation of the overall performance of its businesses. Management acknowledges 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.

Q2 2020
REVIEW

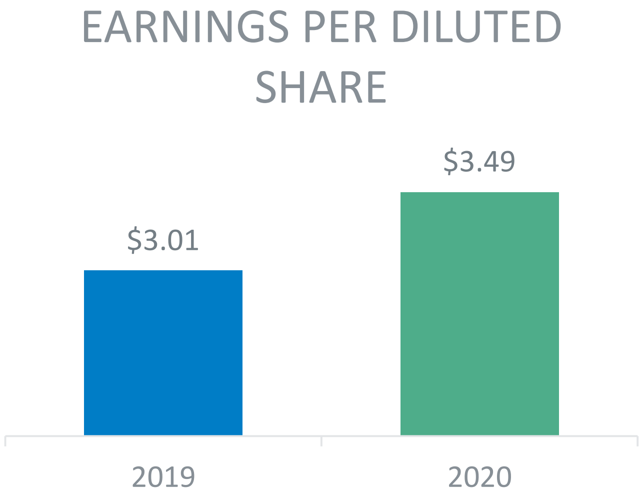
SECOND-QUARTER HIGHLIGHTS







*Adjusted EBITDA is a non-GAAP financial measure. See slide 15 for reconciliation to nearest GAAP measure.

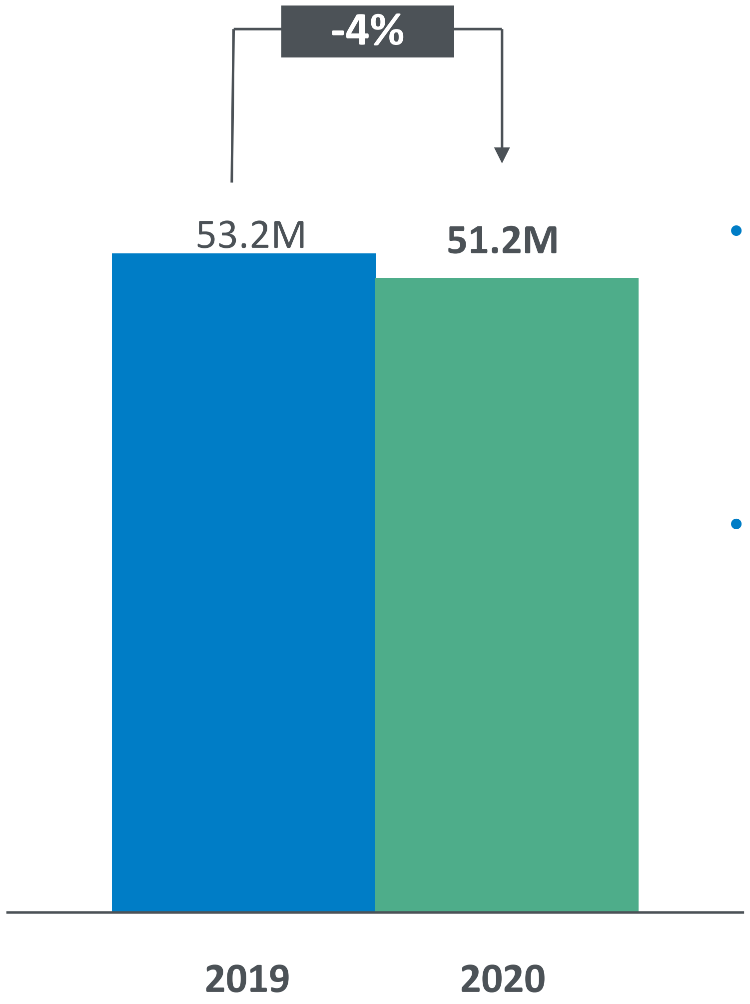


- Established **new profitability records** on slightly lower revenues, driven by improved pricing and cost management across the Building Materials business
- Product demand for the Building Materials business remained strong, notwithstanding localized weather headwinds, energy-sector declines and broader uncertainties from COVID-19
- Expanded consolidated gross margin 200 basis points
- Magnesia Specialties business experienced more pronounced COVID-19 impacts
  - Segment product revenues declined 31 percent, reflecting lower demand for chemicals and lime products
  - Product gross margin of 37 percent

Note: Second-quarter results and trends described in this Supplemental Information may not be indicative of the Company's future performance.

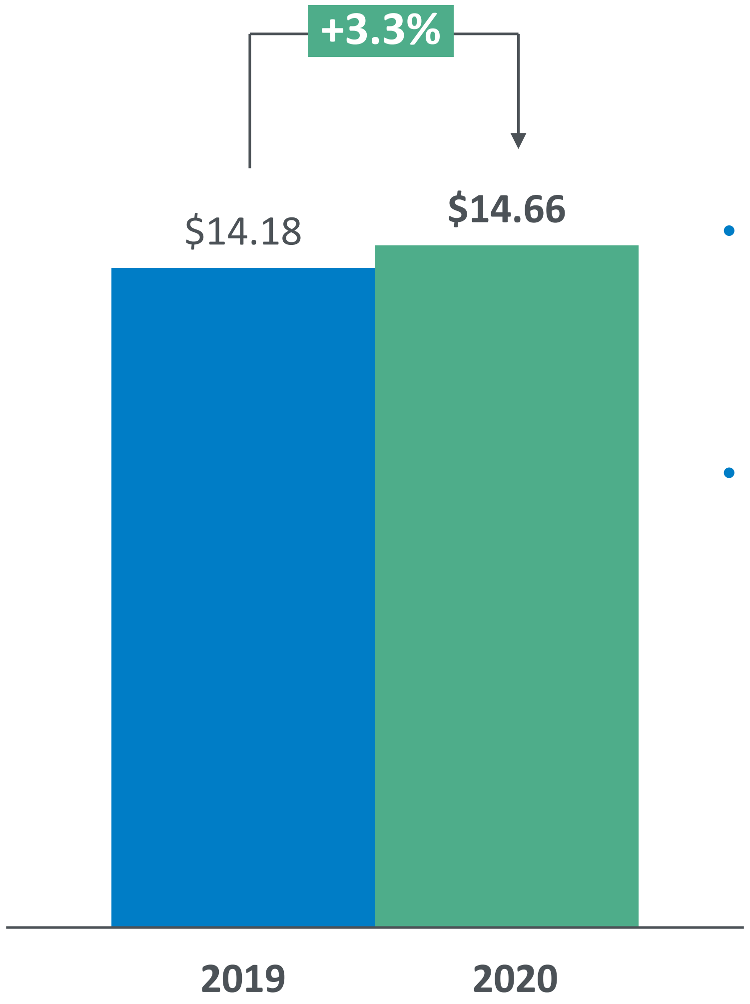
AGGREGATES PERFORMANCE (SECOND-QUARTER RESULTS)

SHIPMENTS (tons)



- **Strong product demand in key Martin Marietta geographies,** most notably in North Texas, Colorado, Georgia, Florida and Indiana
- **Tough prior-year comparison** as Q2 2019 benefited from carryover work from an extraordinarily wet 2018, sizeable energy-sector projects and Midwest flooding repair activity

PRICE



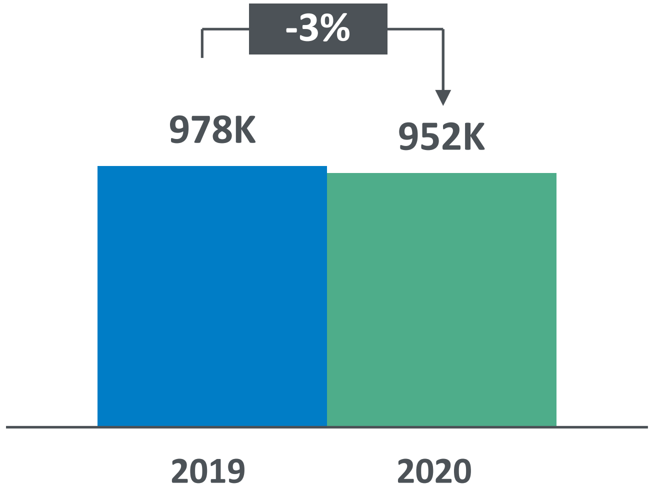
- Pricing **gains across all divisions** demonstrated disciplined execution of **locally-driven pricing strategy**
- Full-year 2020 pricing expected to **increase 3 percent to 4 percent,** slightly below the Company's pre-COVID-19 forecast, largely due to year-over-year geographic and product mix fluctuations

CEMENT AND DOWNSTREAM PERFORMANCE (SECOND-QUARTER RESULTS)

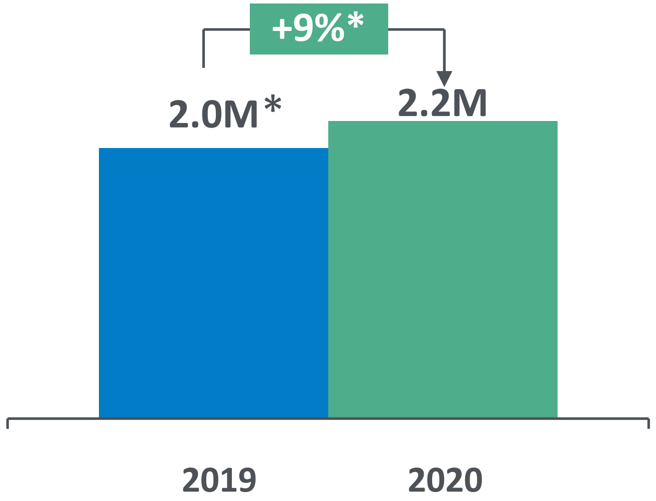
CEMENT | READY MIXED CONCRETE | ASPHALT

SHIPMENTS

CEMENT

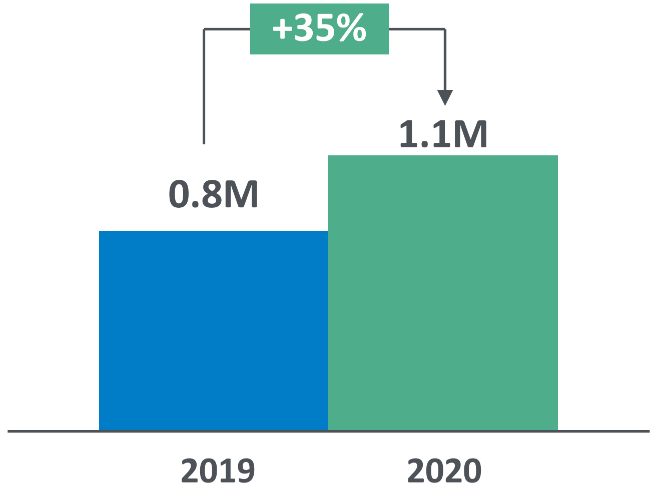


READY MIXED CONCRETE



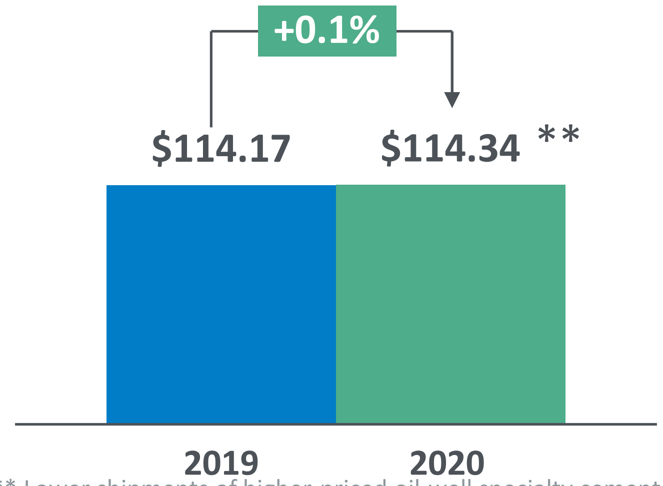
*Shipments and volume variance have been adjusted to exclude the Arkansas, Louisiana and eastern Texas ready mixed concrete business that was divested in January 2020. See slide 16 for reconciliation.

ASPHALT



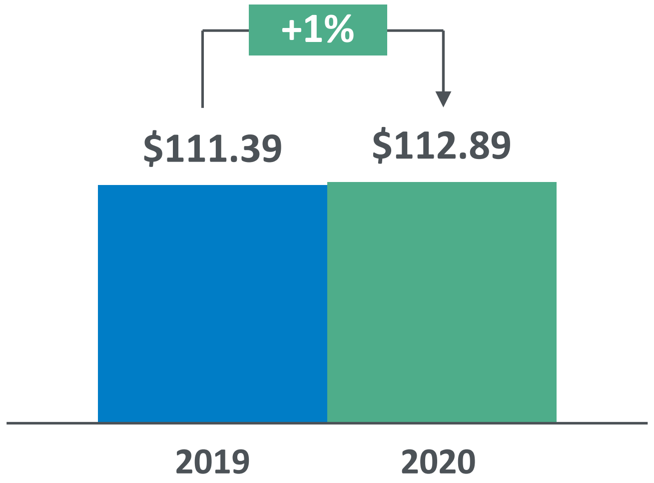
PRICE

CEMENT

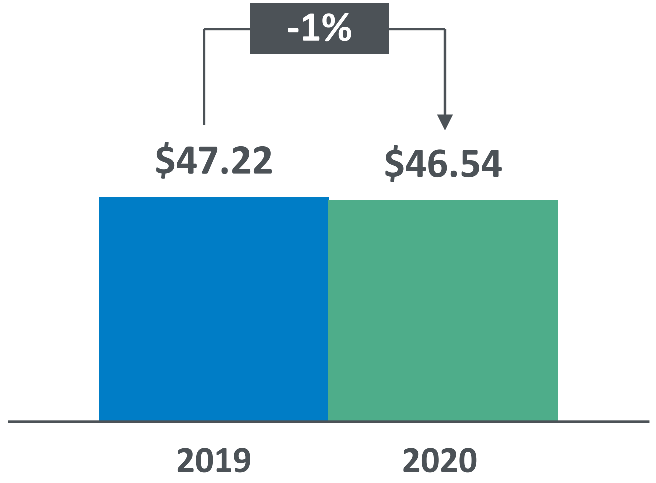


** Lower shipments of higher-priced oil-well specialty cement products to West Texas limited overall pricing growth. Cement prices in North and South Texas increased 4 percent.

READY MIXED CONCRETE



ASPHALT



Consolidated gross margin expanded 200 basis points.

Aggregates product gross margin expanded 230 basis points to 35.5 percent, an all-time record, largely driven by pricing gains, production efficiencies and lower diesel fuel costs.

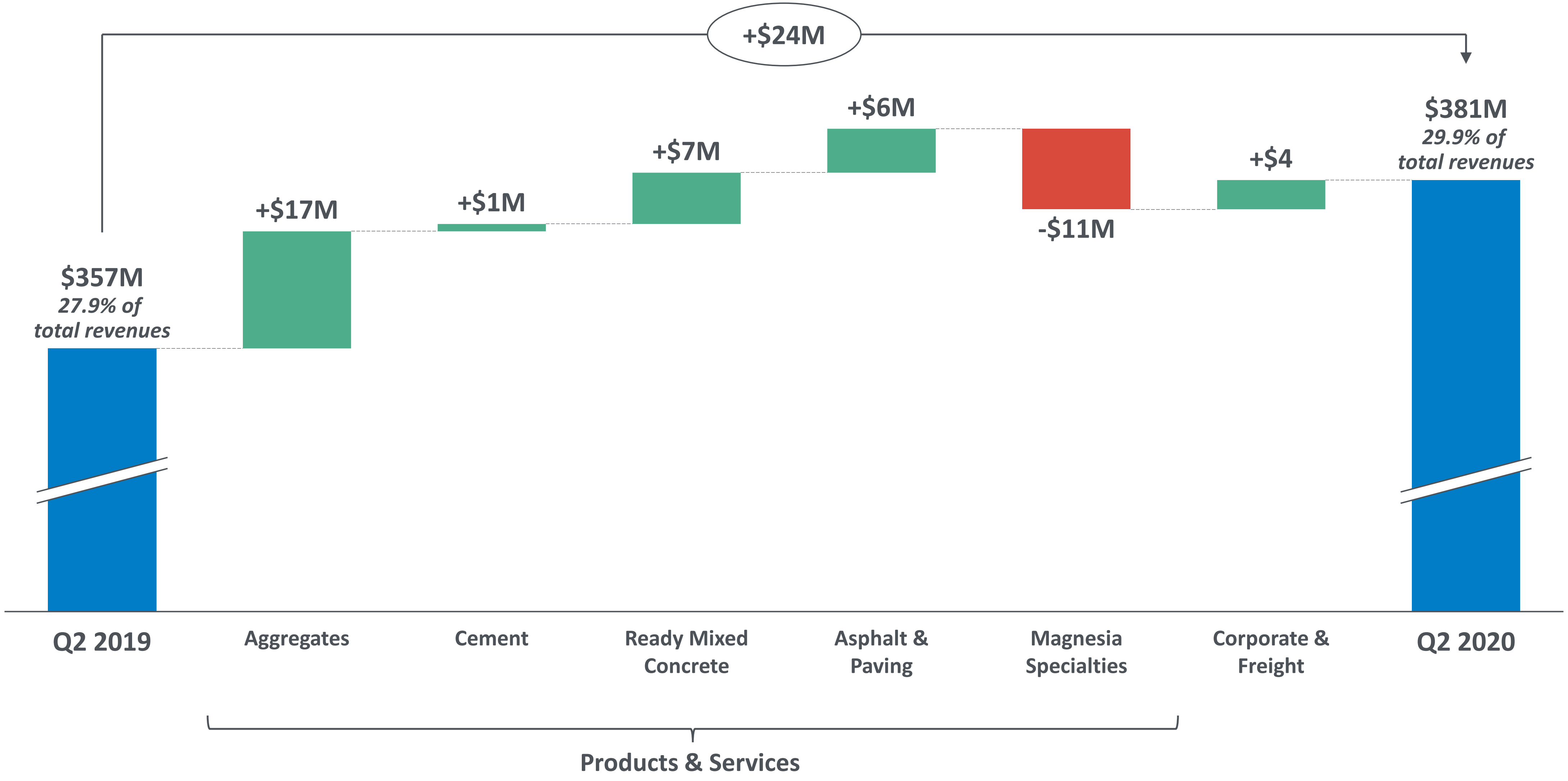
Cement product gross margin expansion of 210 basis points to 39.7 percent reflected improved kiln reliability and lower fuel costs.

Ready mixed concrete product gross margin improved 270 basis points, driven by increased shipments and pricing, as well as lower delivery costs.

Asphalt and paving delivered record gross profit.

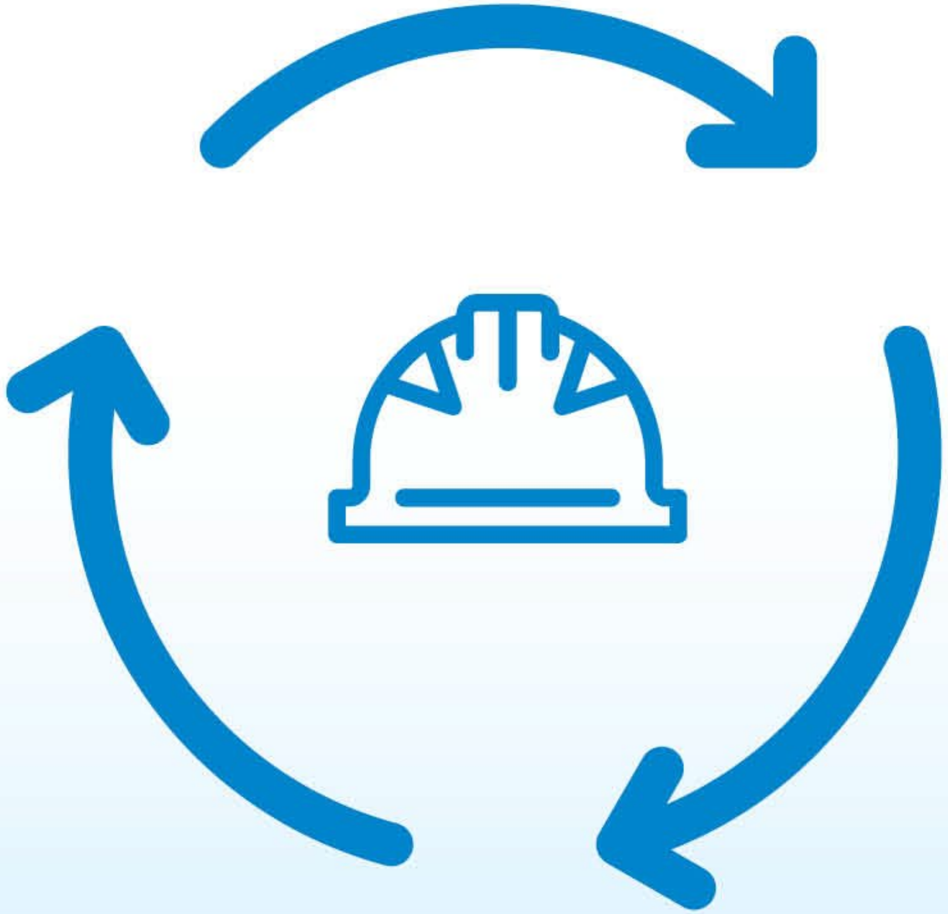
Magnesia Specialties business product gross margin declined 420 basis points on a 31-percent-decrease in product revenues.

GROSS PROFIT (SECOND-QUARTER RESULTS)



COMPANY OUTLOOK

MARTIN MARIETTA DEMAND OUTLOOK



- Martin Marietta, along with most of our customers, has operated as a designated **"essential business"** through the COVID-19 shutdowns and subsequent phases.

- Despite the Company's strong shipments through the first half of the year, the **industry will likely experience a gradual, although not precipitous, temporary decline in product demand over the next few quarters due to the pandemic**. The degrees of decline and recovery will vary by end use and geography and will be influenced by the timing and scope of near-term federal stimulus measures, a longer-term reauthorized infrastructure bill and other governmental actions.

- We remain confident that **the attractive underlying market fundamentals and long-term secular growth trends in our key geographies, both of which underpinned the Company's record full-year 2019 and first-half 2020 performance, remain intact** and will be evident once again as the U.S. economy stabilizes and recovers.

END-USE MARKET OUTLOOK

DESPITE NEAR-TERM UNCERTAINTY, CURRENT MACRO TRENDS SUPPORT A CONSTRUCTION-LED RECOVERY

- ✓ ***Historically low rates and accommodative FED policy***
- ✓ ***Underbuilt conditions relative to prior peak***
- ✓ ***Hourly workforce availability***

INFRASTRUCTURE

- ☑ Infrastructure remains resilient with projected state Department of Transportation (DOT) shortfalls less than feared and expectations for state and local government support in the next round of federal stimulus
- ☑ Bipartisan support for increased surface transportation funding with Senate and House proposals significantly above current Fixing America's Surface Transportation (FAST) Act levels

NON-RESIDENTIAL

- ☑ Accelerating E-commerce and remote work trends require increased heavy industrial investment in warehouses and data centers
- ☑ Heavy industrial construction projects are more aggregates intensive than retail / light commercial projects due to larger project scope and scale
- ☑ Our key markets are experiencing their strongest nonresidential backlogs in years based on these trends

RESIDENTIAL

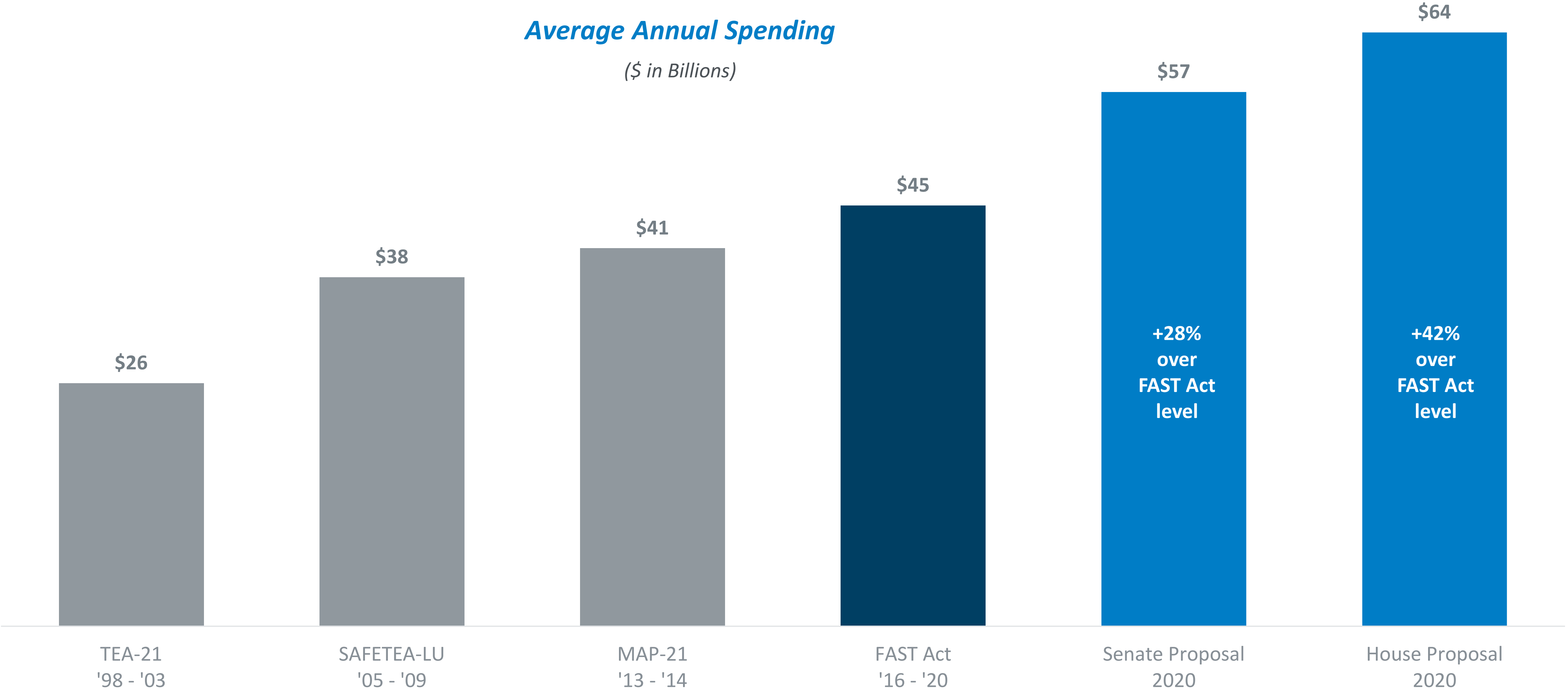
- ☑ The muted housing recovery following the Great Recession was driven primarily by less aggregates-intensive urban, multi-family mixed-use developments
- ☑ Stay-at-home orders have prompted families to migrate from city centers to suburban markets, driving increased demand for aggregates-intensive single-family housing
- ☑ Single family housing starts remain ~50% below prior peak levels resulting in a supply/demand imbalance in our key markets

NOTABLE TRENDS POINT TO AN AGGREGATES-INTENSIVE RECOVERY

INFRASTRUCTURE

INFRASTRUCTURE REMAINS RESILIENT WITH EARLY STATE DOT BUDGET SHORTFALL PROJECTIONS LESS THAN FEARED AND LIKELIHOOD OF INCREASED FEDERAL FUNDING

Infrastructure reauthorization tends to be renewed at higher levels



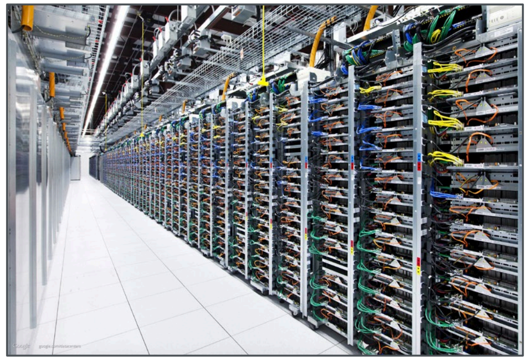
NOTABLE TRENDS POINT TO AN AGGREGATES-INTENSIVE RECOVERY

NONRESIDENTIAL

ACCELERATING E-COMMERCE AND REMOTE WORK TRENDS REQUIRE INCREASED INVESTMENT IN FULFILLMENT AND DATA CENTERS

Heavy Industrial – Warehouses and Data Centers

2-3MM SF



VS.

Retail – Light Commercial

100-200K SF

- ✓ *Higher expected demand for heavy industrial facilities to support E-commerce and cloud-based businesses*
- ✓ *Heavy industrial facilities consume significantly more aggregates than retail / light commercial projects*

NOTABLE TRENDS POINT TO AN AGGREGATES-INTENSIVE RECOVERY

RESIDENTIAL

Martin Marietta

SINGLE-FAMILY HOUSING STARTS REMAIN UNDERBUILT RELATIVE TO PRIOR PEAK…

Suburban and rural migration

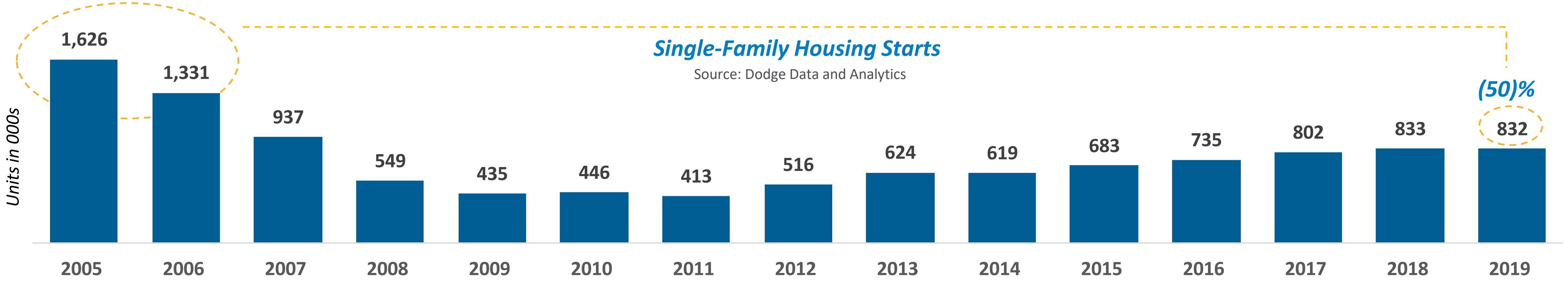
Trend Reversal

- The muted housing recovery following the Great Recession was driven primarily by urban, multi-family mixed-use developments after a previous single-family peak.
- Stay-at-home orders across the U.S. have prompted families and individuals to evaluate whether the recent trend towards urban living and increased city density is the best long-term choice.
- Early data suggests that the deurbanization flight to the suburbs trend is accelerating.

Benefits

*New community, single-family residential development is **2x-3x** more aggregates intensive than multi-family given the typical ancillary nonresidential and infrastructure construction activity:*

- ✓ Curbs, sewers and gutters in new residential development
- ✓ New schools, healthcare and municipal facilities
- ✓ New roads and widening of existing roads to access newly-developed areas
- ✓ New retail, commercial and warehouse capacity necessary to support new community



…WITH NOTABLE UPSIDE FROM EXPECTED ACCELERATION IN DEURBANIZATION

APPENDIX

DEFINITIONS AND RECONCILIATIONS OF NON-GAAP FINANCIAL MEASURES

Martin Marietta

Adjusted EBITDA, defined as earnings before interest, income taxes, depreciation, depletion and amortization and the noncash earnings/loss from nonconsolidated equity affiliates, 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 or operating cash flow.

($ in millions)	Quarter Ended June 30, 2019	Quarter Ended June 30, 2020
NET EARNINGS ATTRIBUTABLE TO MARTIN MARIETTA	**$ 189.5**	**$ 217.6**
Add back:		
Interest expense, net of interest income	33.2	31.0
Income tax expense for controlling interests	49.9	61.4
Depreciation, depletion and amortization and noncash earnings/loss from nonconsolidated equity affiliates	105.9	97.0
ADJUSTED EBITDA	**$ 378.5**	**$ 407.0**

DEFINITIONS AND RECONCILIATIONS OF NON-GAAP FINANCIAL MEASURES

The following table presents ready mixed concrete shipment data and volume variance excluding the Arkansas, Louisiana and eastern Texas ready mixed concrete business ("ArkLaTex business") from the periods of Martin Marietta's ownership to provide a more comparable analysis of ready mixed concrete volume variance:

	Quarter Ended June 30,	
(Cubic yards in millions)	2019	2020
REPORTED READY MIXED CONCRETE SHIPMENTS	**2.2**	**2.2**
Less: Ready mixed concrete shipments for the ArkLaTex business during periods of Martin Marietta ownership	(0.2)	-
ADJUSTED READY MIXED CONCRETE SHIPMENTS	**2.0**	**2.2**
ADJUSTED READY MIXED CONCRETE VOLUME VARIANCE EXCLUDING SHIPMENTS FOR THE ARKLATEX BUSINESS		**8.7%**

THANK YOU FOR YOUR INTEREST IN MARTIN MARIETTA

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