MARTIN MARIETTA MATERIALS INC
Form 10-K
February 17, 2009

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2008

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-K

(Mark One)

þ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2008

OR

o **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

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 No.)
2710 Wycliff Road, Raleigh, North Carolina	**27607-3033**
(Address of principal executive offices)	(Zip Code)

(919) 781-4550

(Registrant s telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Name of each exchange on which registered
Common Stock (par value $.01 per share) (including rights attached thereto)	**New York Stock Exchange**

Securities registered pursuant to Section 12(g) of the Act: **None**

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

Yes þ No o

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Exchange Act.

Yes o No þ

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 þ No o

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant s knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. þ

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer þ	Accelerated filer o	Non-accelerated filer o (Do not check if a smaller reporting company)	Smaller reporting company o

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes o No þ

As of June 30, 2008, the last business day of the registrant s most recently completed second fiscal quarter, the aggregate market value of the registrant s common stock held by non-affiliates of the registrant was $1,429,037,827 based on the closing sale price as reported on the New York Stock Exchange.

Indicate the number of shares outstanding of each of the issuer s classes of common stock on the latest practicable date.

Class	Outstanding at February 10, 2009
Common Stock, $.01 par value per share	**41,406,842 shares**

DOCUMENTS INCORPORATED BY REFERENCE

Document	Parts Into Which Incorporated
Excerpts from Annual Report to Shareholders for the Fiscal Year Ended December 31, 2008 (Annual Report)	Parts I, II, and IV
Proxy Statement for the Annual Meeting of Shareholders to be held May 27, 2009 (Proxy Statement)	Part III

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PART I

ITEM 1. BUSINESS

General

Martin Marietta Materials, Inc. (the Company) is a leading producer of aggregates for the construction industry, including infrastructure, commercial, agricultural, and residential. The Company also has a Specialty Products segment that manufactures and markets magnesia-based chemical products used in industrial, agricultural, and environmental applications; dolomitic lime sold primarily to the steel industry; and structural composite products. In 2008, the Company s Aggregates business accounted for 91% of the Company s total net sales, and the Company s Specialty Products segment accounted for 9% of the Company s total net sales.

The Company was formed in 1993 as a North Carolina corporation to serve as successor to the operations of the materials group of the organization that is now Lockheed Martin Corporation. An initial public offering of a portion of the Company s Common Stock was completed in 1994, followed by a tax-free exchange transaction in 1996 that resulted in 100% of the Company s Common Stock being publicly traded.

Initially, the Company s aggregates operations were predominantly in the Southeast, with additional operations in the Midwest. In 1995, the Company started its geographic expansion with the purchase of an aggregates business that included an extensive waterborne distribution system along the East and Gulf Coasts and the Mississippi River. Smaller acquisitions that year, including the acquisition of the Company s granite operations on the Strait of Canso in Nova Scotia, complemented the Company s new coastal distribution network.

Subsequent acquisitions in 1997 and 1998 expanded the Company s Aggregates business in the middle of the country and added a leading producer of aggregates products in Texas, which provided the Company with access to an extensive rail network in Texas. These two transactions positioned the Company for numerous additional expansion acquisitions in Ohio, Indiana, and the southwestern regions of the United States, with the Company completing 29 smaller acquisitions between 1997 and 1999, which allowed the Company to enhance and expand its presence in the aggregates marketplace.

In 1998, the Company made an initial investment in an aggregates business that would later serve as the Company s platform for further expansion in the southwestern and western United States. In 2001, the Company completed the purchase of all of the remaining interests of this business, which increased its ability to use rail as a mode of transportation.

Effective January 1, 2005, the Company formed a joint venture with Hunt Midwest Enterprises to operate substantially all of the aggregates facilities of both companies in Kansas City and surrounding areas. The parties contributed a total of 15 active quarry operations to the joint venture.

In 2008, the Company entered into a swap transaction with Vulcan Materials Company (Vulcan), pursuant to which it acquired six quarry locations in Georgia and Tennessee. The newly

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acquired locations significantly expanded the Company s presence in Georgia and Tennessee, particularly south and west of Atlanta, Georgia. The Company also acquired a land parcel previously leased from Vulcan at the Company s Three Rivers Quarry near Paducah, Kentucky. In addition to a cash payment, as part of this swap, the Company divested to Vulcan its only California quarry located in Oroville, an idle facility north of San Antonio, Texas, and land in Henderson, North Carolina, formerly leased to Vulcan.

Between 2001 and 2008, the Company disposed of or permanently shut down a number of underperforming operations, including aggregates, asphalt, ready mixed concrete, trucking, and road paving operations of its Aggregates business and the refractories business of its Magnesia Specialties business. In some of its divestitures, the Company concurrently entered into supply agreements to provide aggregates at market rates to certain of these divested businesses. The Company will continue to evaluate opportunities to divest underperforming assets during 2009 in an effort to redeploy capital for other opportunities.

Business Segment Information

The Company operates in four reportable business segments: the Mideast Group, Southeast Group, and West Group, collectively the Aggregates business, and the Specialty Products segment. The Specialty Products segment includes the magnesia-based chemicals and dolomitic lime businesses and the structural composites product line. Information concerning the Company s total revenues, net sales, earnings from operations, assets employed, and certain additional information attributable to each reportable business segment for each year in the three-year period ended December 31, 2008 is included in Note O: Business Segments of the Notes to Financial Statements of the Company s 2008 consolidated financial statements (the 2008 Financial Statements), which are included under Item 8 of this Form 10-K, and are part of the Company s 2008 Annual Report to Shareholders (the 2008 Annual Report), which information is incorporated herein by reference.

Aggregates Business

The Aggregates business mines, processes and sells granite, limestone, sand, gravel, and other aggregate products for use in all sectors of the public infrastructure, commercial and residential construction industries as well as miscellaneous uses such as agriculture, railroad ballast and chemical uses. The Aggregates business also includes the operation of other construction materials businesses. These businesses, located primarily in the West Group, were acquired through continued selective vertical integration by the Company, and include asphalt, ready mixed concrete, and road paving operations.

The Company is a leading producer of aggregates for the construction industry in the United States. In 2008, the Company s Aggregates business shipped 159.4 million tons of aggregates primarily to customers in 29 states, Canada, the Bahamas, and the Caribbean Islands, generating net sales and earnings from operations of $1.7 billion and $331.0 million, respectively.

The Aggregates business markets its products primarily to the construction industry, with approximately 50% of its shipments made to contractors in connection with highway and other public infrastructure projects and the balance of its shipments made primarily to contractors in connection with commercial and residential construction projects. As a result of dependence upon the construction industry, the profitability of aggregates producers is sensitive to national, regional, and local economic conditions, and particularly to cyclical swings in construction spending, which is affected by fluctuations in interest rates, demographic and population shifts, and changes in the level of infrastructure spending funded by the public sector.

The American Recovery and Reinvestment Act of 2009 (the Act or the Economic Stimulus Plan) was signed into law on February 17, 2009, for the purpose of creating jobs and restoring economic growth through, among other things, the modernization of the United States infrastructure, the enhancement of America s energy independence and the expansion of educational opportunities. As the Act could create significant construction spending, demand for our products could be affected by the economic growth anticipated under the Act. We estimate that for every $1 million that is spent directly on highways, roads and bridges, approximately 10,000 tons of construction aggregates are required. The Act allocates $27.5 billion for highways and bridges. We also expect that other spending components of the Act could lead to a change in construction activity including spending allocated to the following areas: $1.1 billion for airports; $8.4 billion for mass transit; $8.0 billion for high speed rail; $4.6 billion for the Army Corps of Engineers; $6.0 billion for water and sewer projects; $4.2 billion for United States Department of Defense facilities; $6.4 billion to clean nuclear weapon sites; $6.0 billion to subsidize loans for renewable energy; $20 billion for renewable energy tax incentives; $6.3 billion to states for energy efficiency and clean energy grants; $44.5 billion for schools; and $6.6 billion for a first time homebuyer credit of $8,000. The spending under the Act will take at least several months before Congress could appropriate such funds and each state could take appropriate measures to take advantage of such funding. In addition, each state would have to approve various infrastructure projects to be funded through the Act. We cannot be assured as to the nature, extent or timing of the full impact of the spending under the Act and our estimate of 10,000 tons per $1 million constitutes an estimate that will not necessarily result in actual tonnage.

The Company s Aggregates business covers a wide geographic area, with aggregates, asphalt products, and ready mixed concrete sold and shipped from a network of approximately 288 quarries, underground mines, distribution facilities, and plants to customers in 29 states, Canada, the Bahamas, and the Caribbean Islands. The Company s five largest revenue-generating states (North Carolina, Texas, Georgia, Iowa, and Florida) account for approximately 60% of total 2008 net sales for the Aggregates business by state of destination. The Company s Aggregates business is accordingly affected by the economies in these regions and has been adversely affected in part by recessions and weaknesses in these economies from time to time. The current economic recession nationally and in these states has negatively impacted the Company s Aggregates business.

The Company s Aggregates business is also highly seasonal, due primarily to the effect of weather conditions on construction activity within its markets. The operations of the Aggregates business that are concentrated in the northern United States and Canada typically experience more severe winter weather conditions than operations in the southeastern and southwestern regions of the United States. Excessive rainfall or severe drought, however, can jeopardize shipments, production, and profitability in all of the Company s markets. Due to these factors, the Company s second and third quarters are the strongest, with the first quarter generally reflecting the weakest results. Results in any quarter are not necessarily indicative of the Company s annual results. Similarly, the operations of the Aggregates business in the southeastern and Gulf Coast regions of the United States and the Bahamas are at risk for hurricane activity and have experienced weather-related losses in recent years. During 2008, the Company was negatively impacted in the southwest and southeast by Hurricanes Gustav, Hannah, and Ike and also by Tropical Storm Fay. Further, Iowa experienced severe flooding during 2008, which negatively affected both shipments and operations.

Natural aggregates sources can be found in relatively homogeneous deposits in certain areas of the United States. As a general rule, truck shipments from an individual quarry are limited because the cost of transporting processed aggregates to customers is high in relation to the price of the product itself. As described below, the Company s distribution system mainly uses trucks, but also has access to a river barge and ocean vessel network where the per mile unit cost of transporting aggregates is much lower. In addition, acquisitions have enabled the Company to extend its customer base through increased access to rail transportation. Proximity of quarry facilities to customers or to long-haul transportation corridors is an important factor in competition for aggregates business.

A growing percentage of the Company s aggregates shipments are being moved by rail or water through a distribution yard network. In 1994, 93% of the Company s aggregates shipments were moved by truck, the rest by rail. In contrast, in 2008, the originating mode of transportation for the Company s aggregates shipments was 70% by truck, 19% by rail, and 11% by water. The majority of the rail and water movements occur in the Southeast Group and the West Group. The Company has an extensive network of aggregates quarries and distribution centers along the Mississippi River system throughout the central and southern United States and in the Bahamas and Canada, as well as distribution centers along the Gulf of Mexico and Atlantic coasts. The Company has previously brought additional capacity on line at its Bahamas and Nova Scotia locations to transport materials via oceangoing ship. In 2006, the Company completed a highly-automated plant and barge loadout

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system at its Three Rivers facility in Kentucky, a key site in the Company s long-haul distribution network, which plant is capable of producing more than 8 million tons per year for shipment to 14 states along the Ohio and Mississippi River network.

In addition, the Company s acquisitions and capital projects have expanded its ability to ship material by rail, as discussed in more detail below. The Company has added additional capacity in a number of locations that can now accommodate larger unit train movements. These expansion projects have enhanced the Company s long-haul distribution network. The Company s process improvement program has also improved operational effectiveness through plant automation, mobile fleet modernization, right-sizing, and other cost control improvements. Accordingly, the Company has enhanced its reach through its ability to provide cost-effective coverage of coastal markets on the east and gulf coasts, as well as geographic areas that can be accessed economically by the Company s expanded distribution system. This distribution network moves aggregates materials from domestic and offshore sources, via rail and water, to markets where aggregates supply is limited.

The Company is currently focusing a significant part of its capital spending program on locations that are part of the rail transportation network along the geological fall line. In 2008, the Company completed its new plant in Augusta, Georgia, which increased capacity from 2 million tons per year to 6 million tons per year and will help serve high-growth markets in Georgia and Florida. However, during the current recession, the Company has scaled back its capital program and has delayed significant projects pending recovery in the economy.

As the Company continues to move more aggregates by rail and water, embedded freight costs have consequently reduced gross margins. This typically occurs where the Company transports aggregates from a production location to a distribution location by rail or water, and the customer pays a selling price that includes a freight component. Margins are negatively affected because the Company typically does not charge the customer a profit associated with the transportation component of the selling price. Moreover, the Company s expansion of its rail-based distribution network, coupled with the extensive use of rail service in the Southeast and West Groups, increase the Company s dependence on and exposure to railroad performance, including track congestion, crew availability, and power availability, and the ability to renegotiate favorable railroad shipping contracts. The waterborne distribution network, primarily located within the Southeast Group, also increases the Company s exposure to certain risks, including the ability to negotiate favorable shipping contracts, demurrage costs, fuel costs, barge or ship availability, and weather disruptions. The Company has entered into long-term agreements with shipping companies to provide ships to transport the Company s aggregates to various coastal ports.

From time to time the Company has experienced rail transportation shortages, particularly in the Southwest and Southeast. These shortages were caused by the downsizing in personnel and equipment by certain railroads during economic downturns. Further, in response to these issues, rail transportation providers focused on increasing the number of cars per unit train under transportation contracts and are generally requiring customers, through the freight rate structure, to accommodate larger unit train movements. A unit train is a freight train moving large tonnages of a single bulk product between two points without intermediate yarding and switching. In 2006, the Company brought a new plant online on a greensite at its North Troy operation in Oklahoma, which is capable of producing 5 million tons per year and handling multiple 90-car unit trains. Certain of the Company s sales yards in the southwestern region of the United States have the system capabilities to meet the unit train requirements. Over the last few years, the Company has made capital improvements to a number of its sales yards in this region in order to better accommodate unit train unloadings. Further, in 2005, the Company addressed certain of its railcar needs for future shipments by leasing 780 railcars under two master lease agreements. In 2008, the Company entered into lease agreements for additional railcars for its Southwest Division.

The Company s management expects the multiple transportation modes that have been developed with various rail carriers and via barges and deepwater ships should provide the Company with the flexibility to effectively serve customers in the southeastern and southwestern regions of the United States.

The construction aggregates industry has been in a consolidating mode. The Company s management expects this trend to continue but at a slower rate as the number of suitable small to mid-sized acquisition targets in high growth markets decline. However, acquisition opportunities may increase in the short term as large, multi-national competitors may be forced to sell assets acquired in recent transactions to generate cash to fund debt obligations. The Company s Board of Directors and management continue to review and monitor the Company s strategic long-term plans, which include assessing business combinations and arrangements with other companies engaged in similar businesses, increasing market share in the Company s core businesses, investing in internal expansion projects in high-growth markets, and pursuing new opportunities related to the Company s existing markets.

The Company became more vertically integrated with an acquisition in 1998 and subsequent acquisitions, particularly in the West Group, pursuant to which the Company acquired asphalt, ready mixed concrete, paving construction, trucking, and other businesses, which complement the Company s aggregates business. These vertically integrated operations accounted for approximately 5% of revenues of the Aggregates business in 2008. These operations have lower gross margins than aggregates products, and are affected by volatile factors, including fuel costs, operating efficiencies, and weather, to an even greater extent than the Company s aggregates operations. The road paving and trucking businesses were acquired as supplemental operations that were part of larger acquisitions. As such, they do not represent core businesses of the Company. The results of these operations are currently insignificant to the Company as a whole. Over the last few years the Company has disposed of some of these operations. The Company continues to review carefully the acquired vertically integrated operations to determine if they represent opportunities to divest underperforming assets in an effort to redeploy capital for other opportunities.

Environmental and zoning regulations have made it increasingly difficult for the aggregates industry to expand existing quarries and to develop new quarry operations. Although it cannot be predicted what policies will be adopted in the future by federal, state, and local governmental bodies regarding these matters, the Company anticipates that future restrictions will likely make zoning and permitting more difficult, thereby potentially enhancing the value of the Company s existing mineral reserves.

Management believes the Aggregates business raw materials, or aggregates reserves, are sufficient to permit production at present operational levels for the foreseeable future. The Company does not anticipate any material difficulty in obtaining the raw materials that it uses for current production in its Aggregates business. The Company s aggregates reserves on the average exceed 60 years of production, based on normalized levels of production. However, certain locations may be subject to more limited reserves and may not be able to expand. Moreover, as noted above, environmental and zoning regulations will likely make it harder for the Company to expand its existing quarries or develop new quarry operations. The Company generally sells products in its Aggregates business upon receipt of orders or requests from customers. Accordingly, there is no significant order backlog. The Company generally maintains inventories of aggregate products in sufficient quantities to meet the requirements of customers.

Less than 2% of the revenues from the Aggregates business are from foreign jurisdictions, principally Canada and the Bahamas, with revenues from customers in foreign countries totaling $24.8 million, $22.3 million, and $25.0 million during 2008, 2007, and 2006, respectively.

Specialty Products Business

The Company manufactures and markets, through its Specialty Products business, magnesia-based chemical products for industrial, agricultural, and environmental applications, and dolomitic lime for use primarily in the steel industry. These chemical products have varying uses, including flame retardants, wastewater treatment, pulp and paper production, and other environmental applications. In 2008, 69% of Specialty Products net sales were attributable to chemical products, 28% to lime, and 2% to stone, with the remaining 1% attributable to the structural composite products line described below. Sales of chemical products in 2008 were enhanced by the acquisition of the ElastomagÒ product line from Morton International, Inc.

Given the high fixed costs associated with operating this business, low capacity utilization negatively affects its results of operations. A significant portion of the costs related to the production of magnesia-based products and dolomitic lime is of a fixed or semi-fixed nature. In addition, the production of certain magnesia chemical products and lime products requires natural gas, coal, and petroleum coke to fuel kilns. Price fluctuations of these fuels affect the profitability of this business.

In 2008, approximately 75% of the lime produced was sold to third-party customers, while the remaining 25% was used internally as a raw material in making the business chemical products. Dolomitic lime products sold to external customers are used primarily by the steel industry. Accordingly, a portion of the profitability of the Specialty Products business is dependent on steel production capacity utilization and the related marketplace. Products used in the steel industry accounted for approximately 40% of the Specialty Products net sales in 2008, attributable primarily to the sale of dolomitic lime products. In 2008, the severe economic decline in the second half of the year caused a significant downturn in the manufacturing of steel. Accordingly, the sales and earnings of the Specialty Products business were negatively affected during the fourth quarter of 2008, and management anticipates the continued weakness in the manufacturing of steel for much of 2009.

Management has shifted the strategic focus of this magnesia-based business to specialty chemicals that can be produced at volume levels that support efficient operations. Accordingly, that business is not as dependent on the steel industry as is the dolomitic lime portion of the Specialty Products business.

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The principal raw materials used in the Specialty Products business are dolomitic limestone and alkali-rich brine. Management believes that its reserves of dolomitic limestone and brine are sufficient to permit production at the current operational levels for the foreseeable future.

After the brine is used in the production process, the Specialty Products business must dispose of the processed brine. In the past, the business did this by reinjecting the processed brine back into its underground brine reserve network around its facility in Manistee, Michigan. The business has also sold a portion of this processed brine to third parties. In 2003, Specialty Products entered into a long-term processed brine supply agreement with The Dow Chemical Company (Dow) pursuant to which Dow purchases processed brine from Specialty Products, at market rates, for use in Dow s production of calcium chloride products. Specialty Products also entered into a venture with Dow to construct, own, and operate a processed brine supply pipeline between the Specialty Products facility in Manistee, Michigan, and Dow s facility in Ludington, Michigan. Construction of the pipeline was completed in 2003, and Dow began purchasing processed brine from Specialty Products through the pipeline.

Specialty Products generally delivers its products upon receipt of orders or requests from customers. Accordingly, there is no significant order backlog. Inventory for products is generally maintained in sufficient quantities to meet rapid delivery requirements of customers.

Approximately 13% of the revenues of the Specialty Products business are from foreign jurisdictions, principally Canada, Mexico, Europe, South America, and the Pacific Rim, but no single country accounts for 10% or more of the revenues of the business. Revenues from customers in foreign countries totaled $24.3 million, $20.2 million, and $17.0 million in 2008, 2007, and 2006, respectively. As a result of these foreign market sales, the financial results of the Specialty Products business could be affected by foreign currency exchange rates or weak economic conditions in the foreign markets. To mitigate the short-term effects of currency exchange rates, the Specialty Products business principally uses the U.S. dollar as the functional currency in foreign transactions.

The Company also develops structural composite products, through its Specialty Products business and its wholly-owned subsidiary, Martin Marietta Composites (MMC). Pursuant to various agreements, MMC has rights to commercialize certain proprietary technologies including those related to flat panel applications. These agreements give MMC the opportunity to pursue the use of certain fiber-reinforced polymer composites technologies for products where corrosion resistance and high strength-to-weight ratios are important factors. MMC continued its commercialization during 2008 of these structural composites technologies and initiated other selected products in related target markets. However, during 2008, the Company wrote off $1.7 million of machinery and equipment used for the structural composite products line, as the assets had no future use to the Company. There can be no assurance that these technologies will become profitable.

Patents and Trademarks

As of February 10, 2009, the Company owns, has the right to use, or has pending applications for approximately 115 patents pending or granted by the United States and various countries and approximately 80 trademarks related to business. The Company believes that its rights under its existing patents, patent applications, and trademarks are of value to its operations, but no one patent or trademark or group of patents or trademarks is material to the conduct of the Company s business as a whole.

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Customers

No material part of the business of any segment of the Company is dependent upon a single customer or upon a few customers, the loss of any one of which would have a material adverse effect on the segment. The Company s products are sold principally to commercial customers in private industry. Although large amounts of construction materials are used in public works projects, relatively insignificant sales are made directly to federal, state, county, or municipal governments, or agencies thereof.

Competition

Because of the impact of transportation costs on the aggregates industry, competition in the Aggregates business tends to be limited to producers in proximity to each of the Company s production facilities. Although all of the Company s locations experience competition, the Company believes that it is generally a leading producer in the areas it serves. Competition is based primarily on quarry or distribution location and price, but quality of aggregates and level of customer service are also factors.

There are over 4,000 companies in the United States that produce aggregates. The largest five producers account for approximately 31% of the total market. The Company, in its Aggregates business, competes with a number of other large and small producers. The Company believes that its ability to transport materials by ocean vessels, river barges, and rail have enhanced the Company s ability to compete in the aggregates business. Some of the Company s competitors in the aggregates industry have greater financial resources than the Company.

The Company s Specialty Products business competes with various companies in different geographic and product areas principally on the basis of quality, price, technological advances, and technical support for its products. The Specialty Products business also competes for sales to customers located outside the United States, with revenues from foreign jurisdictions accounting for approximately 13% of revenues for the Specialty Products business in 2008, principally in Canada, Mexico, Europe, South America, and the Pacific Rim. Certain of the Company s competitors in the Specialty Products business have greater financial resources than the Company.

Research and Development

The Company conducts research and development activities principally for its magnesia-based chemicals business, at its plant in Manistee, Michigan, and for its structural composites product line, at its headquarters in Raleigh, North Carolina, and its plant in Sparta, North Carolina. In general, the Company s research and development efforts in 2008 were directed to applied technological development for the use of its chemicals products and for its proprietary technologies, including composite materials. The Company spent approximately \$0.6 million in 2008, \$0.9 million in 2007, and \$0.7 million in 2006 on research and development activities.

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Environmental and Governmental Regulations

The Company s operations are subject to and affected by federal, state, and local laws and regulations relating to the environment, health and safety, and other regulatory matters. Certain of the Company s operations may from time to time involve the use of substances that are classified as toxic or hazardous substances within the meaning of these laws and regulations. Environmental operating permits are, or may be, required for certain of the Company s operations, and such permits are subject to modification, renewal, and revocation.

The Company records an accrual for environmental remediation liabilities in the period in which it is probable that a liability has been incurred and the amounts can be reasonably estimated. Such accruals are adjusted as further information develops or circumstances change. The accruals are not discounted to their present value or offset for potential insurance or other claims or potential gains from future alternative uses for a site.

The Company regularly monitors and reviews its operations, procedures, and policies for compliance with existing laws and regulations, changes in interpretations of existing laws and enforcement policies, new laws that are adopted, and new laws that the Company anticipates will be adopted that could affect its operations. The Company has a full time staff of environmental engineers and managers that perform these responsibilities. The direct costs of ongoing environmental compliance were approximately $11.5 million in 2008 and approximately $9.1 million in 2007 and are related to the Company s environmental staff, ongoing monitoring costs for various matters (including those matters disclosed in this Annual Report on Form 10-K), and asset retirement costs. Capitalized costs related to environmental control facilities were approximately $5.8 million in 2008 and are expected to be approximately $8.4 million in 2009 and $8.4 million in 2010. The Company s capital expenditures for environmental matters were not material to its results of operations or financial condition in 2008 and 2007. However, our expenditures for environmental matters generally have increased over time and are likely to increase in the future. Despite our compliance efforts, risk of environmental liability is inherent in the operation of the Company s businesses, as it is with other companies engaged in similar businesses, and there can be no assurance that environmental liabilities will not have a material adverse effect on the Company in the future.

Many of the requirements of the environmental laws are satisfied by procedures that the Company adopts as best business practices in the ordinary course of its operations. For example, plant equipment that is used to crush aggregates products may, as an ordinary course of operations, have an attached water spray bar that is used to clean the stone. The water spray bar also suffices as a dust control mechanism that complies with applicable environmental laws. The Company does not break out the portion of the cost, depreciation, and other financial information relating to the water spray bar that is only attributable to environmental purposes, as it would be derived from an arbitrary allocation methodology. The incremental portion of such operating costs that is attributable to environmental compliance rather than best operating practices is impractical to quantify. Accordingly, the Company expenses costs in that category when incurred as operating expenses.

The environmental accruals recorded by the Company are based on internal studies of the required remediation costs and estimates of potential costs that arise from time to time under federal, state, and/or local environmental protection laws. Many of these laws and the regulations promulgated under them are complex, and are subject to challenges and new interpretations by regulators and the courts from time to time. In addition, new laws are adopted from time to time. It is often difficult to accurately and fully quantify the costs to comply with new rules until it is determined the type of operations to which they will apply and the manner in which they will be implemented is more accurately defined. This process often takes years to finalize and changes significantly from the time the rules are proposed to the time they are final. The Company typically has several appropriate alternatives available to satisfy compliance requirements, which could range from nominal costs to some alternatives that may be satisfied in conjunction with equipment replacement or expansion that also benefits operating efficiencies or capacities and carry significantly higher costs.

Management believes that its current accrual for environmental costs is reasonable, although those amounts may increase or decrease depending on the impact of applicable rules as they are finalized from time to time and changes in facts and circumstances. The Company believes that any additional costs for ongoing environmental compliance would not have a material adverse effect on the Company s obligations or financial condition.

With respect to reclamation costs effective January 1, 2003, the Company adopted Statement of Financial Accounting Standards No. 143, *Accounting for Asset Retirement Obligations* (FAS 143). See Note N: Commitments and Contingencies of the Notes to Financial Statements of the 2008 Financial Statements and the 2008 Annual Report. Under FAS 143, future reclamation costs are estimated using statutory reclamation requirements and management s experience and knowledge in the industry, and are discounted to their present value using a credit-adjusted, risk-free rate of interest. The future reclamation costs are not offset by potential recoveries. The Company is generally required by state or local laws or pursuant to the terms of an applicable lease to reclaim quarry sites after use. The Company performs activities on an ongoing basis that may reduce the ultimate reclamation obligation. These activities are performed as an integral part of the normal quarrying process. For example, the perimeter and interior walls of an open pit quarry are sloped and benched as they are developed to prevent erosion and provide stabilization. This sloping and benching meets dual objectives safety regulations required by the Mine Safety and Health Administration for ongoing operations and final reclamation requirements. Therefore, these types of activities are included in normal operating costs and are not a part of the asset retirement obligation. Historically, the Company has not incurred substantial reclamation costs in connection with the closing of quarries. Reclaimed quarry sites owned by the Company are available for sale, typically for commercial development or use as reservoirs.

The Company believes that its operations and facilities, both owned or leased, are in substantial compliance with applicable laws and regulations and that any noncompliance is not likely to have a material adverse effect on the Company s operations or financial condition. See Legal Proceedings under Item 3 of this Form 10-K, Note N: Commitments and Contingencies of the Notes to Financial Statements of the 2008 Financial Statements included under Item 8 of this Form 10-K and the 2008 Annual Report, and Management s Discussion and Analysis of Financial Condition and Results of Operations Environmental Regulation and Litigation included under Item 7 of this Form 10-K and the 2008 Annual Report. However, future events, such as changes in or modified interpretations of existing laws and regulations or enforcement policies, or further investigation or evaluation of the potential health hazards of certain products or business activities, may give rise to additional compliance and other costs that could have a material adverse effect on the Company.

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In general, quarry and mining facilities must comply with air quality, water quality, and noise regulations, zoning and special use permitting requirements, applicable mining regulations, and federal health and safety requirements. As new quarry and mining sites are located and acquired, the Company works closely with local authorities during the zoning and permitting processes to design new quarries and mines in such a way as to minimize disturbances. The Company frequently acquires large tracts of land so that quarry, mine, and production facilities can be situated substantial distances from surrounding property owners. Also, in certain markets the Company s ability to transport material by rail and ship allows it to locate its facilities further away from residential areas. The Company has established policies designed to minimize disturbances to surrounding property owners from its operations.

As is the case with other companies in the same industry, some of the Company s products contain varying amounts of crystalline silica, a common mineral also known as quartz. Excessive, prolonged inhalation of very small-sized particles of crystalline silica has been associated with lung diseases, including silicosis, and several scientific organizations and some states, such as California, have reported that crystalline silica can cause lung cancer. The Mine Safety and Health Administration and the Occupational Safety and Health Administration have established occupational thresholds for crystalline silica exposure as respirable dust. The Company monitors occupational exposures at its facilities and implements dust control procedures and/or makes available appropriate respiratory protective equipment to maintain the occupational exposures at or below the appropriate levels. The Company, through safety information sheets and other means, also communicates what it believes to be appropriate warnings and cautions its employees and customers about the risks associated with excessive, prolonged inhalation of mineral dust in general and crystalline silica in particular.

In the vicinity of and beneath the Specialty Products facility in Manistee, Michigan, there is an underground plume of material originating from adjacent property which formerly was used by Packaging Corporation of America (PCA) as a part of its operations. The Company believes the plume consists of paper mill waste. On September 8, 1983, the PCA plume and property were listed on the National Priorities List (NPL) under the authority of the Comprehensive Environmental Response, Compensation and Liability Act (the Superfund statute). The PCA plume is subject to a Record of Decision issued by the U.S. Environmental Protection Agency (EPA) on May 2, 1994, pursuant to which PCA s successor, Pactiv Corporation (Pactiv), is required to conduct annual monitoring. The EPA has not required remediation of the groundwater contamination. On January 10, 2002, the Michigan Department of Environmental Quality (MDEQ) issued Notice of Demand letters to the Company s wholly-owned subsidiary, Martin Marietta Magnesia Specialties (Magnesia Specialties), PCA and Pactiv indicating that it believes that Magnesia Specialties chloride contamination is commingling with the PCA plume which originates upgradient from the Magnesia Specialties property. The MDEQ is concerned about possible effects of these plumes, and designated Magnesia Specialties, PCA and Pactiv as parties responsible for investigation and remediation under Michigan state law. The MDEQ held separate meetings with Magnesia Specialties, PCA, and Pactiv to discuss remediation and reimbursement for past investigation costs totaling approximately $700,000. Magnesia Specialties entered into an Administrative Order with the MDEQ to pay for a portion of MDEQ s past investigation costs and thereby limit its liability for past costs in the amount of $20,000. Michigan law provides that responsible parties are jointly and severally liable, and, therefore, Magnesia Specialties is potentially liable for the full cost of funding future investigative activities and any necessary remediation. Michigan law also provides a procedure whereby liability may be apportioned among responsible parties if it is capable of division. The Company believes that the liability most likely will be apportioned and that any such costs attributed to Magnesia Specialties brine contamination will not have a material adverse effect on the Company s operations or its financial condition, but can give no assurance that the liability will be apportioned or that the compliance costs will not have a material adverse effect on the financial condition or results of the operations of the Specialty Products business.

Employees

As of January 31, 2009, the Company has approximately 4,860 employees, of which 3,600 are hourly employees and 1,260 are salaried employees. Included among these employees are 670 hourly employees represented by labor unions (13.8% of the Company s employees). Of such amount, 12.7% of the Company s Aggregates business s hourly employees are members of a labor union, while 90.3% of the Specialty Products segment s hourly employees are represented by labor unions. The Company s principal union contracts cover employees of the Specialty Products business at the Manistee, Michigan, magnesia-based chemicals plant and the Woodville, Ohio, lime plant. The Manistee collective bargaining agreement expires in August 2011. The Woodville collective bargaining agreement expires in June 2010.

Available Information

The Company maintains an Internet address at www.martinmarietta.com. The Company makes available free of charge through its Internet web site its Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, and amendments to those reports, if any, filed or furnished pursuant to Section 13(a) or 15(d) of the Exchange Act. These reports and any amendments are accessed via the Company s web site through a link with the Electronic Data Gathering, Analysis, and Retrieval (EDGAR) system maintained by the Securities and Exchange Commission (the SEC) at www.sec.gov. Accordingly, the Company s referenced reports and any amendments are made available as soon as reasonably practicable after the Company electronically files such material with, or furnishes it to, the SEC, once EDGAR places such material in its database.

The Company has adopted a *Code of Ethics and Standards of Conduct* that applies to all of its directors, officers, and employees. The Company s code of ethics is available on the Company s web site at www.martinmarietta.com. The Company intends to disclose on its Internet web site any waivers of or amendments to its code of ethics as it applies to its directors and executive officers.

The Company has adopted a set of *Corporate Governance Guidelines* to address issues of fundamental importance relating to the corporate governance of the Company, including director qualifications and responsibilities, responsibilities of key board committees, director compensation, and similar issues. Each of the Audit Committee, the Management Development and Compensation Committee, and the Nominating and Corporate Governance Committee of the Board of Directors of the Company has adopted a written charter addressing various issues of importance relating to each committee, including the committee s purposes and responsibilities, an annual performance evaluation of each committee, and similar issues. These *Corporate Governance Guidelines*, and the charters of each of these committees, are available on the Company s web site at www.martinmarietta.com.

The Company will make paper copies of its filings with the SEC, its *Code of Ethics and Standards of Conduct*, its *Corporate Governance Guidelines*, and the charters of its key committees, available to its shareholders free of charge upon request by writing to: Martin Marietta Materials, Inc., Attn: Corporate Secretary, 2710 Wycliff Road, Raleigh, North Carolina 27607-3033.

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The Company s Chief Executive Officer and Chief Financial Officer are required to file with the SEC each quarter and each year certifications regarding the quality of the Company s public disclosure of its financial condition. The annual certifications are included as Exhibits to this Annual Report on Form 10-K. The Company s Chief Executive Officer is also required to certify to the New York Stock Exchange each year that he is not aware of any violation by the Company of the New York Stock Exchange corporate governance listing standards.

ITEM 1A. RISK FACTORS

An investment in our common stock or debt securities involves risks and uncertainties. You should consider the following factors carefully, in addition to the other information contained in this Form 10-K, before deciding to purchase or otherwise trade our securities.

This Form 10-K and other written reports and oral statements made from time to time by the Company contain statements which, to the extent they are not recitations of historical fact, constitute forward-looking statements within the meaning of federal securities law. Investors are cautioned that all forward-looking statements 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. Investors can identify these statements by the fact that they do not relate only to historic or current facts. The words may, will, could, should, anticipate, believe, estimate, expect, outlook, plan, project, scheduled, and similar expressions in connection with future events or future operating financial performance are intended to identify forward-looking statements. Any or all of the Company s forward-looking statements in this Form 10-K and in other publications may turn out to be wrong.

Statements and assumptions on future revenues, income and cash flows, performance, economic trends, the outcome of litigation, regulatory compliance, and environmental remediation cost estimates are examples of forward-looking statements. Numerous factors, including potentially the risk factors described in this section, could affect our forward-looking statements and actual performance.

Factors that the Company currently believes could cause its actual results to differ materially from those in the forward-looking statements include, but are not limited to, those set out below. In addition to the risk factors described below, we urge you to read our Management s Discussion and Analysis of Financial Condition and Results of Operations.

Our aggregates business is cyclical and depends on activity within the construction industry.

The current market environment has hurt the economy, and we have considered the impact on our business. Demand for our products, particularly in the commercial and residential construction markets, could continue to fall if companies and consumers are unable to get credit for construction projects or if the economic slowdown causes delays or cancellations of capital projects. State and federal budget issues may continue to hurt the funding available for infrastructure spending.

The lack of available credit has limited the ability of states to issue bonds to finance construction projects. Several of our top sales states have stopped bidding projects in their transportation departments.

We sell most of our aggregate products to the construction industry, so our results depend on the strength of the construction industry. Since our business depends on construction spending, which can be cyclical, our profits are sensitive to national, regional, and local economic conditions. The overall economy has been hurt by mortgage security losses and the tightening credit markets. Construction spending is affected by economic conditions, changes in interest rates, demographic and population shifts, and changes in construction spending by federal, state, and local governments. If economic conditions change, a recession in the construction industry may occur and affect the demand for our aggregate products, such as is occurring with the current economic recession. Construction spending can also be disrupted by terrorist activity and armed conflicts.

While our aggregate operations cover a wide geographic area, our earnings depend on the strength of the local economies in which we operate because of the high cost to transport our products relative to their price. If economic conditions and construction spending decline significantly in one or more areas, particularly in our top five revenue-generating states of North Carolina, Texas, Georgia, Iowa and Florida, our profitability will decrease. We are experiencing this situation with the current economic recession.

Moreover, infrastructure spending in 2008 was hurt by the overall weakness in the economy, which leads to lower tax revenues and state government budget deficits. Further, rising construction and material prices are both constraining highway budgets. Additionally, lack of access to the capital markets has precluded many state and local governments from issuing bonds that would provide financing for construction projects.

In February 2009, President Obama signed into law an economic stimulus plan, which will provide billions of dollars in new funding for transportation infrastructure. However, there will be a time delay of at least several months before Congress can appropriate such funds and each state can take appropriate measures to take advantage of such funding. In addition, each state will have to approve various infrastructure projects to be funded through the new federal stimulus plan. So while management believes the federal stimulus plan will increase the Company s aggregates shipments in the latter half of 2009 and in 2010, we cannot be assured of the full impact of the stimulus plan.

Within the construction industry, we sell our aggregate products for use in both commercial construction and residential construction. Commercial and residential construction levels generally move with economic cycles; when the economy is strong, construction levels rise, and when the economy is weak, construction levels fall. The overall economy has been hurt by the changes in the financial services sector, including failures of several large financial institutions, historical merger and acquisition activity within that industry, and the resulting lack of credit availability. The commercial construction market declined in 2008, notably from credit availability and felt most significantly starting in September 2008. Also, continued weakness in the residential construction market negatively affected the commercial construction market. The residential construction market remained dismal in 2008 in connection with the housing market downtown. Further, the outlook reflects diminished demand, which is further exacerbated by the overall weakness in the economy and the financial institutions crisis. Approximately 9% of our aggregates shipments in 2008 were to the residential construction market.

Our aggregate products are used in public infrastructure projects, which include the construction, maintenance, and improvement of highways, bridges, schools, prisons, and similar projects. So our business is dependent on the level of federal, state, and local spending on these projects. We cannot be assured of the existence, amount, and timing of appropriations for spending on these projects. For example, while the current federal highway law passed in 2005 provides funding of $286.4 billion for highway, transit, and highway safety programs through September 30, 2009, Congress must pass an appropriations bill each year to approve spending these funds. We cannot be assured that Congress will pass an appropriations bill each year to approve funding at the level authorized in the federal highway law. Similarly, each state funds its infrastructure spending from specially allocated amounts collected from various taxes, typically gasoline taxes and vehicle fees, along with voter-approved bond programs. Shortages in state tax revenues can reduce the amounts spent on state infrastructure projects, even below amounts awarded under legislative bills. Delays in state infrastructure spending can hurt our business. For example, we expect delays in infrastructure spending in Georgia, North Carolina, South Carolina, and Texas will continue in 2009, which will limit our business growth in those states until the level and timing of spending improves.

***Our aggregates business is seasonal and subject to the weather*.**

Since the construction aggregates business is conducted outdoors, seasonal changes and other weather-related conditions affect our business. Adverse weather conditions, including hurricanes and tropical storms, cold weather, snow, and heavy or sustained rainfall, reduce construction activity, restrict the demand for our products, and impede our ability to efficiently transport material, particularly by barge. Adverse weather conditions also increase our costs and reduce our production output as a result of power loss, needed plant and equipment repairs, time required to remove water from flooded operations, and similar events. Severe drought conditions can restrict available water supplies, restrict production, and limit movement of barge traffic. The construction aggregates business production and shipment levels follow activity in the construction industry, which typically occur in the spring, summer and fall. Because of the weather s effect on the construction industry s activity, the aggregates business production and shipment levels vary by quarter. The second and third quarters are generally the most profitable and the first quarter is generally the least profitable.

Our aggregates business depends on the availability of aggregate reserves or deposits and our ability to mine them economically.

Our challenge is to find aggregate deposits that we can mine economically, with appropriate permits, near either growing markets or long-haul transportation corridors that economically serve growing markets. As communities have grown, they have taken up attractive quarrying locations and have imposed restrictions on mining. We try to meet this challenge by identifying and permitting sites prior to economic expansion, buying more land around our existing quarries to increase our mineral reserves, developing underground mines, and developing a distribution network that transports aggregates products by various transportation methods, including rail and water, that allows us to transport our products longer distances than would normally be considered economical, but we can give no assurances that we will be successful.

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Our aggregates business is a capital-intensive business.

The property and machinery needed to produce our products are very expensive. Therefore, we require large amounts of cash to operate our businesses. We believe that our cash on hand, along with our projected internal cash flows and our available financing resources, will be enough to give us the cash we need to support our anticipated operating and capital needs. Our ability to generate sufficient cash flow depends on future performance, which will be subject to general economic conditions, industry cycles and financial, business, and other factors affecting our operations, many of which are beyond our control. If we are unable to generate sufficient cash to operate our business, we may be required, among other things, to further reduce or delay planned capital or operating expenditures.

Our businesses face many competitors.

Our businesses have many competitors, some of whom are bigger and have more resources than we do. Some of our competitors also operate on a worldwide basis. Our results are affected by the number of competitors in a market, the production capacity that a particular market can accommodate, the pricing practices of other competitors, and the entry of new competitors in a market. We also face competition for some of our products from alternative products. For example, our magnesia specialties business may compete with other chemical products that could be used instead of our magnesia-based products. As another example, our aggregates business may compete with recycled asphalt and concrete products that could be used instead of new products.

Our future growth may depend in part on acquiring other businesses in our industry.

We expect to continue to grow, in part, by buying other businesses. While the pace of acquisitions has slowed considerably over the last few years, we will continue to look for strategic businesses to acquire. Acquisition opportunities may increase in the short term as large, multi-national competitors may be forced to sell assets acquired in recent transactions to generate cash to fund debt obligations. In the past, we have made acquisitions to strengthen our existing locations, expand our operations, and enter new geographic markets. We will continue to make selective acquisitions, joint ventures, or other business arrangements we believe will help our company. However, the continued success of our acquisition program will depend on our ability to find and buy other attractive businesses at a reasonable price and our ability to integrate acquired businesses into our existing operations. We cannot assume there will continue to be attractive acquisition opportunities for sale at reasonable prices that we can successfully integrate into our operations.

We may decide to pay all or part of the purchase price of any future acquisition with shares of our common stock. We may also use our stock to make strategic investments in other companies to complement and expand our operations. If we use our common stock in this way, the ownership interests of our shareholders will be diluted and the price of our stock could fall. We operate our businesses with the objective of maximizing the long-term shareholder return.

We have acquired many companies since 1995. Some of these acquisitions were more easily integrated into our existing operations and have performed as well or better than we expected, while others have not. We have sold underperforming and other non-strategic assets, particularly lower margin businesses like our asphalt plants in Houston, Texas, and our road paving businesses in Shreveport, Louisiana, and Texarkana, Arkansas.

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Short supplies and high costs of fuel and energy affect our businesses.

Our businesses require a continued supply of diesel fuel, natural gas, coal, petroleum coke and other energy. The financial results of these businesses have been affected by the short supply or high costs of these fuels and energy. While we can contract for some fuels and sources of energy, significant increases in costs or reduced availability of these items have and may in the future reduce our financial results. For example, in 2008, increases in prices of petroleum-based products lowered net earnings for our businesses by $0.65 per diluted share when compared with 2007 prices. We do not hedge our diesel fuel price risk, but instead focus on volume-related price breaks, fuel efficiency, and consumption.

In addition, the price of liquid asphalt is a large part of the cost of producing hot mix asphalt products and can cause road builders and commercial contractors to delay or defer work in anticipation of liquid asphalt cost changes. In 2008, liquid asphalt prices more than doubled over the prior year price, with prices in excess of $800 per ton at their peak.

Changes in legal requirements and governmental policies concerning zoning, land use, the environment, and other areas of the law, and litigation relating to these matters, affect our businesses. Our operations expose us to the risk of material environmental liabilities.

Many federal, state, and local laws and regulations relating to zoning, land use, the environment, health, safety, and other regulatory matters govern our operations. We take great pride in our operations and try to remain in strict compliance at all times with all applicable laws and regulations. Despite our extensive compliance efforts, risk of liabilities, particularly environmental liabilities, is inherent in the operation of our businesses, as it is with our competitors. We cannot assume that these liabilities will not negatively affect us in the future.

We are also subject to future events, including changes in existing laws or regulations or enforcement policies, or further investigation or evaluation of the potential health hazards of some of our products or business activities, which may result in additional compliance and other costs. We could be forced to invest in preventive or remedial action, like pollution control facilities, which could be substantial.

Our operations are subject to manufacturing, operating, and handling risks associated with the products we produce and the products we use in our operations, including the related storage and transportation of raw materials, products, hazardous substances, and wastes. We are exposed to hazards including storage tank leaks, explosions, discharges or releases of hazardous substances, exposure to dust, and the operation of mobile equipment and manufacturing machinery.

These risks can subject us to potentially significant liabilities relating to personal injury or death, or property damage, and may result in civil or criminal penalties, which could hurt our productivity or profitability. For example, from time to time we investigate and remediate environmental contamination relating to our prior or current operations, as well as operations we have acquired from others, and in some cases we have been or could be named as a defendant in litigation brought by governmental agencies or private parties.

We are involved from time to time in litigation and claims arising from our operations. While we do not believe the outcome of pending or threatened litigation will have a material adverse effect on our operations or our financial condition, we cannot assume that an adverse outcome in a pending or future legal action would not negatively affect us.

Labor disputes could disrupt operations of our businesses.

Labor unions represent 12.7% of the hourly employees of our aggregates business and 90.3% of the hourly employees of our specialty products business. Our collective bargaining agreements for employees of our magnesia specialties business at the Woodville, Ohio lime plant and the Manistee, Michigan magnesia chemicals plant expire in June 2010 and August 2011, respectively.

Disputes with our trade unions, or the inability to renew our labor agreements, could lead to strikes or other actions that could disrupt our businesses, raise costs, and reduce revenues and earnings from the affected locations. We believe we have good relations with all of our employees, including our unionized employees.

Delays or interruptions in shipping products of our businesses could affect our operations.

Transportation logistics play an important role in allowing us to supply products to our customers, whether by truck, rail, barge, or ship. Any significant delays, disruptions, or the non-availability of our transportation support system could negatively affect our operations. For example, in 2005 and partially in 2006, we experienced rail transportation shortages in Texas and parts of the southeastern region of the United States. In 2005 and 2006, following Hurricanes Katrina and Rita, we experienced significant barge transportation problems along the Mississippi River system.

Water levels can also affect our ability to transport our products. High water levels limit the number of barges we can transport and can require that we use additional horsepower to tow barges. Low water levels can reduce the amount of material we can transport in each barge. In 2007, dry weather caused low water levels and resulted in reduced tonnage that could be shipped on a barge. Consequently, the per ton cost of transporting material was higher than normal. In 2008 high water levels from severe flooding in Iowa hurt both shipments and operations.

The availability of rail cars and barges can also affect our ability to transport our products. Rail cars and barges can be used to transport many different types of products. If owners sell or lease rail cars and barges for use in other industries, we may not have enough rail cars and barges to transport our products. In 2007, barges were particularly scarce, as barges were being retired faster than new barges were being built. In 2005, we leased 780 additional rail cars. In 2006, we contracted to buy 50 new barges that were delivered in 2007. In 2008, we leased additional rail cars in the Southwest.

We have long-term agreements with shipping companies to provide ships to transport our aggregate products from our Bahamas and Nova Scotia operations to various coastal ports. These contracts have varying expiration dates ranging from 2009 to 2017 and generally contain renewal options. Our inability to renew these agreements or enter into new ones with other shipping companies could affect our ability to transport our products.

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Our earnings are affected by the application of accounting standards and our critical accounting policies, which involve subjective judgments and estimates by our management. Our estimates and assumptions could be wrong.

The accounting standards we use in preparing our financial statements are often complex and require that we make significant estimates and assumptions in interpreting and applying those standards. We make critical estimates and assumptions involving accounting matters including our goodwill impairment testing, our expenses and cash requirements for our pension plans, our estimated income taxes, and how we account for our property, plant and equipment, and inventory. These estimates and assumptions involve matters that are inherently uncertain and require our subjective and complex judgments. If we used different estimates and assumptions or used different ways to determine these estimates, our financial results could differ.

While we believe our estimates and assumptions are appropriate, we could be wrong. Accordingly, our financial results could be different, either higher or lower. We urge you to read about our critical accounting policies in our Management s Discussion and Analysis of Financial Condition and Results of Operations.

The adoption of new accounting standards may affect our financial results.

The accounting standards we apply in preparing our financial statements are reviewed by regulatory bodies and are changed from time to time. New or revised accounting standards could change our financial results either positively or negatively. For example, beginning in 2006, we were required under new accounting standards to expense the fair value of stock options we award our management and key employees as part of their compensation. This resulted in a reduction of our earnings and made comparisons between financial periods more difficult. We urge you to read about our accounting policies and changes in our accounting policies in Note A of our 2008 financial statements.

We depend on the recruitment and retention of qualified personnel, and our failure to attract and retain such personnel could affect our business.

Our success depends to a significant degree upon the continued services of our key personnel and executive officers. Our prospects depend upon our ability to attract and retain qualified personnel for our operations. Competition for personnel is intense, and we may not be successful in attracting or retaining qualified personnel, which could negatively affect our business.

Disruptions in the credit markets could affect our business.

The current credit environment has negatively affected the economy, and we have considered how it might affect our business. Demand for our products, particularly in the commercial and residential construction markets, could continue to decline if companies and consumers are unable to finance construction projects or if the economic slowdown continues to cause delays or cancellations to capital projects. State and federal budget issues may continue to negatively affect the funding available for infrastructure spending without economic stimulus at the federal level.

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A recessionary economy can also increase the likelihood we will not be able to collect on all of our accounts receivable with our customers. We are protected in part, however, by payment bonds posted by many of our customers. Nevertheless, we have experienced a delay in payment from some of our customers during this economic downturn. Historically our bad debt write-offs have not been significant to our operating results, and we believe our allowance for doubtful accounts is adequate.

During this economic downturn we have been forced to shut down some of our facilities on a temporary basis. If demand does not improve, such shutdowns could become longer-term, impairing the value of some of the assets at those locations. The timing of increased demand will determine when these locations will be reopened. During the shut-down time, the plant and equipment will continue to be depreciated. If practicable, we will transfer the mobile equipment and use it elsewhere. Because we continue to have long-term access to the aggregate reserves, these sites are not considered impaired during temporary shutdowns.

The current credit environment has limited our ability to issue borrowings under our commercial paper program. Additional financing or refinancing might not be available and, if available, may not be at economically favorable terms. Interest rates on new issuances of long-term public debt in the market have recently increased, reflecting higher credit and risk premiums. Further, an increase in leverage could lead to deterioration in our credit ratings. A reduction in our credit ratings, regardless of the cause, could also limit our ability to obtain additional financing and/or increase our cost of obtaining financing. In 2008 we issued $300 million of our Senior Notes and refinanced our $200 million Notes due December 2008. There is no guarantee we will be able to access the capital markets at financially economical interest rates, which could negatively affect our business.

We may be required to obtain financing in order to fund certain strategic acquisitions, if they arise, or to refinance our outstanding debt. Any large strategic acquisition would require that we issue both newly issued equity and debt securities in order to maintain our investment grade credit rating. We are also exposed to risks from tightening credit markets, through the interest payable on our outstanding debt and the interest cost on our commercial paper program, to the extent it is available to us. In 2008, Moody s downgraded our long-term debt rating to Baa3 from Baa1 and downgraded our commercial paper rating to P-3 from P-2 with a stable outlook. In 2008, Standard & Poor s reaffirmed our senior unsecured debt rating of BBB+ and downgraded the outlook to negative, but left our commercial paper rating of A-2 unchanged. While management believes our credit ratings will remain at an investment-grade level, we cannot be assured these ratings will remain at those levels. While management believes the Company will continue to have credit available to it adequate to meet its needs, there can be no assurance of that.

Our specialty products business depends in part on the steel industry and the supply of reasonably priced fuels.

Our specialty products business sells some of its products to companies in the steel industry. While we have reduced this risk over the last few years, this business is still dependent, in part, on the strength of the highly-cyclical steel industry. The steel industry experienced a severe downturn in the second half of 2008, which is expected to continue in 2009. The specialty products business also requires significant amounts of natural gas, coal, and petroleum coke, and financial results are negatively affected by high fuel prices or shortages.

Our structural composites product line has not generated any profits since its inception.

Our structural composites product line faces many challenges before it becomes break-even or generates a profit. We cannot ensure the future profitability of this product line.

Our articles of incorporation, bylaws, and shareholder rights plan and North Carolina law may inhibit a change in control that you may favor.

Our articles of incorporation and bylaws, shareholder rights plan, and North Carolina law contain provisions that may delay, deter or inhibit a future acquisition of us not approved by our board of directors. This could occur even if our shareholders are offered an attractive value for their shares or if many or even a majority of our shareholders believe the takeover is in their best interest. These provisions are intended to encourage any person interested in acquiring us to negotiate with and obtain the approval of our board of directors in connection with the transaction. Provisions that could delay, deter, or inhibit a future acquisition include the following:

n a classified board of directors;

n the ability of the board of directors to establish the terms of, and issue, preferred stock without shareholder approval;

n the requirement that our shareholders may only remove directors for cause;

n the inability of shareholders to call special meetings of shareholders; and

n super majority shareholder approval requirements for business combination transactions with certain five percent shareholders.

In addition, we have in place a shareholder rights plan that will trigger a dilutive issuance of common stock upon acquisitions of our common stock by a third party above a threshold that are not approved by the board of directors.

Changes in our effective tax rate may harm our results of operations.

A number of factors may increase our future effective tax rate, including:

n The jurisdictions in which profits are determined to be earned and taxed;

n The resolution of issues arising from tax audits with various tax authorities;

n Changes in the valuation of our deferred tax assets and liabilities;

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- n Adjustments to estimated taxes upon finalization of various tax returns;
- n Changes in available tax credits;
- n Changes in share-based compensation; and
- n Changes in tax laws, the interpretation of tax laws and/or administrative practices.

Any significant increase in our future effective tax rate could reduce net earnings for future periods.

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Investors are also cautioned that it is not possible to predict or identify all such factors. Consequently, the reader should not consider any such list to be a complete statement of all potential risks or uncertainties. Other factors besides those listed may also adversely affect the Company and may be material to the Company. The Company has listed all known material risks it considers relevant in evaluating the Company and its operations. The forward-looking statements in this document are intended to be subject to the safe harbor protection provided by Sections 27A and 21E. These forward-looking statements are made as of the date hereof based on management s current expectations, and the Company does not undertake an obligation to update such statements, whether as a result of new information, future events, or otherwise.

For a discussion identifying some important factors that could cause actual results to vary materially from those anticipated in the forward-looking statements, see the Company s Securities and Exchange Commission filings, including, but not limited to, the discussion under the heading Risk Factors and Forward-Looking Statements under Item 1A of this Form 10-K, the discussion of Competition under Item 1 on Form 10-K, Management s Discussion and Analysis of Financial Condition and Results of Operations under Item 7 of this Form 10-K and the 2008 Annual Report, and Note A: Accounting Policies and Note N: Commitments and Contingencies of the Notes to Financial Statements of the 2008 Financial Statements included under Item 8 of this Form 10-K and the 2008 Annual Report.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 2. PROPERTIES

Aggregates Business

As of December 31, 2008, the Company processed or shipped aggregates from 273 quarries, underground mines, and distribution yards in 26 states and in Canada and the Bahamas, of which 101 are located on land owned by the Company free of major encumbrances, 58 are on land owned in part and leased in part, 110 are on leased land, and 4 are on facilities neither owned nor leased, where raw materials are removed under an agreement. The Company s aggregates reserves on the average exceed 60 years of production, based on normalized levels of production. However, certain locations may be

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subject to more limited reserves and may not be able to expand. In addition, as of December 31, 2008, the Company processed and shipped ready mixed concrete and/or asphalt products from 15 properties in 3 states, of which 11 are located on land owned by the Company free of major encumbrances and 4 are on leased land.

The Company uses various drilling methods, depending on the type of aggregate, to estimate aggregates reserves that are economically mineable. The extent of drilling varies and depends on whether the location is a potential new site (greensite), an existing location, or a potential acquisition. More extensive drilling is performed for potential greensites and acquisitions, and in rare cases the Company may rely on existing geological data or results of prior drilling by third parties. Subsequent to drilling, selected core samples are tested for soundness, abrasion resistance, and other physical properties relevant to the aggregates industry. If the reserves meet the Company s standards and are economically mineable, then they are either leased or purchased.

The Company estimates proven and probable reserves based on the results of drilling. Proven reserves are reserves of deposits designated using closely spaced drill data, and based on that data the reserves are believed to be relatively homogenous. Proven reserves have a certainty of 85% to 90%. Probable reserves are reserves that are inferred utilizing fewer drill holes and/or assumptions about the economically mineable reserves based on local geology or drill results from adjacent properties. The degree of certainty for probable reserves is 70% to 75%. In determining the amount of reserves, the Company s policy is to not include calculations that exceed certain depths, so for deposits, such as granite, that typically continue to depths well below the ground, there may be additional deposits that are not included in the reserve calculations. The Company also deducts reserves not available due to property boundaries, set-backs, and plant configurations, as deemed appropriate when estimating reserves. For additional information on the Company s assessment of reserves, see Management s Discussion and Analysis of Financial Condition and Results of Operations Other Financial Information Critical Accounting Policies and Estimates- Property, Plant and Equipment under Item 7 of this Form 10-K and the 2008 Annual Report for discussion of reserves evaluation by the Company.

Set forth in the tables below are the Company s estimates of reserves of recoverable aggregates of suitable quality for economic extraction, shown on a state-by-state basis, and the Company s total annual production for the last 3 years, along with the Company s estimate of years of production available, shown on a segment-by-segment basis. The number of producing quarries shown on the table include underground mines. The Company s reserve estimates for the last 2 years are shown for comparison purposes on a state-by-state basis. The changes in reserve estimates at a particular state level from year to year reflect the tonnages of reserves on locations that have been opened or closed during the year, whether by acquisition, disposition, or otherwise; production and sales in the normal course of business; additional reserve estimates or refinements of the Company s existing reserve estimates; opening of additional reserves at existing locations; the depletion of reserves at existing locations; and other factors. The Company evaluates its reserve estimates primarily on a Company-wide, or segment-by-segment basis, and does not believe comparisons of changes in reserve estimates on a state-by-state basis from year to year are particularly meaningful.

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	Number of Producing Quarries	Tonnage of Reserves for each general type of aggregate at 12/31/07 (Add 000)		Tonnage of Reserves for each general type of aggregate at 12/31/08 (Add 000)		Change in Tonnage from 2007 (Add 000)		Percentage of aggregate reserves located at an existing quarry, and reserves not located at an existing quarry.		Percentage of aggregate reserves on land that has not been zoned for	Percent of reserves owned and percent leased	
State	2008	Hard Rock	S & G	Hard Rock	S & G	Hard Rock	S & G	At Quarry	Not at Quarry	quarrying.	Owned	Leased
Alabama	7	87,505	11,049	85,112	10,337	(2,393)	(712)	100%	0%	0%	22%	78%
Arkansas	3	272,198	0	213,591	0	(58,607)	0	95%	5%	0%	56%	44%
Florida	2	92,013	0	120,543	0	28,530	0	100%	0%	0%	0%	100%
Georgia	14	686,925	0	1,165,596	0	478,671	0	100%	0%	0%	70%	30%
Illinois	2	662,072	0	809,494	0	147,422	0	55%	45%	0%	56%	44%
Indiana	10	487,149	36,625	482,464	35,042	(4,685)	(1,583)	100%	0%	15%	41%	59%
Iowa	28	673,381	44,197	658,531	54,953	(14,850)	10,756	99%	1%	1%	12%	88%
Kansas	10	221,737	0	123,122	0	(98,615)	0	100%	0%	0%	35%	65%
Kentucky	3	569,979	45,832	562,614	45,626	(7,365)	(206)	100%	0%	0%	36%	64%
Maryland	2	97,460	0	96,173	0	(1,287)	0	100%	0%	0%	100%	0%
Minnesota	2	348,306	0	449,185	0	100,879	0	77%	23%	0%	69%	31%
Mississippi	1	0	92,238	0	83,861	0	(8,377)	100%	0%	0%	100%	0%
Missouri	5	526,246	0	371,240	0	(155,006)	0	78%	12%	0%	25%	75%
Montana	0	50,000	0	50,000	0	0	0	100%	0%	0%	100%	0%
Nebraska	3	80,615	0	77,484	0	(3,131)	0	100%	0%	0%	15%	85%
Nevada	1	161,546	0	158,502	0	(3,044)	0	100%	0%	0%	83%	17%
North Carolina	43	2,971,758	0	3,281,063	0	309,305	0	76%	24%	3%	63%	37%
Ohio	15	192,315	200,111	181,939	194,897	(10,376)	(5,214)	100%	0%	3%	92%	8%
Oklahoma	9	648,223	38,790	736,185	38,174	87,962	(616)	100%	0%	0%	82%	18%
South Carolina	6	411,231	0	405,842	0	(5,389)	0	100%	0%	19%	12%	88%
Tennessee	1	0	13,769	38,167	0	38,167	(13,769)	100%	0%	0%	100%	0%
Texas	9	1,128,696	113,616	991,042	111,369	(137,654)	(2,247)	93%	7%	33%	19%	81%
Virginia	4	417,958	0	408,569	0	(9,389)	0	89%	11%	1%	77%	23%
Washington	2	47,252	0	47,300	0	48	0	60%	40%	0%	42%	58%
West Virginia	1	59,363	0	59,204	0	(159)	0	100%	0%	0%	90%	10%
Wyoming	1	71,480	0	68,944	0	(2,536)	0	100%	0%	0%	100%	0%
U. S. Total	184	10,965,408	596,227	11,641,906	574,259	676,498	(21,968)			9%	56%	44%

Non-U. S.	2	923,170	0	916,445	0	(6,725)	0	100%	0%	0%	99%	1%
Grand Total	**186**	**11,888,578**	**596,227**	**12,558,351**	**574,259**	**669,773**	**(21,968)**	96%	4%	8%	57%	43%

Reportable Segment	Total Annual Production (in tons) (add 000) For year ended December 31 2008	2007	2006	Number of years of production available at December 31, 2008
Mideast Group	46,578	63,420	70,939	110.5
Southeast Group	39,574	44,710	47,729	97.0
West Group	69,439	72,832	76,648	59.8
Total Aggregates Business	**155,591**	**180,962**	**195,316**	**84.4**

Specialty Products Business

The Specialty Products business currently operates major manufacturing facilities in Manistee, Michigan, and Woodville, Ohio. Both of these facilities are owned.

The Company leases a 185,000 square foot facility in Sparta, North Carolina, which serves as the assembly and manufacturing hub for the structural composites product line of Martin Marietta Composites.

Other Properties

The Company s principal corporate office, which it owns, is located in Raleigh, North Carolina. The Company owns and leases various administrative offices for its four reportable business segments.

The Company s principal properties, which are of varying ages and are of different construction types, are believed to be generally in good condition, are generally well maintained, and are generally suitable and adequate for the purposes for which they are used. During 2008, the principal properties were believed to be utilized at average productive capacities of approximately 80% and were capable of supporting a higher level of market demand. However, due to the current economic recession, the Company has adjusted its production schedules to meet reduced demand for its products. For example, the Company has reduced operating hours at a number of its facilities, closed some of its facilities, and shut down some of its facilities on a temporary basis. If demand does not improve over the near term, such reductions and shutdowns could continue. The Company expects, however, as the economy recovers, it will be able to resume production at its normalized levels and increase production again as demand for its products increases.

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ITEM 3. LEGAL PROCEEDINGS

From time to time claims of various types are asserted against the Company arising out of its operations in the normal course of business, including claims relating to land use and permits, safety, health, and environmental matters (such as noise abatement, blasting, vibrations, air emissions, and water discharges). Such matters are subject to many uncertainties, and it is not possible to determine the probable outcome of, or the amount of liability, if any, from, these matters. In the opinion of management of the Company (which opinion is based in part upon consideration of the opinion of counsel), it is unlikely that the outcome of these claims will have a material adverse effect on the Company s operations or its financial condition. However, there can be no assurance that an adverse outcome in any of such litigation would not have a material adverse effect on the Company or its operating segments.

The Company was not required to pay any penalties in 2008 for failure to disclose certain reportable transactions under Section 6707A of the Internal Revenue Code.

See also Note N: Commitments and Contingencies of the Notes to Financial Statements of the 2008 Financial Statements included under Item 8 of this Form 10-K and the 2008 Annual Report and Management s Discussion and Analysis of Financial Condition and Results of Operations - Environmental Regulation and Litigation under Item 7 of this Form 10-K and the 2008 Annual Report.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

No matters were submitted to a vote of security holders during the fourth quarter of 2008.

EXECUTIVE OFFICERS OF THE REGISTRANT

The following sets forth certain information regarding the executive officers of Martin Marietta Materials, Inc. as of February 10, 2009:

Name	*Age*	*Present Position*	*Year Assumed Present Position*	*Other Positions and Other Business Experience Within the Last Five Years*
Stephen P. Zelnak, Jr.	64	Chairman of the Board of Directors;	1997	President (1993-2006)
		Chief Executive Officer;	1993	
		President of Aggregates Business;	1993	
		Chairman of Magnesia Specialties Business	2005	
C. Howard Nye	46	President and Chief Operating Officer	2006	Executive Vice President, Hanson Aggregates North America (2003-2006)*
Daniel G. Shephard	50	Executive Vice President;	2005	Vice President-Business Development and Capital Planning (2002-2005); Senior Vice President (2004-2005);
		Chief Executive Officer of Magnesia Specialties Business	2005	Regional Vice President and General Manager-MidAmerica Region (2003-2005); President of Magnesia Specialties Business (1999-2005); Vice President-Marketing (2002-2004)

Name	Age	Present Position	Year Assumed Present Position	Other Positions and Other Business Experience Within the Last Five Years
Philip J. Sipling	61	Executive Vice President;	1997	Chairman of Magnesia Specialties
		Executive Vice President of Aggregates Business	1993	Business (1997-2005)
Bruce A. Vaio	48	President Martin Marietta Materials West;	2006	President Southwest Division (1998-2006) Senior Vice President (2002-2005)
		Executive Vice President	2005	
Roselyn R. Bar	50	Senior Vice President;	2005	Vice President (2001-2005)
		General Counsel; Corporate Secretary	2001 1997	
Anne H. Lloyd	47	Treasurer;	2006	Vice President and Controller (1998-2005);
		Senior Vice President and Chief Financial Officer	2005	Chief Accounting Officer (1999-2006)
Jonathan T. Stewart	60	Senior Vice President, Human Resources	2001	

* Prior to his employment with the Company in 2006, Mr. Nye was Executive Vice President of Hanson Aggregates North America, a producer of construction aggregates, since 2003.

PART II

ITEM 5. MARKET FOR REGISTRANT S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Market Information, Holders, and Dividends

The Company s Common Stock, $.01 par value, is traded on the New York Stock Exchange (NYSE) (Symbol: MLM). Information concerning stock prices and dividends paid is included under the caption Quarterly Performance (Unaudited) of the 2008 Annual Report, and that information is incorporated herein by reference. There were 826 holders of record of the Company s Common Stock as of February 10, 2009. As required by Section 3.03A.12(a) of the

NYSE listing standards, the Company filed with the NYSE the certification of its Chief Executive Officer that he is not aware of any violation by the Company of NYSE corporate governance listing standards.

Recent Sales of Unregistered Securities

None.

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Securities Authorized for Issuance Under Equity Compensation Plans

The information required in response to this subsection of Item 5 is included in Part III, under the heading Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters, of this Form 10-K.

Issuer Purchases of Equity Securities

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs(1)	Maximum Number of Shares that May Yet be Purchased Under the Plans or Programs
October 1, 2008 October 31, 2008	0	$	0	5,041,871
November 1, 2008 November 30, 2008	0	$	0	5,041,871
December 1, 2008 December 31, 2008	0	$	0	5,041,871
Total	0	$	0	5,041,871

(1) The Company s initial stock repurchase program, which authorized the repurchase of 2.5 million shares of common stock, was announced in a press release dated May 6, 1994, and has been updated as appropriate. The program does not have an expiration date. The Company announced in a press release dated February 22, 2006 that its

Board of Directors had authorized the repurchase of an additional 5 million shares of common stock. The Company announced in a press release dated August 15, 2007 that its Board of Directors had authorized the repurchase of an additional 5 million shares of common stock.

ITEM 6. SELECTED FINANCIAL DATA

The information required in response to this Item 6 is included under the caption Five Year Summary of the 2008 Annual Report, and that information is incorporated herein by reference.

ITEM 7. MANAGEMENT S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following is management s discussion and analysis of certain significant factors that have affected our consolidated financial condition and operating results during the periods included in the accompanying consolidated financial statements and the related notes. You should read the following discussion in conjunction with our audited consolidated financial statements and the related notes, which are included under Item 8 of this Form 10-K.

The information required in response to this Item 7 is included under the caption Management s Discussion and Analysis of Financial Condition and Results of Operations in the 2008 Annual Report, and that information is incorporated herein by reference, except that the information contained under the caption Management s Discussion and Analysis of Financial Condition and Results of Operations Outlook 2009 in the 2008 Annual Report is not incorporated herein by reference.

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ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

The information required in response to this Item 7A is included under the caption Management s Discussion and Analysis of Financial Condition and Results of Operations-Quantitative and Qualitative Disclosures About Market Risk of the 2008 Annual Report, and that information is incorporated herein by reference.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

The information required in response to this Item 8 is included under the caption Consolidated Statements of Earnings, Consolidated Balance Sheets, Consolidated Statements of Cash Flows, Consolidated Statements o Shareholders Equity, Notes to Financial Statements, Management s Discussion and Analysis of Financial Conditio and Results of Operations, and Quarterly Performance (Unaudited) of the 2008 Annual Report, and that information is incorporated herein by reference.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

ITEM 9A. CONTROLS AND PROCEDURES

As of December 31, 2008, an evaluation was performed under the supervision and with the participation of the Company s management, including the Chief Executive Officer (CEO) and Chief Financial Officer (CFO), of the effectiveness of the design and operation of the Company s disclosure controls and procedures and the Company s internal control over financial reporting. Based on that evaluation, the Company s management, including the CEO and CFO, concluded that the Company s disclosure controls and procedures were effective in ensuring that all material information required to be disclosed is made known to them in a timely manner as of December 31, 2008 and further concluded that the Company s internal control over financial reporting was effective in providing reasonable assurance regarding the reliability of financial reporting and the preparation of the Company s financial statements for external purposes in accordance with generally accepted accounting principles as of December 31, 2008. There were no changes in the Company s internal control over financial reporting during the most recently completed fiscal quarter that materially affected, or are reasonably likely to materially affect, the Company s internal control over financial reporting.

The foregoing evaluation of the Company s disclosure controls and procedures was based on the definition in Exchange Act Rule 13a-15(e), which requires that disclosure controls and procedures are effectively designed to ensure that information required to be disclosed by an issuer in the reports that it files or submits with the Securities and Exchange Commission under the Exchange Act is recorded, processed, summarized, and reported, within the time periods specified in the Securities and Exchange Commission s rules and forms, and is accumulated and communicated to the issuer s management, including its principal executive and principal financial officers, or persons performing similar functions, as appropriate to allow timely decisions regarding required disclosure.

The Company s management, including the CEO and CFO, does not expect that the Company s control system will prevent all error and all fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override of the control. The design of any system of controls also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Over time, control may become inadequate because of changes in conditions, or the degree of compliance with the policies or procedures may deteriorate. Because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

The Company s management has issued its annual report on the Company s internal control over financial reporting, which included management s assessment that the Company s internal control over financial reporting was effective at December 31, 2008. The Company s independent registered public accounting firm has issued an attestation report that the Company s internal control over financial reporting was effective at December 31, 2008. Management s report on the Company s internal controls and the attestation report of the Company s independent registered public accounting firm are included in the 2008 Financial Statements, included under Item 8 of this Form 10-K and the 2008 Annual Report. See also Management s Discussion and Analysis of Financial Condition and Results of Operations Internal Control and Accounting and Reporting Risk under Item 7 of this Form 10-K and the 2008 Annual Report.

Included among the Exhibits to this Form 10-K are forms of Certifications of the Company s CEO and CFO as required in accordance with Section 302 of the Sarbanes-Oxley Act of 2002 (the Section 302 Certification). The Section 302 Certifications refer to this evaluation of the Company s disclosure policies and procedures and internal control over financial reporting. The information in this section should be read in conjunction with the Section 302 Certifications for a more complete understanding of the topics presented.

ITEM 9B. OTHER INFORMATION

None.

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PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

The information concerning directors of the Company, the Audit Committee of the Board of Directors, and the Audit Committee financial expert serving on the Audit Committee, all as required in response to this Item 10, is included under the captions Corporate Governance Matters and Section 16(a) Beneficial Ownership Reporting Compliance in the Company s definitive proxy statement to be filed with the Securities and Exchange Commission pursuant to Regulation 14A within 120 days after the close of the Company s fiscal year ended December 31, 2008 (the 2009 Proxy Statement), and that information is hereby incorporated by reference in this Form 10-K. Information concerning executive officers of the Company required in response to this Item 10 is included in Part I, under the heading Executive Officers of the Registrant, of this Form 10-K. The information concerning the Company s code of ethics required in response to this Item 10 is included in Part I, under the heading Available Information, of this Form 10-K.

ITEM 11. EXECUTIVE COMPENSATION

The information required in response to this Item 11 is included under the captions Executive Compensation, Compensation Discussion and Analysis, Corporate Governance Matters, Management Development and Compensation Committee Report, and Compensation Committee Interlocks and Insider Participation in the Company s 2009 Proxy Statement, and that information is hereby incorporated by reference in this Form 10-K.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The information required in response to this Item 12 is included under the captions General Information, Security Ownership of Certain Beneficial Owners and Management, and Securities Authorized for Issuance Under Equity Compensation Plans in the Company s 2009 Proxy Statement, and that information is hereby incorporated by reference in this Form 10-K.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

The information required in response to this Item 13 is included under the captions Compensation Committee Interlocks and Insider Participation in Compensation Decisions and Corporate Governance Matters in the Company s 2009 Proxy Statement, and that information is hereby incorporated by reference in this Form 10-K.

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

The information required in response to this Item 14 is included under the caption Independent Auditors in the Company s 2009 Proxy Statement, and that information is hereby incorporated by reference in this Form 10-K.

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PART IV

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

(a) (1) List of financial statements filed as part of this Form 10-K.

The following consolidated financial statements of Martin Marietta Materials, Inc. and consolidated subsidiaries, included in the 2008 Annual Report and incorporated by reference under Item 8 of this Form 10-K:

Consolidated Statements of Earnings
for years ended December 31, 2008, 2007, and 2006

Consolidated Balance Sheets
at December 31, 2008 and 2007

Consolidated Statements of Cash Flows
for years ended December 31, 2008, 2007, and 2006

Consolidated Statements of Shareholders Equity
Balance at December 31, 2008, 2007, and 2006

Notes to Financial Statements

(2) List of financial statement schedules filed as part of this Form 10-K

The following financial statement schedule of Martin Marietta Materials, Inc. and consolidated subsidiaries is included in Item 15(c) of this Form 10-K.

Schedule II Valuation and Qualifying Accounts

All other schedules have been omitted because they are not applicable, not required, or the information has been otherwise supplied in the financial statements or notes to the financial statements.

The report of the Company s independent registered public accounting firm with respect to the above-referenced financial statements is included in the 2008 Annual Report, and that report is hereby incorporated by reference in this Form 10-K. The report on the financial statement schedule and the consent of the Company s independent registered public accounting firm are attached as Exhibit 23.01 to this Form 10-K.

(3) Exhibits

The list of Exhibits on the accompanying Index of Exhibits included in Item 15(b) of this Form 10-K is hereby incorporated by reference. Each management contract or compensatory plan or arrangement required to be filed as an exhibit is indicated by asterisks.

(b) Index of Exhibits

Exhibit No.	
3.01	Restated Articles of Incorporation of the Company, as amended (incorporated by reference to Exhibits 3.1 and 3.2 to the Martin Marietta Materials, Inc. Current Report on Form 8-K, filed on October 25, 1996) (Commission File No. 1-12744)
3.02	Articles of Amendment with Respect to the Junior Participating Class B Preferred Stock of the Company, dated as of October 19, 2006 (incorporated by reference to Exhibit 3.1 to the Martin Marietta Materials, Inc. Current Report on Form 8-K, filed on October 19, 2006) (Commission File No. 1-12744)
3.03	Restated Bylaws of the Company (incorporated by reference to Exhibit 3.01 to the Martin Marietta Materials, Inc. Current Report on Form 8-K, filed on November 8, 2007) (Commission File No. 1-12744)
4.01	Specimen Common Stock Certificate (incorporated by reference to Exhibit 4.01 to the Martin Marietta Materials, Inc. Annual Report on Form 10-K for the fiscal year ended December 31, 2003) (Commission File No. 1-12744)
4.02	Articles 2 and 8 of the Company s Restated Articles of Incorporation, as amended (incorporated by reference to Exhibit 4.02 to the Martin Marietta Materials, Inc. Annual Report on Form 10-K for the fiscal year ended December 31, 1996) (Commission File No. 1-12744)
4.03	Article I of the Company s Restated Bylaws (incorporated by reference to Exhibit 3.01 to the Martin Marietta Materials, Inc. Current Report on Form 8-K, filed on November 8, 2007) (Commission File No. 1-12744)
4.04	Indenture dated as of December 1, 1995 between Martin Marietta Materials, Inc. and First Union National Bank of North Carolina (incorporated by reference to Exhibit 4(a) to the Martin Marietta Materials, Inc. registration statement on Form S-3 (SEC Registration No. 33-99082))
4.05	Form of Martin Marietta Materials, Inc. 7% Debenture due 2025 (incorporated by reference to Exhibit 4(a)(i) to the Martin Marietta Materials, Inc. registration statement on Form S-3 (SEC Registration No. 33-99082))
4.06	Indenture dated as of December 7, 1998 between Martin Marietta Materials, Inc. and First Union National Bank (incorporated by reference to Exhibit 4.08 to the Martin Marietta Materials, Inc. registration statement on Form S-4 (SEC Registration No. 333-71793))
4.07	Form of Martin Marietta Materials, Inc. 6.875% Note due April 1, 2011 (incorporated by reference to Exhibit 4.12 to the Martin Marietta Materials, Inc. registration statement on Form S-4 (SEC Registration No. 333-61454))
4.08	Indenture dated as of April 30, 2007 between Martin Marietta Materials, Inc. and Branch Banking and Trust Company, Inc., as trustee (incorporated by reference to Exhibit 4.1 to the Martin Marietta Materials,

	Inc. Current Report on Form 8-K, filed on April 30, 2007 (Commission File No. 1-12744)
4.09	First Supplemental Indenture, dated as of April 30, 2007, between Martin Marietta Materials, Inc. and Branch Banking and Trust Company, Inc., as trustee, to that certain Indenture dated as of April 30, 2007 between Martin Marietta Materials, Inc. and Branch Banking and Trust Company, Inc., as trustee, pursuant to which were issued $225,000,000 aggregate principal amount of Floating Rate Senior Notes due 2010 of Martin Marietta Materials, Inc.

Exhibit No.	
	(incorporated by reference to Exhibit 4.2 to the Martin Marietta Materials, Inc. Current Report on Form 8-K, filed on April 30, 2007 (Commission File No. 1-12744)
4.10	Second Supplemental Indenture, dated as of April 30, 2007, between Martin Marietta Materials, Inc. and Branch Banking and Trust Company, Inc., as trustee, to that certain Indenture dated as of April 30, 2007 between Martin Marietta Materials, Inc. and Branch Banking and Trust Company, Inc., as trustee, pursuant to which were issued $250,000,000 aggregate principal amount of 6 1/4% Senior Notes due 2037 of Martin Marietta Materials, Inc. (incorporated by reference to Exhibit 4.3 to the Martin Marietta Materials, Inc. Current Report on Form 8-K, filed on April 30, 2007 (Commission File No. 1-12744)
4.11	Third Supplemental Indenture, dated as of April 21, 2008, between Martin Marietta Materials, Inc. and Branch Banking and Trust Company, Inc., as trustee, to that certain Indenture dated as of April 30, 2007 between Martin Marietta Materials, Inc. and Branch Banking and Trust Company, Inc., as trustee, pursuant to which were issued $300,000,000 aggregate principal amount of 6.60% Senior Notes due 2018 of Martin Marietta Materials, Inc. (incorporated by reference to Exhibit 4.1 to the Martin Marietta Materials, Inc. Current Report on Form 8-K, filed on April 21, 2008 (Commission File No. 1-12744)
10.01	Rights Agreement, dated as of September 27, 2006, by and between Martin Marietta Materials, Inc. and American Stock Transfer & Trust Company, as Rights Agent, which includes the Form of Articles of Amendment With Respect to the Junior Participating Class B Preferred Stock of Martin Marietta Materials, Inc., as Exhibit A, and the Form of Rights Certificate, as Exhibit B (incorporated by reference to Exhibit 4.1 of the Company s Current Report on Form 8-K, filed on September 28, 2006)
10.02	$325,000,000 Second Amended and Restated Credit Agreement dated as of October 24, 2008, among Martin Marietta Materials, Inc., the banks parties thereto, and JP Morgan Chase Bank, N.A., as Administrative Agent (incorporated by reference to Exhibit 10.01 to the Martin Marietta Materials, Inc. Quarterly Report on Form 10-Q for the quarter ended September 30, 2008) (Commission File No. 1-12744)
10.03	Form of Martin Marietta Materials, Inc. Third Amended and Restated Employment Protection Agreement (incorporated by reference to Exhibit 10.01 to the Martin Marietta Materials, Inc. Current Report on Form 8-K, filed on August 19, 2008) (Commission File No. 1-12744)**
*10.04	Amended and Restated Martin Marietta Materials, Inc. Common Stock Purchase Plan for Directors**
*10.05	Martin Marietta Materials, Inc. Amended and Restated Executive Incentive Plan**
*10.06	Martin Marietta Materials, Inc. Incentive Stock Plan, as Amended**
10.07	Martin Marietta Materials, Inc. Amended and Restated Stock-Based Award Plan dated April 3, 2006 (incorporated by reference to Exhibit 10.01 to the Martin Marietta Materials, Inc. Quarterly Report on Form 10-Q for the quarter ended June 30, 2006) (Commission File No. 1-12744)**
10.08	Amended and Restated Consulting Agreement dated June 26, 2006, between Janice Henry and Martin Marietta Materials, Inc. (incorporated by reference to Exhibit 10.02 to the Martin Marietta Materials, Inc. Quarterly Report on Form 10-Q for the quarter ended June 30, 2006) (Commission File No. 1-12744)**

10.09	Martin Marietta Materials, Inc. Amended Omnibus Securities Award Plan (incorporated by reference to Exhibit 10.16 to the Martin Marietta Materials, Inc. Annual Report on Form 10-K for the fiscal year ended December 31, 2000) (Commission File No. 1-12744)**
10.10	Martin Marietta Materials, Inc. Amended and Restated Supplemental Excess Retirement Plan (incorporated by reference to Exhibit 10.2 to the Martin Marietta Materials, Inc. Current Report on Form 8-K, filed on August 19, 2008) (Commission File No. 1-12744)**

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*13.01	Excerpts from Martin Marietta Materials, Inc. 2008 Annual Report to Shareholders, portions of which are incorporated by reference in this Form 10-K. Those portions of the 2008 Annual Report to Shareholders that are not incorporated by reference shall not be deemed to be filed as part of this report.
*21.01	List of subsidiaries of Martin Marietta Materials, Inc.
*23.01	Consent of Ernst & Young LLP, Independent Registered Public Accounting Firm for Martin Marietta Materials, Inc. and consolidated subsidiaries
*24.01	Powers of Attorney (included in this Form 10-K immediately following Signatures)
*31.01	Certification dated February 17, 2009 of Chief Executive Officer pursuant to Securities and Exchange Act of 1934, rule 13a-14, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
*31.02	Certification dated February 17, 2009 of Chief Financial Officer pursuant to Securities and Exchange Act of 1934, rule 13a-14, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
*32.01	Certification dated February 17, 2009 of Chief Executive Officer required by 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
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Other material incorporated by reference:

Martin Marietta Materials, Inc. s 2009 Proxy Statement filed pursuant to Regulation 14A, portions of which are incorporated by reference in this Form 10-K. Those portions of the 2009 Proxy Statement which are not incorporated by reference shall not be deemed to be filed as part of this report.

* Filed herewith

** Management contract or compensatory plan or arrangement required to be filed as an exhibit pursuant to Item 14(c) of Form 10-K

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(c) Financial Statement Schedule

SCHEDULE II VALUATION AND QUALIFYING ACCOUNTS

MARTIN MARIETTA MATERIALS, INC. AND CONSOLIDATED SUBSIDIARIES

Col A	Col B	Col C Additions		Col D	Col E
		(1)	(2)		
Description	Balance at beginning of period	Charged to costs and expenses	Charged to other accounts describe	Deductions describe	Balance at end of period
		(Amounts in Thousands)			
Year ended December 31, 2008					
Allowance for doubtful accounts	$ 3,661	$1,035	$	$	$ 4,696
Allowance for uncollectible notes receivable					
Inventory valuation allowance	19,136			117(a)	19,019
Accumulated amortization of intangible assets	18,816	1,886		8,058(b)	12,644
Year ended December 31, 2007					
Allowance for doubtful accounts	$ 4,905	$	$	$ 1,244(a)	$ 3,661
Allowance for uncollectible notes receivable	853			853(a)	
Inventory valuation allowance	14,221	4,915			19,136
Accumulated amortization of intangible assets	20,670	1,947		3,801(b)	18,816
Year ended December 31, 2006					
Allowance for doubtful accounts	$ 5,545	$	$	$ 640(a)	$ 4,905
Allowance for uncollectible notes receivable	795	58			853
Inventory valuation allowance	12,101	3,093		973(c)	14,221
Accumulated amortization of intangible assets				213(d)	
	29,399	3,858		12,374(b)	20,670

(a) To adjust allowance for change in estimates.

(b) Write off of fully amortized intangible assets.

(c) Write off of fully reserved inventory.

(d) Divestitures.

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SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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.

By: /s/ Roselyn R. Bar

Roselyn R. Bar
Senior Vice President, General Counsel
and Corporate Secretary

Dated: February 17, 2009

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below appoints Roselyn R. Bar and M. Guy Brooks, III, jointly and severally, as his or her true and lawful attorney-in-fact, each with full power of substitution and resubstitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign any and all amendments to this Annual Report on Form 10-K, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact, jointly and severally, full power and authority to do and perform each in connection therewith, as fully to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact, jointly and severally, or their or his or her substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

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Pursuant to the requirements of the Securities and Exchange Act of 1934, this report has been signed by the following persons on behalf of the registrant and in the capacities and on the dates indicated:

Signature	*Title*	*Date*
/s/ Stephen P. Zelnak, Jr. Stephen P. Zelnak, Jr.	Chairman of the Board and Chief Executive Officer	February 17, 2009
/s/ Anne H. Lloyd Anne H. Lloyd	Senior Vice President, Chief Financial Officer and Treasurer	February 17, 2009
/s/ Dana F. Guzzo Dana F. Guzzo	Vice President, Controller and Chief Accounting Officer	February 17, 2009
/s/ Sue W. Cole Sue W. Cole	Director	February 17, 2009
/s/ David G. Maffucci David G. Maffucci	Director	February 17, 2009
/s/ William E. McDonald William E. McDonald	Director	February 17, 2009
/s/ Frank H. Menaker, Jr. Frank H. Menaker, Jr.	Director	February 17, 2009
/s/ Laree E. Perez Laree E. Perez	Director	February 17, 2009
/s/ Michael J. Quillen Michael J. Quillen	Director	February 17, 2009

Signature	*Title*	*Date*
/s/ Dennis L. Rediker	Director	February 17, 2009
Dennis L. Rediker		
/s/ Richard A. Vinroot	Director	February 17, 2009
Richard A. Vinroot		

EXHIBITS

Exhibit No.	
3.01	Restated Articles of Incorporation of the Company, as amended (incorporated by reference to Exhibits 3.1 and 3.2 to the Martin Marietta Materials, Inc. Current Report on Form 8-K, filed on October 25, 1996) (Commission File No. 1-12744)
3.02	Articles of Amendment with Respect to the Junior Participating Class B Preferred Stock of the Company, dated as of October 19, 2006 (incorporated by reference to Exhibit 3.1 to the Martin Marietta Materials, Inc. Current Report on Form 8-K, filed on October 19, 2006) (Commission File No. 1-12744)
3.03	Restated Bylaws of the Company (incorporated by reference to Exhibit 3.01 to the Martin Marietta Materials, Inc. Current Report on Form 8-K, filed on November 8, 2007) (Commission File No. 1-12744)
4.01	Specimen Common Stock Certificate (incorporated by reference to Exhibit 4.01 to the Martin Marietta Materials, Inc. Annual Report on Form 10-K for the fiscal year ended December 31, 2003) (Commission File No. 1-12744)
4.02	Articles 2 and 8 of the Company s Restated Articles of Incorporation, as amended (incorporated by reference to Exhibit 4.02 to the Martin Marietta Materials, Inc. Annual Report on Form 10-K for the fiscal year ended December 31, 1996) (Commission File No. 1-12744)
4.03	Article I of the Company s Restated Bylaws, as amended (incorporated by reference to Exhibit 4.03 to the Martin Marietta Materials, Inc. Annual Report on Form 10-K for the fiscal year ended December 31, 1996) (Commission File No. 1-12744)
4.04	Indenture dated as of December 1, 1995 between Martin Marietta Materials, Inc. and First Union National Bank of North Carolina (incorporated by reference to Exhibit 4(a) to the Martin Marietta Materials, Inc. registration statement on Form S-3 (SEC Registration No. 33-99082))
4.05	Form of Martin Marietta Materials, Inc. 7% Debenture due 2025 (incorporated by reference to Exhibit 4(a)(i) to the Martin Marietta Materials, Inc. registration statement on Form S-3 (SEC Registration No. 33-99082))
4.06	Indenture dated as of December 7, 1998 between Martin Marietta Materials, Inc. and First Union National Bank (incorporated by reference to Exhibit 4.08 to the Martin Marietta Materials, Inc. registration statement on Form S-4 (SEC Registration No. 333-71793))
4.07	Form of Martin Marietta Materials, Inc. 6.875% Note due April 1, 2011 (incorporated by reference to Exhibit 4.12 to the Martin Marietta Materials, Inc. registration statement on Form S-4 (SEC Registration No. 333-61454))
4.08	Indenture dated as of April 30, 2007 between Martin Marietta Materials, Inc. and Branch Banking and Trust Company, Inc., as trustee (incorporated by reference to Exhibit 4.1 to the Martin Marietta Materials, Inc. Current Report on Form 8-K, filed on April 30, 2007 (Commission File No. 1-12744)
4.09	

First Supplemental Indenture, dated as of April 30, 2007, between Martin Marietta Materials, Inc. and Branch Banking and Trust Company, Inc., as trustee, to that certain Indenture dated as of April 30, 2007 between Martin Marietta Materials, Inc. and Branch Banking and Trust Company, Inc., as trustee, pursuant to which were issued $225,000,000 aggregate principal amount of Floating Rate Senior Notes due 2010 of Martin Marietta Materials, Inc. (incorporated by reference to Exhibit 4.2 to the Martin Marietta Materials, Inc. Current Report on Form 8-K, filed on April 30, 2007 (Commission File No. 1-12744)

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Exhibit No.	
4.10	Second Supplemental Indenture, dated as of April 30, 2007, between Martin Marietta Materials, Inc. and Branch Banking and Trust Company, Inc., as trustee, to that certain Indenture dated as of April 30, 2007 between Martin Marietta Materials, Inc. and Branch Banking and Trust Company, Inc., as trustee, pursuant to which were issued $250,000,000 aggregate principal amount of 6 1/4% Senior Notes due 2037 of Martin Marietta Materials, Inc. (incorporated by reference to Exhibit 4.3 to the Martin Marietta Materials, Inc. Current Report on Form 8-K, filed on April 30, 2007 (Commission File No. 1-12744)
4.11	Third Supplemental Indenture, dated as of April 21, 2008, between Martin Marietta Materials, Inc. and Branch Banking and Trust Company, Inc., as trustee, to that certain Indenture dated as of April 30, 2007 between Martin Marietta Materials, Inc. and Branch Banking and Trust Company, Inc., as trustee, pursuant to which were issued $300,000,000 aggregate principal amount of 6.60% Senior Notes due 2018 of Martin Marietta Materials, Inc. (incorporated by reference to Exhibit 4.1 to the Martin Marietta Materials, Inc. Current Report on Form 8-K, filed on April 21, 2008 (Commission File No. 1-12744)
10.01	Rights Agreement, dated as of September 27, 2006, by and between Martin Marietta Materials, Inc. and American Stock Transfer & Trust Company, as Rights Agent, which includes the Form of Articles of Amendment With Respect to the Junior Participating Class B Preferred Stock of Martin Marietta Materials, Inc., as Exhibit A, and the Form of Rights Certificate, as Exhibit B (incorporated by reference to Exhibit 4.1 of the Company s Current Report on Form 8-K, filed on September 28, 2006)
10.02	$325,000,000 Second Amended and Restated Credit Agreement dated as of October 24, 2008, among Martin Marietta Materials, Inc., the banks parties thereto, and JP Morgan Chase Bank, N.A., as Administrative Agent (incorporated by reference to Exhibit 10.01 to the Martin Marietta Materials, Inc. Quarterly Report on Form 10-Q for the quarter ended September 30, 2008) (Commission File No. 1-12744)
10.03	Form of Martin Marietta Materials, Inc. Third Amended and Restated Employment Protection Agreement (incorporated by reference to Exhibit 10.01 to the Martin Marietta Materials, Inc. Current Report on Form 8-K, filed on August 19, 2008) (Commission File No. 1-12744)**
*10.04	Amended and Restated Martin Marietta Materials, Inc. Common Stock Purchase Plan for Directors**
*10.05	Martin Marietta Materials, Inc. Amended and Restated Executive Incentive Plan**
*10.06	Martin Marietta Materials, Inc. Incentive Stock Plan, as Amended**
10.07	Martin Marietta Materials, Inc. Amended and Restated Stock-Based Award Plan dated April 3, 2006 (incorporated by reference to Exhibit 10.01 to the Martin Marietta Materials, Inc. Quarterly Report on Form 10-Q for the quarter ended June 30, 2006) (Commission File No. 1-12744)**
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