Ward Nye
CHAIRMAN, PRESIDENT AND CEO

Martin Marietta

CEO Commentary and Market Perspective

July 28, 2022

Martin Marietta once again delivered record performance in the first half of 2022. Our impressive results demonstrate the successful execution of our strategic business plan and serve as a testament to the durability of our aggregates-led business during a challenging period of macroeconomic volatility and rising geopolitical tensions. Moreover, as evidenced by our full-year outlook, Martin Marietta is superbly positioned to continue navigating the dynamic macroeconomic operating environment and capitalize on strong product demand trends across our coast-to-coast geographic footprint. Looking ahead, we expect to continue delivering on our proven strategy, underpinned by three key operational and financial components:

I. Our Resilient and Differentiated Business Model;

II. End Market Demand Dynamics in our Key Geographies; and

III. Recent Portfolio Optimization Efforts.

OUR RESILIENT AND DIFFERENTIATED BUSINESS MODEL

Aggregates-Led

Our core aggregates business has proven exceptionally resilient during periods of macroeconomic uncertainty. While aggregates typically represents only a fraction of the overall cost of a construction project, it has no meaningful substitutes and aggregates are essential for virtually all heavyside construction activity. These, in addition to a variety of other factors, contribute to aggregates' proven pricing resiliency through economic cycles. This was notably evident during the second quarter as aggregates pricing accelerated across our coast-to-coast footprint following the implementation of our April 1st price increases. We expect pricing momentum to build in the second half of 2022 as our previously announced additional price increases across products and geographies largely take effect between July 1st and September 1st. Further, we anticipate a third pricing increase in a number of markets during the upcoming fourth quarter. As we begin to realize the benefits of these inflation management actions, we anticipate a positive inflection in the current price/cost dynamic, providing the foundation for attractive unit margin expansion in 2023. Historically, inflation has created an attractive commercial environment for our business, the advantages of which endure long after inflationary pressures abate.

Texas Cement

As we articulated at our most recent Investor Day, our strategic and leading Texas cement business possesses similar investment merits as aggregates, providing structural support for consistent, profitable growth. This was particularly evident as our cement business delivered record quarterly results despite the recent upward move in energy costs. Rising import costs and domestic production capacity constraints are contributing to extremely tight supply in a sold-out Texas marketplace, supporting multiple pricing actions that are expected to continue to drive gross margin expansion for the remainder of 2022. By intentionally positioning our cement business to primarily serve Dallas/Fort Worth, Austin and San Antonio we expect to benefit from demand tailwinds for the foreseeable future as these dynamic markets disproportionately experienced population inflows post-pandemic.

Magnesia Specialities

Magnesia Specialties is a strategic complement to our heavyside materials business; its end markets are largely diversified and not levered to U.S. construction, thus providing consistent and stable cash flows through economic cycles. Record quarterly revenues and robust backlogs for our magnesia-based products are supported by secular demand growth for lithium-ion batteries and thermoplastic polyolefin (TPO) roofing as well as stable demand in recession-resistant applications, including wastewater treatment and food additives. However, due to the rapid escalation in energy costs, products and services gross margins contracted to 36.2 percent in the first half of 2022. As these inflationary headwinds subside, we expect gross margins to return to normalized levels.

END MARKET DEMAND DYNAMICS IN OUR KEY GEOGRAPHIES

We have been deliberate and tactical in our actions to largely position our business along high-growth, Sun Belt corridors with favorable population and macroeconomic drivers. Our key metropolitan statistical areas, or MSAs, served in the Southeast, Texas, Arizona and Southern California are expected to benefit from recent population migration trends, comparatively affordable housing and healthy state Department of Transportation (DOT) budgets, all of which are expected to drive continued aggregates demand. Additionally, and of significance, our core Midwestern and Rocky Mountain markets including Indianapolis, Minneapolis, Des Moines, Fort Collins, Denver and Colorado Springs continue to provide consistent and stable growth across end markets.

Infrastructure

Federal

Infrastructure construction, our single most aggregates-intensive end use on a dollar-for-dollar basis, remains strong with an attractive outlook, largely due to last year's passage of the historic and transformational $1.2 trillion Infrastructure Investment and Jobs Act (IIJA), the most significant federal infrastructure action since the implementation of the Interstate Highway System in 1956. We expect this much needed generational investment to drive economic growth and job creation for years to come.

State

DOT budgets for our top states continue to be well-funded through traditional revenue sources and emerging revenue sources, as well as $10 billion of COVID relief aid, together pushing estimated lettings nicely above prior-year levels. With the full IIJA allocation available for 2023 DOT fiscal years (the

majority of which began on July 1, 2022), we expect benefits to begin accruing in late calendar year 2022 and become more pronounced in calendar year 2023.

From a long-term perspective, the transition from combustion engines to electric vehicles requires identification of further DOT funding solutions to supplement and/or ultimately replace the motor fuels tax. One of Martin Marietta's top states, North Carolina, is making progress on this front with the passage of its most recent budget that transfers a percentage of sales tax revenue (2% in FY 2023 to 6% in FY 2025) from the General Fund to state highway funds. Similarly, Texas' approval of Proposition 7 in 2015 dedicates a portion of its sales and use tax collections to its state highway fund.

Nonresidential

Similar to infrastructure, continued strength in nonresidential construction in our markets should provide solid demand tailwinds over the next few years as a recovery in pandemic-impacted categories, coupled with an acceleration of large-scale energy, manufacturing and data center projects, should more than offset moderation in distribution center construction.

Select examples of current large-scale nonresidential projects across the Martin Marietta footprint:

- **Camp Hall Commerce Park, Ridgeville, SC (East Division)**
  - 5 million square feet of industrial and distribution center development
- **Meta Data Center, Kansas City, MO (Central Division)**
  - 1 million square foot facility; +$800 million investment from Meta
- **Samsung Semiconductor Facility, Austin, TX (Southwest Division)**
  - 6 million square foot facility; $17 billion investment from Samsung in the Austin area
- **Golden Pass LNG Facility, Sabine Pass, TX (Southwest Division)**
  - $10 billion investment by ExxonMobil and QatarEnergy
- **Highpoint Logistics Park, Aurora, CO (West Division)**
  - 5 million square foot industrial and logistics business park

Residential

Across our Megaregion-centric footprint, residential demand is far greater than supply, driven in large measure by significant underbuilding incommensurate with notable population gains over the past decade and increasing household formations. Against this backdrop, we expect that a residential affordability air pocket should be (i) moderate as home prices and borrowing costs find equilibrium; (ii) skewed towards relatively higher priced coastal markets; and (iii) supportive of continued single-family development in more affordable suburban areas. Importantly, single-family housing is two to three times more aggregates-intensive than multi-family construction, given the ancillary nonresidential and infrastructure needs necessary for building out new or expanding suburban communities.

RECENT PORTFOLIO OPTIMIZATION EFFORTS

Confidence in our near- and long-term outlook is further enhanced by the disciplined execution of our SOAR 2025 priorities. Among other things, our SOAR 2025 initiatives—and as a result, our proven corporate strategy as a whole—are largely supported by our portfolio optimization efforts at Martin Marietta. During the second quarter, we completed the divestitures of our Colorado and Central Texas ready mixed concrete businesses on April 1st and our Redding cement plant, related distribution

terminals and certain California ready mix concrete operations on June 30th. Together, these margin accretive, downstream divestitures not only enhance the overall durability of our business, but also provide us with the balance sheet flexibility to (i) deploy proceeds into future aggregates-led growth initiatives; (ii) return capital to shareholders; and (iii) reduce our net leverage to within our targeted range.

CONCLUSION

As we continue to invest in our business for the long term, we are confident in our ability to successfully traverse near-term macroeconomic challenges, anchored by our proven history of disciplined commercial and operational practices. In doing so, we will provide a foundation for accelerated profitability growth in 2023. Reinforced by our commitment to the execution of our proven strategy, we believe Martin Marietta has an unparalleled ability to build the safest, best-performing and fastest-growing aggregates-led public company, resulting in continued superior shareholder returns.

If you are interested in Martin Marietta stock, management recommends that, at a minimum, you read 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 CEO Commentary and Market Perspective 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 CEO Commentary and Market Perspective 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 CEO Commentary and Market Perspective (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 gasoline 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, most particularly in Texas, Colorado, California, North Carolina, Georgia, Minnesota, Iowa, Florida, Indiana and Maryland; 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 gas 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 and Gulf of Mexico 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, notably related to the current conflict between Russia and Ukraine, 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 duration, severity and impact of a resurgence of the COVID-19 pandemic on the Company's ability to continue supplying heavy-side building materials and related services at normal levels or at all in the Company's key regions, including the markets in which it does business, its suppliers, customers or other business partners as well as on its employees; the economic impact of government responses to a resurgence of COVID-19; the performance of the United States economy; the impact of governmental orders restricting activities imposed to prevent further outbreak of COVID-19 on travel, potentially reducing state fuel tax revenues used to fund highway projects; a decline in the commercial component of the nonresidential construction market, notably office and retail space, including a decline resulting from economic distress related to the COVID-19 pandemic; increasing governmental regulation, including environmental laws; the failure of relevant government agencies to implement expected regulatory reductions; 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, 2021 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.