SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d)

OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2000

Commission File Number 1-12744

MARTIN MARIETTA MATERIALS, INC.

(Exact name of registrant as specified in its charter)

North Carolina	56-1848578
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification Number)
2710 Wycliff Road, Raleigh, NC	27607-3033
(Address of principal executive offices)	(Zip Code)
Registrant's telephone number, including area code	919-781-4550

Former name: None

Former name, former address and former fiscal year,
if changes since last report.

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes [X] No [ ]

Indicate the number of shares outstanding of each of the issuer's classes of Common Stock, as of the latest practicable date.

Class	Outstanding as of July 31, 2000
Common Stock, $.01 par value	46,763,803

Exhibit Index is on Page 20

MARTIN MARIETTA MATERIALS, INC. AND CONSOLIDATED SUBSIDIARIES

FORM 10-Q

For the Quarter Ended June 30, 2000

INDEX

MARTIN MARIETTA MATERIALS, INC. AND CONSOLIDATED SUBSIDIARIES

CONDENSED CONSOLIDATED BALANCE SHEETS

	June 30, 2000	December 31, 1999
	(Dollars in Thousands)	
ASSETS		
Current assets:		
Cash & cash equivalents	$ 3,363	$ 3,403
Accounts receivable, net	233,394	197,554
Inventories, net	192,787	172,865
Other current assets	27,717	29,543
Total Current Assets	457,261	403,365
Property, plant and equipment	1,728,253	1,653,208
Allowances for depreciation, depletion and amortization	(850,879)	(806,215)
Net property, plant and equipment	877,374	846,993
Cost in excess of net assets acquired	378,970	375,327
Other noncurrent assets	124,513	116,889
Total Assets	$1,838,118	$1,742,574
LIABILITIES AND SHAREHOLDERS' EQUITY		
Total Current Liabilities	$ 236,518	$ 182,696
Long-term debt and commercial paper	601,748	602,011
Other noncurrent liabilities	186,899	183,861
Total Liabilities	1,025,165	968,568
Shareholders' equity:		
Common stock, par value $.01 per share	468	467
Additional paid-in capital	355,693	354,046
Retained earnings	456,792	419,493
Total Shareholders' Equity	812,953	774,006
Total Liabilities and Shareholders' Equity	$1,838,118	$1,742,574

See accompanying notes to condensed consolidated financial statements.

MARTIN MARIETTA MATERIALS, INC. AND CONSOLIDATED SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF EARNINGS

	Three-Months Ended June 30,		Six-Months Ended June 30,	
	2000	1999	2000	1999

	(Dollars in Thousands, Except Per Share Data)			
Net sales	$ 362,474	$ 328,865	$ 638,605	$ 569,926
Cost of sales	265,642	238,638	497,415	439,957
Gross Profit	96,832	90,227	141,190	129,969
Selling, general and administrative expense	24,664	24,919	48,256	47,665
Research and development	593	497	1,213	1,429
Earnings from Operations	71,575	64,811	91,721	80,875
Interest expense	(10,651)	(9,713)	(20,820)	(18,959)
Other income and expenses, net	3,810	8,654	5,156	14,032
Earnings before Taxes on Income	64,734	63,752	76,057	75,948
Taxes on Income	22,612	22,479	26,605	26,735
Net Earnings	$ 42,122	$ 41,273	$ 49,452	$ 49,213
Net Earnings Per Common Share				
—Basic	$ 0.90	$ 0.88	$ 1.06	$ 1.05
—Diluted	$ 0.90	$ 0.88	$ 1.05	$ 1.05
Dividends Per Common Share	$ 0.13	$ 0.13	$ 0.26	$ 0.26
Average Number of Common Shares Outstanding				
—Basic	46,751,001	46,684,229	46,738,229	46,659,901
—Diluted	47,045,402	47,030,911	46,965,231	46,966,449

See accompanying notes to condensed consolidated financial statements.

MARTIN MARIETTA MATERIALS, INC. AND CONSOLIDATED SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	Six-Months Ended June 30,	
	2000	1999
	(Dollars in Thousands)	
Net cash provided by operating activities	$ 72,272	$ 57,340
Investing activities:		
Additions to property, plant and equipment	(73,307)	(59,844)
Acquisitions, net	(36,671)	(2,867)
Other investing activities, net	4,175	(7,825)
Net cash used for investing activities	(105,803)	(70,536)
Financing activities:		
Net principal (repayments)/borrowings on long-term debt	(7,887)	135
Dividends paid	(12,153)	(12,134)
Loans payable	52,295	9,000
Issuance of common stock	1,236	1,407
Net cash provided by (used for) financing activities	33,491	(1,592)
Net decrease in cash and cash equivalents	(40)	(14,788)
Cash and cash equivalents, beginning of period	3,403	14,586
Cash and cash equivalents (book overdraft), end of period	$ 3,363	$ (202)

See accompanying notes to condensed consolidated financial statements.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. The accompanying unaudited condensed consolidated financial statements of Martin Marietta Materials, Inc. (the "Corporation") have been prepared in accordance with generally accepted accounting principles for interim financial information and with the instructions to the Quarterly Report on Form 10-Q and to Article 10 of Regulation S-X. The Corporation has continued to follow the accounting policies set forth in the audited consolidated financial statements and related notes thereto included in the Corporation's Annual Report on Form 10-K for the year ended December 31, 1999, filed with the Securities and Exchange Commission on March 27, 2000. In the opinion of management, the interim financial information provided herein reflects all adjustments (consisting of normal recurring accruals) necessary for a fair presentation of the results of operations for the interim periods. The results of operations for the six-months ended June 30, 2000, are not necessarily indicative of the results to be expected for the full year.

2. Inventories

	June 30, 2000	December 31, 1999
	(Dollars in Thousands)	
Finished products	$162,546	$143,776
Product in process and raw materials	10,370	9,972
Supplies and expendable parts	27,356	25,862
	200,272	179,610
Less allowances	(7,485)	(6,745)
Total	$192,787	$172,865

3. Long-Term Debt

	June 30, 2000	December 31, 1999
	(Dollars in Thousands)	
6.9% Notes, due 2007	$124,958	$124,956
7% Debentures, due 2025	124,220	124,215
5.875% Notes, due 2008	199,099	199,059
Commercial paper, interest rates ranging from 5.50% to 7.16%	225,000	180,000
Acquisition notes, interest rates ranging from 5.50% to 10.00%	5,014	12,395
Other notes	8,349	1,108
	686,640	641,733
Less current maturities	(84,892)	(39,722)
Total	$601,748	$602,011

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

3. Long-Term Debt (continued)

No borrowings were outstanding under either of the Corporation's revolving credit agreements at June 30, 2000. However, these agreements support commercial paper borrowings of $225.0 million outstanding at June 30, 2000, of which $150.0 million has been classified as long-term debt in the Corporation's consolidated balance sheet based on management's ability and intention to maintain this debt outstanding for at least one year. At August 1, 2000, $205.0 million was outstanding under the Corporation's commercial borrowing obligations. See the "Liquidity and Capital Resources" discussion contained in the "Management's Discussion and Analysis of Financial Condition and Results of Operations" on page 9 of this Form 10-Q.

The Corporation's interest payments were approximately $21.7 million in 2000 and $18.2 million in 1999 for the six months ended June 30.

4. Income Taxes

The Corporation's effective income tax rate was 35.0% in 2000 and 35.2% in 1999. The Corporation's effective tax rate reflects the effect of state income taxes and the impact of differences in book and tax accounting arising from the net permanent benefits associated with the depletion allowances for mineral reserves, amortization of certain goodwill balances, foreign operating earnings, and earnings from nonconsolidated investments.

The Corporation's income tax payments were approximately $15.8 million in 2000 and $11.2 million in 1999, for the six months ended June 30.

5. Contingencies

In the opinion of management and counsel, it is unlikely that the outcome of litigation and other proceedings, including those pertaining to environmental matters, relating to the Corporation and its subsidiaries, will have a material adverse effect on the results of the Corporation's operations or its financial position.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

6. Other Matters

In June 1998, the FASB issued the Statement of Financial Accounting Standards No. 133, *Accounting for Derivative Instruments and Hedging Activities* ("FAS 133"), which was required to be adopted in years beginning after June 15, 1999. The FASB amended FAS 133 and issued Statement of Financial Accounting Standards No. 137, *Accounting for Derivative Instruments and Hedging Activities — Deferral of the Effective Date of FASB Statement No. 133* ("FAS 137"), which was issued in June 1999. FAS 137 deferred the effective date of adoption of FAS 133 until all fiscal quarters of all fiscal years beginning after June 15, 2000. In June 2000, the FASB issued the Statement of Financial Accounting Standards No. 138, *Accounting for Derivative Instruments and Hedging Activities an Amendment of FASB Statement of No. 133*, ("FAS 138"). FAS 138 is required to be adopted concurrently with FAS 133. Because of the Corporation's minimal use of derivatives, if any, management does not anticipate that the adoption of FAS 133 and FAS 138 will have a significant impact on net earnings or the financial position of the Corporation.

7. Classifications

Certain amounts for the prior year have been reclassified to conform to the 2000 presentation with no affect on previously reported net earnings or financial position.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND

RESULTS OF OPERATIONS

OVERVIEW Martin Marietta Materials, Inc. (the "Corporation"), operates in two principal business segments: aggregates products and magnesia-based products. The Corporation's sales and earnings are predominately derived from its aggregates segment, which processes and sells granite, sandstone, limestone, and other aggregates products from a network of approximately 300 quarries and distribution facilities in more than 20 states in the southeastern, southwestern, midwestern and central regions of the United States and in the Bahama Islands and Canada. The division's products are used primarily by commercial customers principally in domestic construction of highways and other infrastructure projects and for commercial and residential buildings. The Corporation is vertically integrated in other construction materials businesses in Louisiana, Arkansas and Texas, as a result of acquisitions of asphalt production facilities, ready mixed concrete operations and road construction companies. The magnesia-based products segment produces refractory materials and dolomitic lime used in domestic and foreign basic steel production and produces chemicals products used in industrial, agricultural and environmental applications. The magnesia-based products segment derives a major portion of its sales and earnings from the products used in the steel industry.

RESULTS OF OPERATIONS Consolidated net sales for the quarter were $362.5 million, a 10% increase over 1999 second quarter sales of $328.9 million. Consolidated earnings from operations were $71.6 million in the second quarter of 2000 compared with $64.8 million in the second quarter of 1999. Consolidated net earnings for the quarter were $42.1 million, or $0.90 per diluted share, compared to 1999 second quarter net earnings of $41.3 million, or $0.88 per diluted share.

Sales for the first six months of 2000 increased 12% to $638.6 million, from $569.9 million for the year-earlier period. For the six-months ended June 30, 2000, net earnings increased slightly to $49.5 million, or $1.05 per diluted share, from net earnings for the comparable prior-year period of $49.2 million, also $1.05 per diluted share. On a year-to-date basis, other income and expenses, net, was $8.8 million less than the prior year, while operating earnings increased $10.8 million or 13%.

Sales for the Aggregates division increased 11% to $328.9 million for the second quarter, compared with the year-earlier period, while the division's earnings from operations for the quarter were $68.7 million, an increase of 7% from the year-earlier period. Operating margin for the division was 20.9%, compared with 21.6% in the prior quarterly period. The increase in sales for the division results from an almost 4% increase in aggregates shipments coupled with an approximately 3% increase in average selling prices during the quarter. However, operating margins were negatively affected by higher fuel costs, acquisitions of lower margin asphalt products operations and prolonged wet weather in certain operating areas. In fact, the sharp escalation of energy-related costs had a significant impact on earnings. Diesel fuel, which is used primarily to operate mobile equipment in quarry production, has increased in price by about 125% between January 1999 and June 2000. The combined cost of diesel fuel, liquid asphalt and natural gas used in our heritage business increased $4.9 million in the second quarter and $9.2 million year-to-date. In addition, barge freight costs have increased, primarily caused by an increase in fuel prices, by $1.6 million for the six-month period. However, in spite of an approximately 2% decline in aggregates shipments volume and other previously-mentioned factors, heritage aggregates operations, which are typically those businesses included in prior-year operations for the full year, experienced an 80 basis point improvement in operating margins. Year-to-date sales of $572.2 million and earnings from operations of $86.4 million exceeded the prior-year period by 13% and 9%, respectively.

(Continued)

Seasonal changes and other weather-related conditions significantly affect the Aggregates division's business. Therefore, the Aggregates division's production and shipment levels coincide with general construction activity levels, most of which occur in the division's markets typically during the spring, summer and fall seasons. Unusually wet weather experienced during the second quarter 2000 has continued into July and the early part of August, 2000 in some of the Corporation's markets. Further, as expected, softening in residential construction and softening in commercial construction in some market areas coupled with adverse weather conditions continues to negatively impact construction activity levels. Consequently, heritage aggregates shipment levels are below management's expectations to date. As a result, management currently believes that the Corporation's heritage annual aggregates shipment growth, which was flat through the six-months ended June 30, 2000, will increase moderately by 0% to 2% for the second half of 2000. Management continues to believe that average selling prices for heritage aggregates operations will increase 3% to 4%, outpacing potential increases in production costs in 2000 for comparable heritage aggregates operations. However, higher-than-expected costs for diesel fuel, liquid asphalt and natural gas, which had a significantly negative impact on the first six months of 2000, are expected to continue to affect earnings for the remainder of the year. In fact, the average cost per gallon for diesel fuel in July 2000 is 47% higher than July 1999.

The Magnesia Specialties division had second quarter 2000 sales of $33.5 million, a slight increase of approximately 2% compared with the second quarter of 1999. The division's second quarter earnings from operations increased to $2.9 million from $0.8 million in the second quarter of 1999. The Magnesia Specialties division's increased sales and earnings in the second quarter resulted from improving steel industry performance, continued strong chemicals sales and a better balance between production and shipments. For the first six months of 2000, sales were $65.9 million and earnings from operations were $5.3 million, an increase of $0.9 million and $4.0 million, respectively, from the prior-year period.

The Magnesia Specialties division continues to experience improvements in sales and earnings; however, this business segment is not core to the Corporation. Therefore, the Corporation's management continues to evaluate its strategic alternatives with respect to the Magnesia Specialties division; and, in that regard, the Corporation has retained Banc of America Securities to act as financial advisors in connection with a possible sale of the division. However, there can be no assurance that management will complete a sale of the division.

(Continued)

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND

RESULTS OF OPERATIONS
(Continued)

Second Quarter and Six-Months Ended June 30, 2000 and 1999

The following table presents net sales, gross profit, selling, general and administrative expense, and earnings from operations data for the Corporation and each of its divisions for the second quarter and six-months ended June 30, 2000 and 1999. In each case, the data is stated as a percentage of net sales, of the Corporation or the relevant division, as the case may be:

	Three-Months Ended June 30, (Dollars in thousands)			
	2000		**1999**	
	Amount	**% of Net Sales**	**Amount**	**% of Net Sales**
Net sales:				
Aggregates	$328,943	100.0	$295,978	100.0
Magnesia Specialties	33,531	100.0	32,887	100.0
Total	362,474	100.0	328,865	100.0
Gross profit:				
Aggregates	89,183	27.1	84,616	28.6
Magnesia Specialties	7,649	22.8	5,611	17.1
Total	96,832	26.7	90,227	27.4
Selling, general & administrative expense:				
Aggregates	20,374	6.2	20,638	7.0
Magnesia Specialties	4,290	12.8	4,281	13.0
Total	24,664	6.8	24,919	7.6
Earnings from operations:				
Aggregates	68,724	20.9	64,033	21.6
Magnesia Specialties	2,851	8.5	778	2.4
Total	$ 71,575	19.7	$ 64,811	19.7

(Continued)

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND

RESULTS OF OPERATIONS
(Continued)

Second Quarter and Six-Months Ended June 30, 2000 and 1999

	Six-Months Ended June 30, (Dollars in Thousands)			
	2000		1999	
	Amount	% of Net Sales	Amount	% of Net Sales
Net sales:				
Aggregates	$572,670	100.0	$504,921	100.0
Magnesia Specialties	65,935	100.0	65,005	100.0
Total	638,605	100.0	569,926	100.0
Gross profit:				
Aggregates	126,438	22.1	118,951	23.6
Magnesia Specialties	14,752	22.4	11,018	16.9
Total	141,190	22.1	129,969	22.8
Selling, general & administrative expense:				
Aggregates	39,812	7.0	39,057	7.7
Magnesia Specialties	8,444	12.8	8,608	13.2
Total	48,256	7.6	47,665	8.4
Earnings from operations:				
Aggregates	86,458	15.1	79,631	15.8
Magnesia Specialties	5,263	8.0	1,244	1.9
Total	$ 91,721	14.4	$ 80,875	14.2

(Continued)

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND

RESULTS OF OPERATIONS
(Continued)

Second Quarter and Six-Months Ended June 30, 2000 and 1999

Other income and expenses, net, for the quarter ended June 30, was $3.8 million in income in 2000 compared with $8.7 million in income in 1999. In addition to several offsetting amounts, other income and expenses, net, are comprised generally of interest income, gains and losses associated with the disposition of certain assets, gains and losses related to certain amounts receivable, income from non-operating services, costs associated with the commercialization of certain new technologies, and net equity earnings from non-consolidated investments. Further, in 2000, other income and expenses, net, included a nonrecurring insurance settlement related to Hurricane Floyd, while other income and expenses, net, in 1999, included a nonrecurring settlement from an antitrust claim. On a year-to-date basis, other income and expenses, net, was $5.2 million as compared to $14.0 million in the prior-year period

Interest expense was $10.7 million in the second quarter of 2000, compared to $9.7 million in the second quarter of 1999. Interest expense was $20.8 million and $19.0 million for the six-months ended June 30, 2000 and 1999, respectively.

The Corporation's estimated effective income tax rate was 35.0% in 2000 and 35.2% in 1999. See Note 4 of the Notes to Condensed Consolidated Financial Statements.

LIQUIDITY AND CAPITAL RESOURCES Net cash flow provided by operating activities during the first six months of 2000 was $72.3 million compared with $57.3 million in the comparable period of 1999. The cash flow for both 2000 and 1999 was principally from earnings, before deducting depreciation, depletion and amortization, offset by working capital requirements. Depreciation, depletion and amortization was $67.0 million and $59.1 million for the six-months ended June 30, 2000 and 1999, respectively. Amortization of goodwill and other intangibles, included in depreciation, depletion and amortization, was $11.2 million and $9.0 million for the six-months ended June 30, 2000 and 1999, respectively. The seasonal nature of the construction aggregates business impacts quarterly net cash provided by operating activities when compared with the year. Full year 1999 net cash provided by operating activities was $223.7 million, compared with $57.3 million provided by operations in the six-months ended June 30, 1999.

Six-month capital expenditures, exclusive of acquisitions, were $73.3 million in 2000 and $59.8 million in 1999. Capital expenditures, exclusive of acquisitions, are expected to be approximately $175 million for 2000, which is $45 million less than previously anticipated. Comparable full year capital expenditures were $137.8 million in 1999. During the six-months ended June 30, 2000, the Corporation spent $36.7 million for acquisitions in continuation of its internal expansion strategy.

(Continued)

Second Quarter and Six-Months Ended June 30, 2000 and 1999

The Corporation continues to rely upon internally generated funds and access to capital markets, including its two revolving credit agreements and a cash management facility, to meet its liquidity requirements, finance its operations, and fund its capital requirements. The Corporation has signed amendments to its revolving credit agreements which, among other things, modified certain restrictive covenants relating to leverage and extended the term of the 364-day agreement to August, 2001.

With respect to the Corporation's ability to access the public market, currently, management has the authority to file a universal shelf registration statement with the Commission for up to $500 million in issuance of either debt or equity securities. It should be noted, however, that the Corporation has not determined the timing when, or the amount for which, it may file such shelf registration. The Corporation's ability to borrow or issue debt securities is dependent, among other things, upon prevailing economic, financial and market conditions.

Based on prior performance and current expectations, the Corporation's management believes that cash flows from internally generated funds and its access to capital markets are expected to continue to be sufficient to provide the capital resources necessary to fund the operating needs of its existing businesses, cover debt service requirements, and allow for payment of dividends in 2000. The Corporation may be required to obtain additional levels of financing in order to fund certain strategic acquisitions if any such opportunities arise. Currently, the Corporation's senior unsecured debt is rated "A" by Standard & Poor's and "A3" by Moody's. The Corporation's commercial paper obligations are rated "A-1" by Standard & Poor's, "P-2" by Moody's and "F-1" by Fitch IBCA, Inc. While management believes its credit ratings will remain at an investment-grade level, no assurance can be given that these ratings will remain at the above-mentioned levels.

ACCOUNTING CHANGES The accounting changes that currently impact the Corporation are included in Note 6 to the Condensed Consolidated Financial Statements.

OTHER MATTERS Investors are cautioned that statements in this Quarterly Report on Form 10-Q that relate to the future are, by their nature, uncertain and dependent upon numerous contingencies — including political, economic, regulatory, climatic, competitive, and technological — any of which could cause actual results and events to differ materially from those indicated in such forward-looking statements. Additional information regarding these and other risk factors and uncertainties may be found in the Corporation's other filings, which are made from time, to time with the Securities and Exchange Commission.

PART II — OTHER INFORMATION

Item 1. Legal Proceedings.

Reference is made to *Part I. Item 3. Legal Proceedings* of the Martin Marietta Materials, Inc. Annual Report on Form 10-K for the year ended December 31, 1999.

Item 4. Submission of Matters to a Vote of Security Holders.

(a) Item 4. Submission of Matters to a Vote of Security Holders.

At the Annual Meeting of Shareholders held on May 23, 2000, the shareholders of Martin Marietta Materials, Inc.:

(a) Elected William E. McDonald, Frank H. Menaker, Jr. and Richard A. Vinroot to the Board of Directors of the Corporation to terms expiring at the Annual Meeting of Shareholders in the year 2003. The following table sets forth the votes for each director.

	Votes Cast For	**Withheld**
William E. McDonald	41,076,333	465,813
Frank H. Menaker, Jr.	41,068,415	473,731
Richard A. Vinroot	40,537,631	1,004,515

(b) Ratified the selection of Ernst & Young LLP, as independent auditors for the year ending December 31, 2000. The voting results for this ratification were 41,385,620 — *For;* 57,199 — *Against;* and 99,327 — *Abstained*.

PART II — OTHER INFORMATION

(Continued)

Item 5. Other Information.

On May 23, 2000, the Corporation announced that the Board of Directors had declared a regular quarterly cash dividend of $0.13 per share on the Corporation's common stock. This dividend, which represents a cash payout of $0.52 per share on an annualized basis, was payable June 30, 2000, to shareholders of record at the close of business on June 1, 2000.

On May 24, 2000, the Corporation announced that the Board of Directors had elected Dan Shephard as Vice President and Treasurer of the Corporation at its meeting on May 23, 2000.

On June 30, 2000, the Corporation announced the acquisition of the A.B. Long Quarries, Inc. located in Harriman, Tennessee, in the Knoxville area. The quarry mines limestone and has annual capacity in excess 750,000 tons, with mineral reserves in excess of a 20-year supply. The Corporation also announced the purchase of Texarkana Asphalt, Inc., in Texarkana, Texas. This facility operates a rail-served aggregates distribution yard in Texarkana and operates two asphalt plants located in Texarkana and Prescott, Arkansas, with annual capacity in excess of 700,000 tons, and performs construction in Northeast Texas and Southern Arkansas. In another separate transaction, the Corporation purchased a rail distribution yard near Wilmington, North Carolina, which serves the area between Wilmington and Myrtle Beach, South Carolina. All three purchases were cash for assets transactions, with the purchase price not disclosed.

On July 17, 2000, the Corporation announced that it had signed a long-term agreement with Chemical Lime Company to process aggregates materials and provide certain operating services at its New Braunfels, Texas, location.

PART II — OTHER INFORMATION

(Continued)

Item 6. Exhibits and Reports on Form 8-K.

(a) Exhibits

Exhibit No.	Document
10.01	Amendment No. 3 to the Martin Marietta Materials, Inc. Incentive Stock Plan
10.02	Amended and Restated Revolving Credit Agreement dated August 9, 2000
10.03	Amendment No. 3 to Credit Agreement dated August 9, 2000
11.01	Martin Marietta Materials, Inc. and Consolidated Subsidiaries Computation of Earnings per Share for the Quarter and Six-Months Ended June 30, 2000 and 1999
27.01	Financial Data Schedule (for Securities and Exchange Commission use only)

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 thereunto duly authorized.

MARTIN MARIETTA MATERIALS, INC.

(Registrant)

Date: August 14, 2000

By: /s/ JANICE K. HENRY

Janice K. Henry
Senior Vice President and Chief
Financial Officer

EXHIBIT INDEX

Exhibit No.	Document

10.01	Amendment No. 3 to the Martin Marietta Materials, Inc. Incentive Stock Plan
10.02	Amended and Restated Revolving Credit Agreement dated as of August 9, 2000
10.03	Amendment No. 3 to Credit Agreement dated August 9, 2000
11.01	Martin Marietta Materials, Inc. and Consolidated Subsidiaries Computation of Earnings per Share for the Quarter Ended June 30, 2000 and 1999
27.01	Financial Data Schedule (for Securities and Exchange Commission use only)

Exhibit 10.01

MARTIN MARIETTA MATERIALS, INC. AND CONSOLIDATED SUBSIDIARIES

AMENDMENT NO. 3 TO THE

MARTIN MARIETTA MATERIALS, INC.
INCENTIVE STOCK PLAN

This Amendment No. 3 to the Martin Marietta Materials, Inc. Incentive Stock Plan, as previously amended (the "Plan") hereby makes the following amendments, effective as of May 23, 2000.

Section 6.06 of the Plan is amended to add the following sentences:

> "A Participant whose distribution of Common Shares is reduced to satisfy the withholding tax obligation may not request tax to be withheld at greater than the minimum rate. A Participant who is paying the withholding tax in cash may pay the withholding at greater than the minimum rate."

All other terms and provisions of the Plan remain in full force and effect.

EXHIBIT 10.02
[CONFORMED COPY]

AMENDED AND RESTATED REVOLVING CREDIT AGREEMENT

AMENDED AND RESTATED REVOLVING CREDIT AGREEMENT dated as of August 9, 2000 among MARTIN MARIETTA MATERIALS, INC. (the "BORROWER"), the BANKS listed on the signature pages hereof (the "BANKS") and MORGAN GUARANTY TRUST COMPANY OF NEW YORK, as Agent (the "AGENT").

W I T N E S S E T H :

WHEREAS, certain of the parties hereto have heretofore entered into a Revolving Credit Agreement dated as of December 3, 1998 and amended and restated as of August 11, 1999 (as amended and restated, the "AGREEMENT");

WHEREAS, at the date hereof, there are no Loans outstanding under the Agreement; and

WHEREAS, the parties hereto desire to make the amendments specified below and to restate the Agreement in its entirety to read as set forth in the Agreement with the amendments specified below;

NOW, THEREFORE, the parties hereto agree as follows:

SECTION 1. Definitions; References.

(a) Unless otherwise specifically defined herein, each term used herein which is defined in the Agreement shall have the meaning assigned to such term in the Agreement. Each reference to "hereof", "hereunder," "herein" and "hereby" and each other similar reference and each reference to "this Agreement" and each other similar reference contained in the Agreement shall from and after the date hereof refer to the Agreement as amended hereby.

SECTION 2. Extension of Facility. The date "August 9, 2000" in the definition of "Termination Date" in Section 1.01 of the Agreement is changed to "August 8, 2001".

SECTION 3. Equity-hybrid Securities. The following definitions are added to Section 1.01 in appropriate alphabetical order:

"EQUITY PURCHASE" has the meaning in the definition of the term "Equity Hybrid Security."

"EQUITY HYBRID SECURITY" means a debt security (whether or not denominated as an equity hybrid security), including guaranties issued in connection therewith, that is issued substantially concurrently with the sale of a purchase contract requiring the buyer to purchase (the "EQUITY PURCHASE") from the Borrower equity securities of the Borrower for a price equal to the amount of such debt security with the purchase price being payable in cash or debt securities of the Borrower. The good faith determination by the Board of Directors of the Borrower whether a debt security (or a portion thereof) constitutes an Equity Hybrid Security shall be conclusive for purposes of this Agreement."

SECTION 4. Updated Representations. (a) Each reference to "1998" in Section 4.04(a) of the Agreement is replaced with "1999."

(b) Each reference to "March 31, 1999" in Section 4.04(b) and Section 4.04(c) of the Agreement is replaced with "March 31, 2000."

(c) Each reference to "March 31, 1999" in the definition of "Borrower's Latest Form 10-Q" is replaced with "March 31, 2000."

SECTION 5. Change in Leverage Ratio. Section 5.09 is amended to read in its entirety as follows:

> "Section 5.09. Leverage Ratio. The ratio of Consolidated Debt to Total Capital (the "LEVERAGE RATIO") shall not at any time exceed 50%; provided that if (i) Consolidated Debt has increased in connection with a Specified Acquisition, (ii) as a consequence of such Specified Acquisition, the rating of long-term unsecured debt of the Borrower has not been suspended, withdrawn or fallen below BBB+ by Standard & Poor's Ratings Services or Baa1 by Moody's Investors Service, Inc. and (iii) the Agent has received a Specified Acquisition Notice within 10 days of consummation of such Specified Acquisition, then, for a period of 180 consecutive days following the consummation of such Specified Acquisition, the additional Consolidated Debt in connection with such Specified Acquisition shall be excluded from Consolidated Debt for purposes of calculating the Leverage Ratio, but only if the Leverage Ratio calculated without such exclusion at no time exceeds 65%. For purposes of calculating, under this Section 5.09, the treatment of an Equity Hybrid Security which is not otherwise included in Consolidated Net Worth until the Equity Purchase is effected, (x) if such Equity Hybrid Security represents senior unsecured

indebtedness, the total issuance amount of such security shall be allocated 20% to Consolidated Debt and 80% to Consolidated Net Worth, and (y) if such Equity Hybrid Security represents subordinated indebtedness, the total issuance amount of such security shall be allocated 100% to Consolidated Net Worth.

For purposes of this Section 5.09,

(i) a "SPECIFIED ACQUISITION" means any single acquisition by the Borrower or a Subsidiary of the Borrower of any Person (the "TARGET") that (x) is in the same line or lines of business as the Borrower or in the judgment of the Borrower is related to such line or lines of business and (y) such Target's board of directors have not objected to such acquisition; and

(ii) a "SPECIFIED ACQUISITION NOTICE" means a notice delivered by the Borrower notifying the Agent of the Specified Acquisition and stating that the conditions in clauses (i) and (ii) to the proviso to the Leverage Ratio above have been satisfied."

SECTION 6. Change in Commitments. With effect from and including the date this Amendment and Restatement becomes effective in accordance with Section 10 hereof, (i) each Person listed on the signature pages hereof which is not a party to the Agreement shall become a Bank party to the Agreement and (ii) the Commitment of each Bank shall be the amount set forth opposite the name of such Bank in the Commitment Schedule annexed hereto. Any Bank whose Commitment is changed to zero shall upon such effectiveness cease to be a Bank party to the Agreement, and all accrued fees and other amounts payable under the Agreement for the account of such Bank shall be due and payable on such date; provided that the provisions of Sections 8.03 and 9.03 of the Agreement shall continue to inure to the benefit of each such Bank.

SECTION 7. Year 2000 Compliance. (a) Section 4.16 of the Agreement is deleted in its entirety.

(b) The terms "Year 2000 Compliant" and "Year 2000 Problem" are deleted in their entirety from Section 1.01 of the Agreement.

(c) The phrase ", 4.14 and 4.16" in Section 3.02(e) of the Agreement is replaced by the words "and 4.14".

SECTION 8. Representations and Warranties. The Borrower hereby represents and warrants that as of the date hereof and after giving effect hereto:

(a) no Default has occurred and is continuing; and

(b) each representation and warranty of the Borrower set forth in the Agreement after giving effect to this Amendment and Restatement is true and correct as though made on and as of such date.

SECTION 9. Governing Law. This Amendment and Restatement shall be governed by and construed in accordance with the laws of the State of New York.

SECTION 10. Counterparts; Effectiveness. This Amendment and Restatement may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument. This Amendment and Restatement shall become effective as of the date hereof when the Agent shall have received:

(a) duly executed counterparts hereof signed by the Borrower and the Banks (or, in the case of any party as to which an executed counterpart shall not have been received, the Agent shall have received telegraphic, telex or other written confirmation from such party of execution of a counterpart hereof by such party);

(b) an opinion of Willkie Farr & Gallagher, counsel for the Borrower (or such other counsel for the Borrower as may be acceptable to the Agent) substantially to the effect of Exhibit E to the Agreement with reference to this Amendment and Restatement and the Agreement as amended and restated hereby; and

(c) all documents it may reasonably request relating to the existence of the Borrower, the corporate authority for and the validity of this Agreement, and any other matters relevant hereto, all in form and substance satisfactory to the Agent;

provided that this Amendment and Restatement shall not become effective or binding on any party hereto unless all of the foregoing conditions are satisfied not later than August 9, 2000. The Agent shall promptly notify the Borrower and the Banks of the effectiveness of this Amendment and Restatement, and such notice shall be conclusive and binding on all parties hereto.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their respective authorized officers as of the day and year first above written.

MARTIN MARIETTA MATERIALS, INC.

By: /s/ Janice K. Henry

Title: Senior Vice President and
Chief Financial Officer

Address: 2710 Wycliff Road
Raleigh, NC 27607

Facsimile: 919-510-4700

MORGAN GUARANTY TRUST COMPANY OF NEW YORK

By: /s/ Robert Bottamedi

Title: Vice President

FIRST UNION NATIONAL BANK

By: /s/ G. Mendel Lay, Jr.

Title: Senior Vice President

WACHOVIA BANK, N.A.

By: /s/ Keith A. Sherman

Title: Senior Vice President

BANK OF AMERICA, N.A.

By: /s/ Kathryn W. Robinson

Title: Managing Director

BNP PARIBAS HOUSTON AGENCY

By: /s/ Henry F. Setina

Title: Vice President

BRANCH BANKING & TRUST COMPANY

By: /s/ Richard E. Fowler

Title: Senior Vice President

CENTURA BANK

By: /s/ J. Michael Dickinson

Title: Corporate Bank Officer

STATE STREET BANK AND TRUST COMPANY

By: /s/ Juan G. Sierra

Title: Officer

WELLS FARGO BANK, N.A.

By: /s/ Carol A. Ward

Title: Vice President

MORGAN GUARANTY TRUST COMPANY OF
NEW YORK, as Agent

By: /s/ Robert Bottamedi

Title: Vice President

Address: 500 Stanton Christiana Road
Newark, DE 19713

Facsimile: 302-634-1852

COMMITMENT SCHEDULE

BANK	COMMITMENT
Morgan Guaranty Trust Company of New York	$44,500,000
First Union National Bank	$43,500,000
Wachovia Bank, N.A.	$43,500,000
Bank of America, N.A.	$43,500,000
BNP Paribas Houston Agency	$25,000,000
Branch Banking & Trust Company	$25,000,000
Centura Bank	$25,000,000
State Street Bank and Trust Company	$25,000,000
Wells Fargo Bank, N.A.	$25,000,000
TOTAL	$300,000,000

EXHIBIT 10.03
[CONFORMED COPY]

AMENDMENT NO. 3 TO CREDIT AGREEMENT

AMENDMENT dated as of August 9, 2000 to the Revolving Credit Agreement dated as of January 29, 1997 (as heretofore amended, the "CREDIT AGREEMENT") among MARTIN MARIETTA MATERIALS, INC. (the "BORROWER"), the BANKS party thereto (the "BANKS") and MORGAN GUARANTY TRUST COMPANY OF NEW YORK, as Agent (the "AGENT").

W I T N E S S E T H :

WHEREAS, the parties hereto desire to amend the Credit Agreement as set forth below;

NOW, THEREFORE, the parties hereto agree as follows:

SECTION 1. Definitions; References. Unless otherwise specifically defined herein, each term used herein which is defined in the Credit Agreement has the meaning assigned to such term in the Credit Agreement. Each reference to "hereof", "hereunder", "herein" and "hereby" and each other similar reference and each reference to "this Agreement" and each other similar reference contained in the Credit Agreement shall, after this Amendment becomes effective, refer to the Credit Agreement as amended hereby.

SECTION 2. Updated Representations. (a) Each reference to "1995" in Section 4.04(a) of the Agreement is replaced with "1999."

(b) Each reference to "September 30, 1996" in Section 4.04(b) and Section 4.04(c) of the Agreement is replaced with "March 31, 2000."

(c) Each reference to "nine months" in Section 4.04(b) of the Agreement is replaced with "three months."

SECTION 3. Equity-hybrid Securities. The following definitions are added to Section 1.01 in appropriate alphabetical order:

"EQUITY PURCHASE" has the meaning in the definition of the term "Equity Hybrid Security."

"EQUITY HYBRID SECURITY" means a debt security (whether or not denominated as an equity hybrid security), including guaranties issued in connection therewith, that is issued substantially concurrently with the sale of a purchase contract requiring the buyer to purchase (the "EQUITY PURCHASE") from the Borrower equity securities of the Borrower for a price equal to the amount of such debt security with the purchase price being payable in cash or debt securities of the Borrower. The good faith determination by the Board of Directors of the Borrower whether a debt security (or a portion thereof) constitutes an Equity Hybrid Security shall be conclusive for purposes of this Agreement."

SECTION 4. New Leverage Ratio. Section 5.09 is amended to read in its entirety as follows:

"Section 5.09. Leverage Ratio. The ratio of Consolidated Debt to Total Capital (the "LEVERAGE RATIO") shall not at any time exceed 50%; provided that if (i) Consolidated Debt has increased in connection with a Specified Acquisition, (ii) as a consequence of such Specified Acquisition, the rating of long-term unsecured debt of the Borrower has not been suspended, withdrawn or fallen below BBB+ by Standard & Poor's Ratings Services or Baa1 by Moody's Investors Service, Inc. and (iii) the Agent has received a Specified Acquisition Notice within 10 days of consummation of such Specified Acquisition, then, for a period of 180 consecutive days following the consummation of such Specified Acquisition, the additional Consolidated Debt in connection with such Specified Acquisition shall be excluded from Consolidated Debt for purposes of calculating the Leverage Ratio, but only if the Leverage Ratio calculated without such exclusion at no time exceeds 65%. For purposes of calculating, under this Section 5.09, the treatment of an Equity Hybrid Security which is not otherwise included in Consolidated Net Worth until the Equity Purchase is effected, (x) if such Equity Hybrid Security represents senior unsecured indebtedness, the total issuance amount of such security shall be allocated 20% to Consolidated Debt and 80% to Consolidated Net Worth, and (y) if such Equity Hybrid Security represents subordinated indebtedness, the total issuance amount of such security shall be allocated 100% to Consolidated Net Worth.

For purposes of this Section 5.09,

(i) a "SPECIFIED ACQUISITION" means any single acquisition by the Borrower or a Subsidiary of the Borrower of any Person (the "TARGET") that (x) is in the same line or lines of business as the Borrower or in the judgment of the Borrower is related to such line or lines of business and (y) such Target's board of directors have not objected to such acquisition; and

(ii) a "SPECIFIED ACQUISITION NOTICE" means a notice delivered by the Borrower notifying the Agent of the Specified

Acquisition and stating that the conditions in clauses (i) and (ii) to the proviso to the Leverage Ratio above have been satisfied."

SECTION 5. Representations of Borrower. The Borrower hereby represents and warrants that (i) the representations and warranties of the Borrower set forth in Article 4 of the Credit Agreement will be true on and as of the Amendment Effective Date and (ii) no Default will have occurred and be continuing on such date.

SECTION 6. Governing Law. This Amendment shall be governed by and construed in accordance with the laws of the State of New York.

SECTION 7. Counterparts. This Amendment may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument.

SECTION 8. Effectiveness. This Amendment shall become effective as of the date hereof on the date (the "AMENDMENT EFFECTIVE DATE") when the Agent shall have received from each of the Borrower and the Required Banks a counterpart hereof signed by such party or facsimile or other written confirmation (in form satisfactory to the Agent) that such party has signed a counterpart hereof.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed as of the date first above written.

MARTIN MARIETTA MATERIALS, INC.

By: /s/ Janice K. Henry

Title: Senior Vice President and
Chief Financial Officer

MORGAN GUARANTY TRUST COMPANY OF NEW YORK

By: /s/ Robert Bottamedi

Title: Vice President

FIRST UNION NATIONAL BANK

By: /s/ G. Mendel Lay, Jr.

Title: Senior Vice President

WACHOVIA BANK, N.A.

By: /s/ Keith A. Sherman

Title: Senior Vice President

BANK OF MONTREAL

By: /s/ Brian L. Banke

Title: Director

BANK OF AMERICA, N.A.

By: /s/ Kathryn W. Robinson

Title: Managing Director

THE SUMITOMO BANK, LIMITED, NEW YORK BRANCH

By: /s/ Edward D. Henderson, Jr.

Title: Senior Vice President

Exhibit 11.01

MARTIN MARIETTA MATERIALS, INC. AND CONSOLIDATED SUBSIDIARIES

COMPUTATION OF EARNINGS PER SHARE

For the Quarter and Six-Months Ended June 30, 2000 and 1999

(Dollars in Thousands, Except Per Share Data)

	Three-Months Ended June 30,		Six-Months Ended June 30,	
	2000	**1999**	**2000**	**1999**
Net earnings	$ 42,122	$ 41,273	$ 49,452	$ 49,213
Weighted average number of shares outstanding:				
Basic earnings per share	46,751,001	46,684,229	46,738,229	46,659,901
Effect of dilutive securities	294,401	346,682	227,002	306,548
Diluted earnings per share	47,045,402	47,030,911	46,965,231	46,966,449
Net earnings per share				
—basic	$ 0.90	$ 0.88	$ 1.06	$ 1.05
—diluted	$ 0.90	$ 0.88	$ 1.05	$ 1.05

5

THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE
CONDENSED CONSOLIDATED BALANCE SHEET AS OF JUNE 30, 2000 AND THE RELATED
CONDENSED CONSOLIDATED STATEMENT OF EARNINGS FOR THE THREE- AND SIX-MONTH
PERIODS ENDED JUNE 30, 2000 AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO
SUCH QUARTERLY REPORT ON FORM 10-Q FOR THE QUARTERLY PERIOD ENDED JUNE 30, 2000.

1,000

6-MOS
DEC-31-2000
JAN-01-2000
JUN-30-2000
3,363
0
233,394
4,749
192,787
457,261
1,728,253
850,879
1,838,118
236,518
601,748
0
0
468
812,485
1,838,118
638,605
638,605
497,415
546,884
5,888
732
20,820
76,057
26,605
49,452
0
0
0
49,452
1.06
1.05