



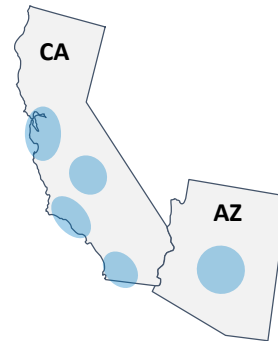
MARTIN MARIETTA TO ACQUIRE LEHIGH HANSON'S U.S. WEST REGION

May 2021

Business and Transaction Overview

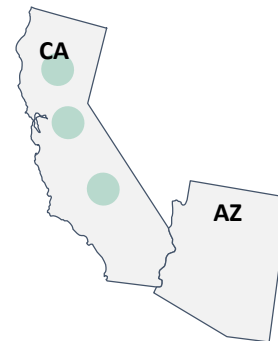
Business Overview

AGGREGATES



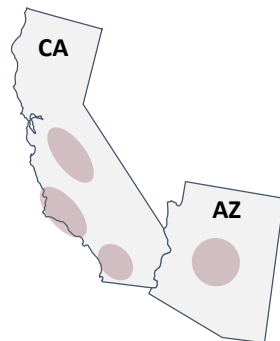
- **~13MM tons**
- **17 active sites** with ~30 years average reserve life
- Deep-water import terminal and marine dredging in Bay Area

CEMENT



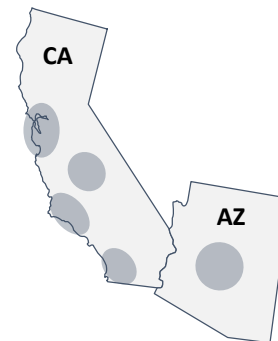
- **~1.5MM tons** from **2 cement plants**
- **~1.1MM tons of import** with large distribution terminal network

READY MIX



- **~2.3MM cubic yards** from **29 ready mix plants**
- ~360 mixer trucks in fleet

ASPHALT



- **~2.8MM tons** of production from **15 asphalt plants**
- ~0.3MM tons of paving services volume

Transaction Overview

FINANCIAL OVERVIEW

- All-cash acquisition of 100% of Lehigh Hanson's U.S. West Region for \$2.3 billion
 - Net purchase price of ~\$2.0 billion, including ~\$300 million NPV of tax benefits
- To be financed with cash on hand and new debt issuance
- Rapid deleveraging plans will support current Investment Grade credit profile
- Accretive to EPS in the first full year following closing

TIMING AND CLOSING REQUIREMENTS

- Subject to customary regulatory approvals and closing conditions
- Expected to close in the second half of 2021

Martin Marietta to Accelerate Coast-to-Coast Expansion with Scaled Aggregates Platform in the Western U.S.



- 1** *Priority SOAR 2025 Target* 
- 2** *Rare, Upstream Materials-Led Platform Expansion Solidifies Martin Marietta's Position as a Leading Coast-to-Coast Aggregates Producer*
- 3** *Strategically Located in Target Megaregions with Attractive Long-Term Demand Drivers*
- 4** *New West Region Growth Platform Presents Significant Bolt-on Opportunities*
- 5** *Ability to Leverage Martin Marietta's Operating Discipline to Drive Margin Expansion*
- 6** *Financially Attractive While Executing on Martin Marietta's Capital Allocation Priorities*

Represents a Priority SOAR 2025 Expansion Target



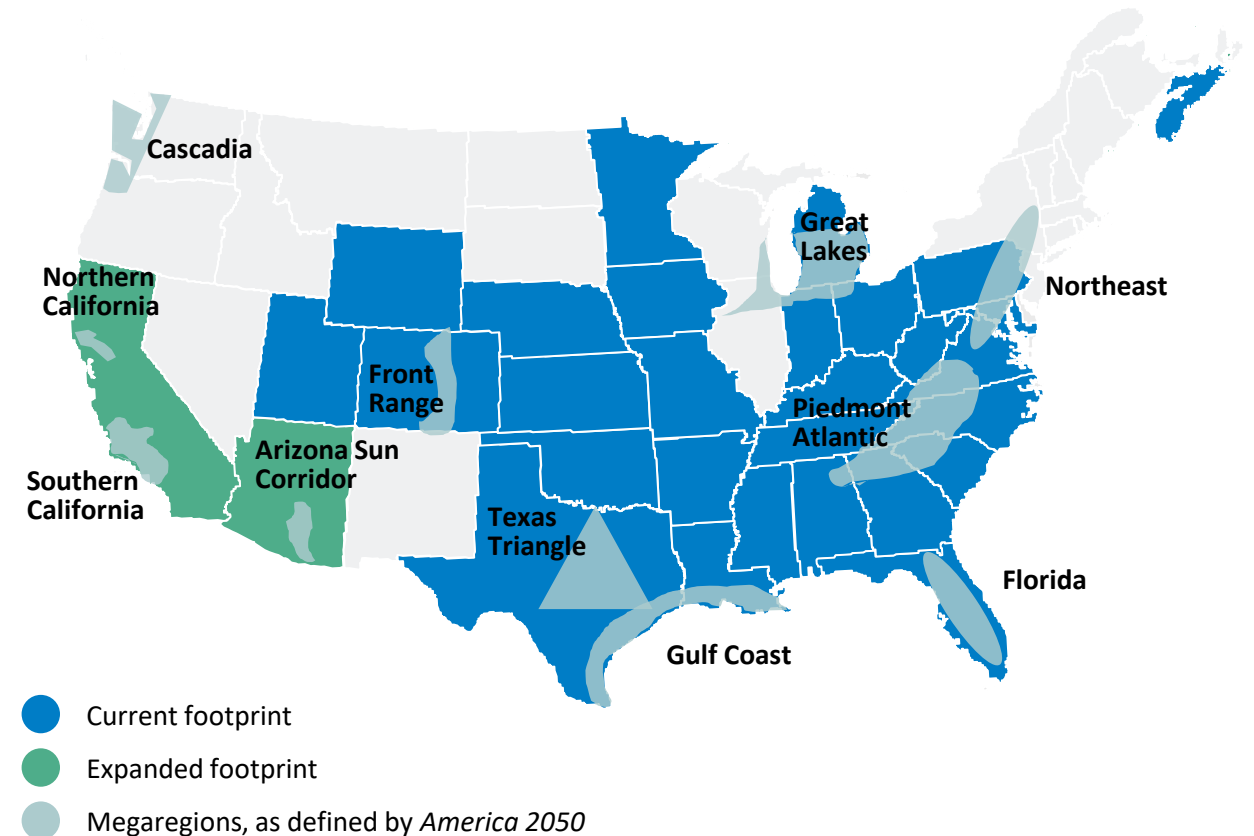
Platform Expansion...

- ✓ Maintains Martin Marietta's **upstream materials-led profile**
- ✓ Expands geographic footprint **coast-to-coast**
- ✓ **High-performing business** with further earnings growth potential
- ✓ New west region growth platform presents significant **bolt-on M&A opportunities**

Rare platform for West Coast expansion



...in Targeted Megaregions



Coverage in 10 out of 11 Growth Megaregions

Unparalleled Track Record of Platform Expansion Through M&A



MARTIN MARIETTA HAS UTILIZED LARGE-SCALE ACQUISITIONS TO ESTABLISH ITS COVETED GEOGRAPHIC FOOTPRINT...

“River for the Rockies” (2011)

Asset Swap with 

- **Products:** Aggregates, Asphalt, Ready-mix
- **Rationale:** Entry into Front Range of Colorado Megaregion, enabling an aggregates-led platform of scale
- **Footprint Expansion:** Colorado (exit Mississippi River operations)

TEXAS INDUSTRIES (2014)



- **Products:** Aggregates, Cement, Ready-mix
- **Rationale:** Creates greater scale in aggregates with entry into strategic cement, adding vertical integration in a large and rapidly growing Megaregion
- **Footprint Expansion:** Texas

BLUEGRASS MATERIALS (2018)



- **Products:** Aggregates
- **Rationale:** Enhances aggregates position in high-growth Piedmont Atlantic and Southern Northeast Megaregions
- **Footprint Expansion:** Georgia, South Carolina, Maryland, Kentucky, Tennessee

...COMPLEMENTED BY STRONG HISTORY OF BOLT-ON ACQUISITIONS, INCLUDING RECENTLY ANNOUNCED ACQUISITION OF TILLER CORPORATION

Transaction Consistent with Disciplined M&A Strategy

CALIFORNIA AND ARIZONA'S EARLY CYCLE DEMAND DYNAMICS SUPPORT SIGNIFICANT VOLUME UPSIDE



Market Structure

Continued opportunity for margin improvement underpinned by strong market demand



Superior State Financial Position

Senate Bill 1 (SB1) to provide ~\$5B spend per year through 2030; California and Arizona well below mid-cycle demand levels and maintain strong fiscal health



Employment / Population Growth

With +40MM residents, California is the nation's most populous state and home to the 5th largest economy in the world



Population Density

Los Angeles, the Bay Area and Phoenix represent 3 of the top 11 U.S. aggregates markets by volume



Business & Employment Diversity

Significant commercial growth, including e-commerce, technology, healthcare and education