NATIONAL TELEPHONE CO OF VENEZUELA
Form SC TO-C
October 18, 2001

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE TO
(RULE 14d-100)
Tender Offer Statement Pursuant to Section 14(d)(1) or 13(e)(1) of
the Securities Exchange Act of 1934

COMPANIA ANONIMA NACIONAL TELEFONOS DE VENEZUELA (CANTV)

Name of Subject Company

NATIONAL TELEPHONE COMPANY OF VENEZUELA (CANTV)

(Translation of Subject Company's name into English)

COMPANIA ANONIMA NACIONAL TELEFONOS DE VENEZUELA (CANTV)

(Name of Person(s) Filing Statement)

American Depositary Shares
(each representing the right to receive 7 Class D shares of
common stock of Compania Anonima Nacional Telefonos de Venezuela (CANTV), par
value Bs.36.90182224915 per share)

(Title of Class of Securities)

204421101

(CUSIP Number of Class of Securities)

Armando Yanes, Chief Financial Officer
Compania Anonima Nacional Telefonos de Venezuela (CANTV)
Avenida Libertador
Centro Nacional de Telecomunicaciones
Nuevo Edificio Administrativo
Piso.1, Apartado Postal 1226
Caracas, Venezuela 1010
Telephone: (58) 212-500-6800

(Name, address and telephone numbers of person authorized to receive notices
and communications on behalf of the persons filing statement)

Copies to:

Robert W. Mullen, Jr., Esq. and Lawrence Lederman, Esq.
Milbank, Tweed, Hadley & McCloy LLP
1 Chase Manhattan Plaza
New York, New York 10005
Telephone: (212) 530-5000
Facsimile: (212) 530-5219

CALCULATION OF FILING FEE

Transaction	Amount of

valuation*	filing fee
Not applicable.	Not applicable.

* Set forth the amount on which the filing fee is calculated and state how it was determined.

[x] Check the box if the filing relates solely to preliminary communications made before the commencement of a tender offer.

Check the appropriate boxes below to designate any transactions to which the statement relates:
[_] third-party tender offer subject to Rule 14d-1.
[x] issuer tender offer subject to Rule 13e-4.
[_] going-private transaction subject to Rule 13e-3.
[_] amendment to Schedule 13D under Rule 13d-2.

Check the following box if the filing is a final amendment reporting the results of the tender offer. [_]

A. Sales Force Script For Accounts

- Good [day/afternoon/], I am _________________ and am calling on behalf of CANTV.

- As you may have read, last Monday CANTV's Board authorized CANTV to pay an Extraordinary Dividend and proceed with a Share Repurchase Program, subject to shareholder approval at a special meeting scheduled for October 24, 2001. The Board has recommended that shareholders vote in favor of the Extraordinary Dividend and the Repurchase Program. (Pause)

  -- If approved by shareholders, CANTV will pay an Extraordinary Dividend in bolivars equal to US$550 million, or approximately US$4.89 per ADS, in two installments. The first installment of US$300 million, or US$2.67 per ADS, is expected to be paid December 10. The second installment of US$250 million, or US$2.22 per ADS, is expected to be paid next March 19.

  -- Under the Repurchase Program, CANTV will make tender offers in the U.S. and Venezuela to purchase, for up to US$30 per ADS and about US$4.29 per share, representing up to 15% of CANTV's outstanding shares. Although completion of the offers is subject to shareholder approval, the offers are expected to commence as soon as CANTV obtains the necessary regulatory approvals in the US and Venezuela. The offers would conclude before the record date for first installment of the extraordinary dividend.

  -- Together, the extraordinary dividend and the share repurchase will distribute approximately $1.2 billion to shareholders, while maintaining the long-term viability of CANTV. (Pause)

- The CANTV Board will also review its dividend policy in order to provide shareholders with the greatest possible return, while keeping in mind the financing required to grow the Company.

- The CANTV Board has also authorized a program under which two employee trusts will seek to purchase Class C shares after concluding with the Repurchase at the same proration factor and price as the Repurchase. The fact that Class C shareholders (CANTV employees, former employees and retirees), will be allowed to sell their shares to the employee funds, will allow the Class D shareholders to sell more shares in the Repurchase. This program is subject to shareholder approval, but will be voted on at a future shareholders' meeting. (Pause)

- [Another advantage of our proposal is that after the 15% Repurchase, the trading of CANTV shares will continue to be liquid. In addition, the Repurchase will not result in a change of control transaction. Verizon filed a proposal with the CNV (Comision Nacional de Valores) to ensure that VenWorld's voting interest in CANTV would not increase as a result of the proposed repurchase program. Under the proposal, shares equal to any increase in VenWorld's interest would be placed in trust and would not be voted with the rest of VenWorld's CANTV shares].
- Do you have any questions about what I have described?
- What you think about CANTV's Board's decisions?
- Have you decided how you will vote at the October 24th shareholder meeting?
- For our records, would you mind telling us how many shares/ADRs you own?
- Is there any way that we could be of assistance?

Thank you very much for your time and consideration, please feel free to call us at [_____________] if you have any questions or could be of any assistance.

re 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. 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.

26

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 some underperforming and other non-strategic assets.

We have provided under the initial heading *Recent Developments* under Item I of this Form 10-K a description of our proposed business combination with TXI. The merger agreement with TXI requires us to pay, subject to the terms and conditions of the merger agreement, the entire purchase price in the proposed business combination with TXI with shares of our common stock, which would dilute the ownership interests of our current shareholders. See Risk Factors Relating to the Proposed Business Combination with TXI For certain of the risks and uncertainties related to our proposed business combination with TXI.

Vertically-integrated businesses have lower profit margins and can be more volatile.

For 2013, our asphalt, ready mixed concrete, and road paving businesses accounted for about 22% of the net sales of our Aggregates business, up from 20% in 2012 and 8% in 2011. These businesses typically provide lower profit margins (excluding freight and delivery revenues) than our aggregates product line due to potentially volatile input costs, highly competitive market dynamics, and minimal barriers to entry. Therefore, as we expand these operations, our gross margins are likely to be adversely affected. The mix of vertically-integrated operations lowered the gross margins (excluding freight and delivery revenues) of our Aggregates business by 260 basis points in 2013. The gross margin (excluding freight and delivery revenues) of our Aggregates business will continue to be reduced by the lower gross margins for our vertically-integrated operations.

Short supplies and high costs of fuel, energy, and raw materials 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, such as fixed-price supply contracts for coal and petroleum coke, significant increases in costs or reduced availability of these items have and may in the future reduce our financial results. Moreover, fluctuations in the supply and costs of these fuels and energy can make planning our businesses more difficult. For example, in 2011, increases in energy costs when compared with 2010 lowered net earnings for our businesses by $0.27 per diluted share. We do not hedge our diesel fuel price risk, but instead focus on volume-related price reductions, fuel efficiency, consumption, and the natural hedge created by the ability to increase aggregates prices. In 2012, while the average price we paid per gallon of diesel fuel was 5% higher compared to 2011, this was offset by a decline of 25% from 2011 on our average cost for natural gas. This trend reversed in 2013, when the average price we paid per gallon of diesel fuel was 4% lower compared to 2012, but the average cost of natural gas increased 18% from 2012. The Specialty Products business has fixed price agreements for the supply of a portion of its coal and natural gas needs in 2014.

Table of Contents

Similarly our vertically-integrated operations also require a continued supply of liquid asphalt and cement, which serve as key raw materials in the production of hot mix asphalt and ready mix concrete, respectively. These raw materials are subject to potential supply constraints and significant price fluctuations, which are beyond our control. The financial results of our vertically-integrated operations have been affected by the short supply or high costs of these raw materials. 2012 saw continued volatility in the costs for these raw materials. For 2013, however, we saw lower prices for these raw materials than 2012.

Road paving construction operations present additional risks to our business.

Our vertically-integrated operations also present challenges in the paving construction business where many of our contracts have penalties for late completion. In some instances, including many of our fixed price contracts, we guarantee that we will complete a project by a certain date. If we subsequently fail to complete the project as scheduled we may be held responsible for costs resulting from the delay, generally in the form of contractually agreed-upon liquidated damages. Under these circumstances, the total project cost could exceed our original estimate, and we could experience a loss of profit or a loss on the project. In our road paving construction operations we also have fixed price and fixed unit price contracts where our profits can be adversely affected by a number of factors beyond our control, which can cause our actual costs to materially exceed the costs estimated at the time or our original bid. These same issues and risks can also impact some of our contacts in our asphalt and ready mixed concrete operations. These risks are somewhat mitigated by the fact that a majority of our road paving contracts are for short duration projects.

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.

Table of Contents

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 16.3% of the hourly employees of our aggregates business and 100% of the hourly employees of our specialty products business. Our collective bargaining agreements for employees of our magnesia specialties business at the Manistee, Michigan magnesia chemicals plant and the Woodville, Ohio lime plant expire in August 2015 and June 2014, 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, or ship. Any significant delays, disruptions, or the non-availability of our transportation support system could negatively affect our operations.

The availability of rail cars can also affect our ability to transport our products. Rail cars can be used to transport many different types of products. If owners sell or lease rail cars for use in other industries, we may not have enough rail cars to transport our products.

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 2014 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.

When we sold our River District operations in 2011 as part of our asset exchange with Lafarge, we sold most of our barge long-haul distribution network. As a result, we reduced our risks from distributing our products by barges, especially along the Mississippi River. We still distribute some of

Table of Contents

our product by barge along rivers in West Virginia. We may continue to experience, to a lesser degree, risks associated with distributing our products by barges, including significant delays, disruptions, or the non-availability of our barge transportation system that could negatively affect our operations, water levels that could affect our ability to transport our products by barge, and barges that may not be available in quantities that we might need from time to time to support our operations.

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. We urge you to read about our accounting policies in Note A of our 2013 financial statements. The federal regulatory body overseeing our accounting standards is now implementing a convergence project, which would conform the accounting in the United States for various topics to the requirements under international accounting standards. Proposed changes are being issued one topic at a time. We have not looked at how all of these topics might impact us. New or revised accounting standards could change our financial results either positively or negatively.

The *Sarbanes-Oxley Act of 2002*, and other related rules and regulations, have increased the scope, complexity, and cost of corporate governance. Reports from the Public Company Accounting Oversight Board s (PCAOB) inspections of public accounting firms continue to outline findings and recommendations which could require these firms to perform additional work as part of their financial statement audits. The Company s costs to respond to these additional requirements and exposure to adverse findings by the PCAOB of the work performed may increase as to internal controls.

Table of Contents

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.

We have considered the current economic environment and its potential impact to the Company s business. Demand for aggregates products, particularly in the infrastructure construction market, has already been negatively affected by federal and state budget and deficit issues and the uncertainty over future highway funding levels beyond the September 2014 expiration of MAP-21. Further, delays or cancellations to capital projects in the nonresidential and residential construction markets could occur if companies and consumers are unable to obtain financing for construction projects or if consumer confidence continues to be eroded by economic uncertainty.

A recessionary construction 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 or end-users. Nevertheless, we have experienced a delay in payment from some of our customers during this construction downturn, which can negatively affect operating cash flows. Historically, our bad debt write-offs have not been significant to our operating results, and, although the amount of our bad debt write-offs has increased, we believe our allowance for doubtful accounts is adequate.

During the economic downturn, we have temporarily idled some of our facilities. In 2013, the Company s Aggregates business operated at a level significantly below capacity, which restricted the Company s ability to capitalize $50.7 million of costs that could have been inventoried under normal operating conditions. If demand does not improve, such temporary idling 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 idling period, 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 idlings. When temporarily idled locations reopen, we may incur additional repair costs for a temporary period. Nevertheless, there is a risk of long-term asset impairment at sites that are temporarily idled if the economic downturn does not improve in the near term.

The credit environment could impact the Company s ability to borrow money in the future. Additional financing or refinancing might not be available and, if available, may not be at economically favorable terms. 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. There is no guarantee we will be able to access the capital markets at financially economical interest rates, which could negatively affect our business.

Table of Contents

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 and could result in a ratings downgrade notwithstanding our issuance of equity securities to fund the transaction. 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. While management believes our credit ratings will remain at a composite 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.

On January 28, 2014, Moody s Investors Service announced it was placing our credit ratings under review for downgrade as a result of our announcement of the proposed business combination with TXI. Similarly, on the same day Standard & Poor s Ratings Services placed our credit ratings on their CreditWatch with negative implications because of the proposed transaction. On the other hand, on January 29, 2014, Fitch Ratings, after reviewing the proposed transaction, reaffirmed our credit rating outlook as stable. While we do not believe that a review by Moody s or Standard & Poor s should result in a reduction of our credit ratings, there is no guarantee of such outcome.

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 specialty products business also requires significant amounts of natural gas, coal, and petroleum coke, and financial results are negatively affected by increases in fuel prices or shortages.

Our specialty products business now runs at capacity so unexpected changes could affect its earnings.

Because our Specialty Products business essentially runs at capacity, any unplanned changes in costs or customers would introduce volatility to the earnings of this segment of our business.

Our acquisitions could harm our results of operations.

In pursuing our business strategy, we conduct discussions, evaluate opportunities, and enter into acquisition agreements. Acquisitions involve significant challenges and risks, including risks that:

- We may not realize a satisfactory return on the investment we make;
- We may not be able to retain key personnel of the acquired business;
- We may experience difficulty in integrating new employees, business systems, and technology;

32

Table of Contents

- Our due diligence process may not identify compliance issues or other liabilities that are in existence at the time of our acquisition;
- We may have difficulty entering into new geographic markets in which we are not experienced; or
- We may be unable to retain the customers and partners of acquired businesses following the acquisition.

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

Our restated articles of incorporation and restated 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:

- a classified Board of Directors;
- the ability of the Board of Directors to establish the terms of, and issue, preferred stock without shareholder approval;
- the requirement that our shareholders may only remove directors for cause;
- the inability of shareholders to call special meetings of shareholders; and
- 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. Additionally, the occurrence of certain change of control events could result in an event of default under certain of our existing or future debt instruments.

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

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

- Governmental authorities increasing taxes or eliminating deductions, particularly the depletion deduction, to fund deficits;
- The jurisdictions in which earnings are taxed;

Table of Contents

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

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

Adjustments to estimated taxes upon finalization of various tax returns;

Changes in available tax credits;

Changes in stock-based compensation;

Other changes in tax laws, and

The interpretation of tax laws and/or administrative practices.

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

We are dependent on information technology and our systems and infrastructure face certain risks, including cybersecurity risks and data leakage risks.

We are dependent on information technology systems and infrastructure. Any significant breakdown, invasion, destruction or interruption of these systems by employees, others with authorized access to our systems, or unauthorized persons could negatively impact operations. There is also a risk that we could experience a business interruption, theft of information, or reputational damage as a result of a cyber-attack, such as an infiltration of a data center, or data leakage of confidential information either internally or at our third-party providers. While we have invested in the protection of our data and information technology to reduce these risks and routinely test the security of our information systems network, there can be no assurance that our efforts will prevent breakdowns or breaches in our systems that could adversely affect our business.

Risk Factors Relating to Proposed Business Combination with TXI

We have provided under the initial heading *Recent Developments* under Item I of this Annual Report on Form 10-K a description of our proposed business combination with TXI. The proposed business combination with TXI presents risks and uncertainties that should be considered by someone purchasing or considering the purchase of our securities. Some of these risks have been described in connection with the discussion of various general risks described above. Other risk factors relating to our proposed business combination with TXI are discussed below. The following discussion is not intended as a substitute for the discussion of the proposed transaction contained in our joint proxy statement/prospectus used in connection with our proposed business combination with TXI. For further information regarding the proposed business combination with TXI, including additional risks and uncertainties related thereto, please review the joint proxy statement/prospectus that will be included in the Registration Statement on Form S-4 that the Company intends to file with the SEC (as may be amended from time to time), as well as the Company s other disclosures relating to the proposed business combination with TXI, when they become available. See also Important Additional Information under Item 9B of this Form 10-K below.

Table of Contents

The proposed business combination with TXI is subject to approval by the Company s shareholders and TXI s stockholders and our ability to complete the proposed business combination with TXI is subject to the receipt of antitrust clearance from governmental entities, which may impose conditions that could have an adverse effect on us or TXI or cause us to abandon the proposed business combination with TXI.

In order for the proposed business combination with TXI to be completed, TXI stockholders must approve the adoption of the merger agreement and the Company s shareholders must approve the issuance of the Company s common stock to TXI stockholders in connection with the merger. In addition, we are unable to complete the proposed business combination with TXI until after the applicable waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, expires or is terminated and certain other conditions in the merger agreement are satisfied, or if legally permitted, waived. In deciding whether to terminate the antitrust waiting period or allow it to expire, the Antitrust Division of the Department of Justice (the DOJ), which is reviewing the proposed business combination with TXI, will consider the effect of the proposed business combination with TXI on competition within the relevant markets. The DOJ may seek a court order enjoining the proposed business combination with TXI, or may seek an agreement from us imposing certain requirements or obligations as conditions for not seeking an injunction or otherwise challenging the proposed business combination with TXI and allowing the expiration of the antitrust waiting period. The merger agreement requires us to accept certain conditions from regulators that could adversely impact the Company without us having the right to refuse to close the proposed business combination with TXI on the basis of those regulatory conditions. We can provide no assurance that we will obtain the necessary antitrust clearance and that any required conditions will not have a material adverse effect on us following the proposed business combination with TXI. In addition, we can provide no assurance that the regulatory review process or the regulatory conditions will not result in a delay or the abandonment of the proposed business combination with TXI.

Failure to complete the proposed business combination with TXI could negatively impact our stock price and our future business and financial results.

If the proposed business combination with TXI is not completed, our ongoing businesses may be adversely affected and we will be subject to several risks, including:

- being required, under certain circumstances, to pay a termination fee of $25 million or $140 million to TXI;
- having to pay certain costs relating to the proposed business combination with TXI, such as legal, accounting, financial advisor, filing, printing and mailing fees;
- under the merger agreement, being subject to certain restrictions on the conduct of our business, which may adversely affect our ability to execute certain business strategies; and

35

Table of Contents

- the focus of our management on the proposed business combination with TXI instead of on pursuing other opportunities that could be beneficial to the Company;

in each case, without realizing any of the benefits of having the proposed business combination with TXI completed. In addition, if the proposed business combination with TXI is not completed, we may experience negative reactions from the financial markets and from our respective customers and employees. We could also be subject to litigation related to any failure to complete the proposed business combination with TXI or to enforcement proceedings commenced against us to perform our obligations under the merger agreement. If the proposed business combination with TXI is not completed, we can provide no assurance that these risks will not materialize and will not materially affect our business, financial results and stock price.

Any delay in completing the proposed business combination with TXI may reduce or eliminate the expected benefits from the transaction.

In addition to the required regulatory clearance and the shareholder and stockholder approvals described above, the proposed business combination with TXI is subject to a number of other conditions beyond our control that may prevent, delay, or otherwise materially adversely affect its completion. We cannot predict whether and when these other conditions will be satisfied. Furthermore, the requirements for obtaining the required clearances and approvals could delay the completion of the proposed business combination with TXI for a significant period of time or prevent it from occurring. Any delay in completing the proposed business combination with TXI could cause us not to realize some or all of the synergies and other benefits that we expect to achieve if the proposed business combination with TXI is successfully completed within its expected time frame.

The pendency of, and uncertainties associated with, the proposed business combination with TXI could adversely affect our business and operations.

In connection with the pending proposed business combination with TXI, some customers, suppliers, and other entities with whom we have business relationships may delay or defer decisions, which could negatively impact our revenues, earnings, and cash flows, as well as the market price of our common stock, regardless of whether the proposed business combination with TXI is completed. In addition, current and prospective employees may experience uncertainty about their future roles with the Company following the closing of the proposed business combination with TXI, which may materially adversely affect our ability to attract and retain key personnel during the pendency of the proposed business combination with TXI. No assurance can be given that we will be able to retain key management personnel and other key employees of the Company or, following the closing of the proposed business combination with TXI, TXI.

The proposed business combination with TXI will involve substantial costs.

We have incurred and expect to continue to incur substantial costs and expenses relating directly to the proposed business combination with TXI, including debt refinancing costs, costs relating to change in control agreements at TXI, fees and expenses payable to financial advisors, other professional fees and expenses, insurance premium costs, fees and costs relating to regulatory filings and notices, SEC filing fees, printing and mailing costs and other transaction-related costs, fees and

Table of Contents

expenses. In addition, we expect to incur substantial expenses in connection with the integration of the business, policies, procedures, operations, technologies and systems of TXI with those of the Company. While we have assumed that a certain level of expenses would be incurred, there are a number of factors beyond our control that could affect the total amount or the timing of all of the expected integration expenses. Moreover, many of the expenses that will be incurred, by their nature, are difficult to estimate accurately at the present time. These expenses could, particularly in the near term, exceed the savings that we expect to achieve from the elimination of duplicative expenses and the realization of economies of scale and cost savings and revenue synergies related to the integration of the businesses following the completion of the proposed business combination with TXI. These integration expenses likely will result in our taking significant charges against earnings following the completion of the proposed business combination with TXI, but the amount and timing of such charges are uncertain at present.

Following the proposed business combination with TXI, we may be unable to integrate the Company and TXI successfully and realize the anticipated benefits of the proposed business combination with TXI.

The proposed business combination with TXI involves the combination of two companies which currently operate as independent public companies. We will be required to devote significant management attention and resources to integrating our business practices and operations. We may fail to realize some or all of the anticipated benefits of the proposed business combination with TXI if the integration process takes longer than expected or is more costly than expected. Potential difficulties we may encounter in the integration process include:

- the inability to successfully combine the businesses of the Company and TXI in a manner that permits us to achieve the cost savings and revenue synergies anticipated to result from the proposed business combination with TXI, which would result in the anticipated benefits of the proposed business combination with TXI not being realized partly or wholly in the time frame currently anticipated or at all;

- lost sales and customers as a result of certain customers of either of the Company or TXI deciding not to do business with the Company;

- complexities associated with managing the combined businesses;

- integrating personnel from the Company and TXI;

- creation of uniform standards, controls, procedures, policies and information systems;

- potential unknown liabilities and unforeseen increased expenses, delays or regulatory conditions associated with the proposed business combination with TXI; and

- performance shortfalls at one or both of the Company and TXI as a result of the diversion of management attention caused by completing the proposed business combination with TXI and integrating the Company s and TXI s operations.

Table of Contents

In addition, we and TXI have operated and, until the completion of the proposed business combination with TXI, will continue to operate, independently. It is possible that the integration process could result in the diversion of each company s management s attention, the disruption or interruption of, or the loss of momentum in, each company s ongoing businesses or inconsistencies in standards, controls, procedures and policies, any of which could adversely affect our ability to maintain relationships with customers, suppliers and employees or our ability to achieve the anticipated benefits of the proposed business combination with TXI, or could reduce our earnings or otherwise adversely affect our business and financial results.

The market price of our common stock may decline in the future as a result of the proposed business combination with TXI.

The market price of our common stock may decline in the future as a result of the proposed business combination with TXI for a number of reasons, including the unsuccessful integration of the Company and TXI (including for the reasons set forth in the preceding risk factor) or our failure to achieve the perceived benefits of the proposed business combination with TXI, including financial results, as rapidly as or to the extent anticipated by financial or industry analysts. These factors are, to some extent, beyond our control.

The proposed business combination with TXI may not be accretive and may cause dilution to our earnings per share, which may negatively affect the market price of our common stock.

We currently anticipate that the proposed business combination with TXI will be accretive to earnings per share in 2014, assuming refinancing of TXI s outstanding debt at or around the closing of the proposed business combination with TXI and excluding one-time costs. This expectation is based on preliminary estimates which may materially change. We could also encounter additional transaction-related costs or other factors such as the failure to realize all of the benefits anticipated in the proposed business combination with TXI. All of these factors could cause dilution to our earnings per share or decrease or delay the expected accretive effect of the proposed business combination with TXI and cause a decrease in the market price of our common stock.

Our future results will suffer if we do not effectively manage our expanded operations following the proposed business combination with TXI.

Following the proposed business combination with TXI, the size of the business of the Company will increase significantly beyond the current size of either the Company s or TXI s current businesses. In addition, we may continue to expand our operations through additional acquisitions or other strategic transactions. Our future success depends, in part, upon our ability to manage our expanded business, which may pose substantial challenges for management, including challenges related to the management and monitoring of new operations and associated increased costs and complexity. There can be no assurances that we will be successful or that we will realize the expected economies of scale, cost savings, revenue synergies and other benefits currently anticipated from the proposed business combination with TXI or anticipated from any additional acquisitions or strategic transactions.

Table of Contents

Our current shareholders will have a reduced ownership and voting interest in the Company after the closing of the proposed business combination with TXI and will exercise less influence over the Company s management.

Our current shareholders currently have the right to vote in the election of our Board of Directors and other matters affecting the Company. Immediately after the proposed business combination with TXI is completed, it is expected that our current shareholders will own approximately 69% of our common stock and current TXI stockholders will own approximately 31% of the outstanding shares of our common stock. As a result of the proposed business combination with TXI, our current shareholders will have less influence on our management and policies than they now have.

ITEM 1B. UNRESOLVED STAFF COMMENTS

There are no unresolved written comments that were received from the staff of the SEC one hundred and eighty (180) days or more before the end of our fiscal year relating to our periodic or current reports under the Securities Exchange Act of 1934.

ITEM 2. PROPERTIES

Aggregates Business

As of December 31, 2013, the Company processed or shipped aggregates from 260 quarries, underground mines, and distribution yards in 30 states and in Canada and the Bahamas, of which 94 are located on land owned by the Company free of major encumbrances, 57 are on land owned in part and leased in part, 103 are on leased land, and 6 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 based on normalized levels of production, and exceed 100 years at current production rates. However, certain locations may be subject to more limited reserves and may not be able to expand. In addition, as of December 31, 2013, the Company processed and shipped ready mixed concrete and/or asphalt products from 39 properties in 4 states, of which 26 are located on land owned by the Company free of major encumbrances, 1 is on land owned in part and leased in part, 11 are on leased land, and 1 is on a facility neither owned or leased, where product is sold under an agreement.

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.

Table of Contents

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 2013 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.

Table of Contents

State	Number of Producing Quarries	Tonnage of Reserves for each general type of aggregate at 12/31/12 (Add 000)		Tonnage of Reserves for each general type of aggregate at 12/31/13 (Add 000)		Change in Tonnage from 2012 (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 quarrying.* **	Percent of reserves owned and percent leased	
	2013	Hard Rock	S & G	Hard Rock	S & G	Hard Rock	S & G	At Quarry	Not at Quarry		Owned	Leased
Alabama	5	103,380	12,110	101,697	12,110	(1,683)	0	100%	0%	0%	35%	65%
Arkansas	3	233,122	0	227,821	0	(5,301)	0	95%	5%	0%	55%	45%
Colorado	6	116,231	101,746	111,520	96,413	(4,711)	(5,333)	85%	15%	0%	74%	26%
Florida	1	253,855	0	253,244	0	(611)	0	100%	0%	0%	0%	100%
Georgia	16	1,308,015	0	2,165,285	0	857,270	0	95%	5%	0%	80%	20%
Indiana	10	490,974	41,888	510,230	47,978	19,256	6,090	100%	0%	0%	35%	65%
Iowa	18	693,075	37,821	715,783	37,450	22,708	(371)	100%	0%	0%	14%	86%
Kansas	4	102,224	0	100,880	0	(1,344)	0	100%	0%	8%	39%	61%
Kentucky	1	0	30,770	0	28,690	0	(2,080)	100%	0%	0%	0%	100%
Maryland	2	97,143	0	96,067	0	(1,076)	0	100%	0%	0%	100%	0%
Minnesota	2	437,711	0	435,472	0	(2,239)	0	76%	24%	0%	68%	32%
Mississippi	1	0	67,497	0	67,216	0	(281)	100%	0%	0%	100%	0%
Missouri	5	385,007	0	423,224	0	38,217	0	90%	10%	0%	17%	83%
Montana	0	50,000	0	50,000	0	0	0	100%	0%	0%	100%	0%
Nebraska	3	174,774	0	188,854	0	14,080	0	100%	0%	0%	49%	51%
Nevada	1	139,849	0	139,342	0	(507)	0	100%	0%	0%	82%	18%
North Carolina	35	3,312,366	0	3,322,590	0	10,224	0	78%	22%	0%	68%	32%
Ohio***	13	675,011	188,654	673,636	186,886	(1,375)	(1,768)	45%	55%	0%	96%	4%
Oklahoma	8	793,402	36,217	784,865	35,780	(8,537)	(437)	100%	0%	0%	82%	18%
South Carolina	6	583,554	30,281	528,413	29,711	(55,141)	(570)	100%	0%	0%	62%	38%
Tennessee	1	37,261	0	36,756	0	(505)	0	100%	0%	0%	100%	0%
Texas	14	1,143,989	78,451	1,123,379	76,168	(20,610)	(2,283)	100%	0%	0%	10%	90%
Utah	1	25,866	0	25,248	0	(618)	0	100%	0%	0%	0%	100%
Virginia	4	367,777	0	364,373	0	(3,404)	0	87%	13%	0%	75%	25%
Washington	3	41,407	0	41,102	0	(305)	0	66%	36%	0%	41%	59%
West Virginia	1	42,326	0	41,578	0	(748)	0	40%	60%	0%	86%	14%
Wyoming	2	153,656	0	151,220	0	(2,436)	0	100%	0%	0%	0%	100%
U.S. Total	**166**	**11,761,975**	**625,435**	**12,612,579**	**618,402**	**850,604**	**(7,033)**	**91%**	**9%**	**0%**	**54%**	**46%**
Non-U.S.	2	838,145	0	825,865	0	(12,280)	0	100%	0%	0%	100%	0%
Grand Total	**168**	**12,600,120**	**625,435**	**13,438,444**	**618,402**	**838,324**	**(7,033)**					

* The Company calculates its aggregate reserves for purposes of this table based on land that has been zoned for quarrying and land for which the Company has determined zoning is not required.

** The Company may own additional land adjacent or near existing quarries on which reserves may be located but does not include such reserves in these calculations if zoning is required but has not been obtained.

*** The Company s reserves presented for the State of Ohio include dolomitic limestone reserves used in the business of the Specialty Products segment.

41

Table of Contents

Reportable Segment*	Total Annual Production (in tons) (add 000) For year ended December 31 2013	2012	2011	Number of years of production available at December 31, 2013
Mid-America Group	51,739	52,264	55,689	136.5
Southeast Group	17,275	18,632	18,332	200.4
West Group	59,185	55,914	50,015	59.7
Total Aggregates Business	**128,199**	**126,810**	**124,036**	**109.6**

* Prior year segment information has been reclassified to conform to the presentation of the Company s current reportable segments.

Specialty Products Business

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

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 2013, the principal properties were believed to be utilized at average productive capacities of approximately 60% 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 temporarily idled some of its facilities. In 2013, the Company s Aggregates business operated at a level significantly below capacity, which restricted the Company s ability to capitalize $50.7 million of costs that could have been inventoried under normal operating conditions. If demand does not improve over the near term, such reductions and temporary idlings 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.

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

42

Table of Contents

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), based upon currently-available facts, it is remote that the ultimate outcome of any litigation and other proceedings will have a material adverse effect on the overall results of the Company s operations, its cash flows, 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 2013 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 2013 Financial Statements included under Item 8 of this Form 10-K and the 2013 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 2013 Annual Report.

ITEM 4. MINE SAFETY DISCLOSURES

The information concerning mine safety violations or other regulatory matters required by Section 1503(a) of the Dodd-Frank Wall Street Reform and Consumer Protection Act and Item 104 of Regulation S-K (17 CFR 229.104) is included in Exhibit 95 to this Annual Report on Form 10-K.

EXECUTIVE OFFICERS OF THE REGISTRANT

The following sets forth certain information regarding the executive officers of Martin Marietta Materials, Inc. as of February 14, 2014:

Name	*Age*	*Present Position*	*Year Assumed Present Position*	*Other Positions and Other Business Experience Within the Last Five Years*
C. Howard Nye	51	Chief Executive Officer;	2010	Chief Operating Officer (2006-2009)
		President;	2006	
		President of Aggregates Business	2010	
		Chairman of Magnesia Specialties Business	2007	
Anne H. Lloyd	52	Executive Vice President;	2009	Senior Vice President (2005-2009)
		Chief Financial Officer	2005	Treasurer (2006-2013)
Roselyn R. Bar	55	Senior Vice President;	2005	
		General Counsel;	2001	
		Corporate Secretary	1997	

43

Table of Contents

Dana F. Guzzo	48	Senior Vice President; Chief Information Officer; Chief Accounting Officer; Controller	2011 2011 2006 2005	
Donald A. McCunniff	56	Senior Vice President, Human Resources	2011	Senior Vice President, Human Resources, CenturyLink Inc. (2009-2010); Senior Vice President, Human Resources, Armstrong World Industries (2006-2009)
Daniel L. Grant	59	Senior Vice President, Strategy & Development	2013	Senior Vice President, Strategy & Development, Lehigh Hanson, Inc., a producer of construction materials, and a subsidiary of Heidelberg Cement (1995-2013)

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 2013 Annual Report, and that information is incorporated herein by reference. There were 638 holders of record of the Company s Common Stock as of February 14, 2014.

Recent Sales of Unregistered Securities

None.

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, 2013 October 31, 2013	0	$	0	5,041,871
November 1, 2013 November 30, 2013	0	$	0	5,041,871
December 1, 2013 December 31, 2013	0	$	0	5,041,871
Total	0	$	0	5,041,871

44

(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. Under the merger agreement with TXI, repurchases of the Company s common stock will be prohibited until the earlier of the closing of the proposed business combination with TXI or the termination of the merger agreement.

ITEM 6. SELECTED FINANCIAL DATA

The information required in response to this Item 6 is included under the caption Five Year Summary of the 2013 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 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 2013 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 2014 in the 2013 Annual Report is not incorporated herein by reference.

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 2013 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 Statements of Comprehensive Earnings, Consolidated Balance Sheets, Consolidated Statements of Cash Flows, Consolidated Statements of Total

Table of Contents

Equity, Notes to Financial Statements, Management s Discussion and Analysis of Financial Condition and Results of Operations, and Quarterly Performance (Unaudited) of the 2013 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 2014 in the 2013 Annual Report is not 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, 2013, 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, 2013 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, 2013. 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 SEC under the Exchange Act is recorded, processed, summarized, and reported, within the time periods specified in the SEC 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

46

Table of Contents

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 statement of financial responsibility and 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, 2013. 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, 2013. 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 2013 Financial Statements, included under Item 8 of this Form 10-K and the 2013 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 2013 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
Important Additional Information

Certain sections of this Form 10-K, including the Company s audited consolidated financial statements and Management s Discussion and Analysis included in the 2013 Annual Report and as Items 8 and 7 respectively in this Form 10-K, refer, in part, to the proposed business combination with TXI, pursuant to which, subject to the terms and conditions of the merger agreement, the Company intends to issue shares of the Company s common stock to stockholders of TXI. In connection with the proposed business combination with TXI, the Company and TXI intend to file relevant materials with the SEC, including a Registration Statement on Form S-4 that will include a joint proxy statement of the Company and TXI and that will also constitute a prospectus of the Company relating to the proposed transaction. INVESTORS AND SECURITYHOLDERS ARE URGED TO READ THE JOINT PROXY STATEMENT/PROSPECTUS AND ANY OTHER RELEVANT DOCUMENTS WHEN THEY BECOME AVAILABLE BECAUSE THEY CONTAIN IMPORTANT INFORMATION

47

Table of Contents

ABOUT THE COMPANY, TXI AND THE PROPOSED TRANSACTION. The joint proxy statement/prospectus and other documents relating to the proposed transaction (when they become available) can be obtained free of charge from the SEC s website at www.sec.gov. These documents can also be obtained free of charge from the Company upon written request to the Corporate Secretary at Martin Marietta Materials, Inc., 2710 Wycliff Road, Raleigh, NC 27607, telephone number (919) 783-4540 or from the Company s website, http://ir.martinmarietta.com or from TXI upon written request to TXI at Investor Relations, Texas Industries, Inc., 1503 LBJ Freeway, Suite 400, Dallas, Texas 75234, telephone number (972) 647-6700 or from TXI s website, http://investorrelations.txi.com.

This communication is not a solicitation of a proxy from any investor or securityholder. However, the Company, TXI and certain of their respective directors and executive officers may be deemed to be participants in the solicitation of proxies in connection with the proposed transaction under the rules of the SEC. Information regarding the Company s directors and executive officers may be found in the 2013 Annual Report and the definitive proxy statement relating to the Company s 2013 Annual Meeting of Shareholders filed with the SEC on April 16, 2013. Information regarding TXI s directors and executive officers may be found in its Annual Report for the year ended May 31, 2013 on Form 10-K filed with the SEC on July 22, 2013 and the definitive proxy statement relating to its 2013 Annual Meeting of Shareholders filed with the SEC on August 23, 2013. These documents can be obtained free of charge from the sources indicated above. Additional information regarding the interests of these participants and a description of their direct or indirect interests, by security holdings or otherwise, will also be included in the joint proxy statement/prospectus that will be filed by the Company and TXI with the SEC when it becomes available.

This communication shall not constitute an offer to sell or the solicitation of an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. No offer of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act of 1933, as amended.

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 SEC pursuant to Regulation 14A within 120 days after the close of the Company s fiscal year ended December 31, 2013 (the 2014 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.

Table of Contents

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 2014 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 2014 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 2014 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 2014 Proxy Statement, and that information is hereby incorporated by reference in this Form 10-K.

Table of Contents

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 2013 Annual Report and incorporated by reference under Item 8 of this Form 10-K:

Consolidated Statements of Earnings

for years ended December 31, 2013, 2012, and 2011

Consolidated Statements of Comprehensive Earnings

for years ended December 31, 2013, 2012, and 2011

Consolidated Balance Sheets

at December 31, 2013 and 2012

Consolidated Statements of Cash Flows

for years ended December 31, 2013, 2012, 2011

Consolidated Statements of Total Equity

for years ended December 31, 2013, 2012, 2011

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 2013 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.

Table of Contents

(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.	
2.01	Agreement and Plan of Merger, dated as of January 27, 2014, among the Company, Texas Industries, Inc. and Project Holdings, Inc. (incorporated by reference to Exhibit 2.1 to the Martin Marietta Materials, Inc. Current Report on Form 8-K, filed on January 30, 2014) (Commission File No. 1-12744)
2.02	Voting Agreement, dated as of January 27, 2014, between the Company and Southeastern Asset Management, Inc. (incorporated by reference to Exhibit 2.2 to the Martin Marietta Materials, Inc. Current Report on Form 8-K, filed on January 30, 2014) (Commission File No. 1-12744)
2.03	Voting Agreement, dated as of January 27, 2014, between the Company and NNS Holding (incorporated by reference to Exhibit 2.3 to the Martin Marietta Materials, Inc. Current Report on Form 8-K, filed on January 30, 2014) (Commission File No. 1-12744)
*3.01	Restated Articles of Incorporation of the Company, as amended
3.02	Restated Bylaws of the Company, as amended (incorporated by reference to Exhibit 3.01 to the Martin Marietta Materials, Inc. Current Report on Form 8-K, filed on November 10, 2011) (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 1 of the Company s Restated Bylaws, as amended (incorporated by reference to Exhibit 3.01 to the Martin Marietta Materials, Inc. Current Report on Form 8-K, filed on November 10, 2011) (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))

Table of Contents

4.06 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)

4.07 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)

4.08 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)

4.09 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) (Commission File No. 1-12744)

10.01 $600,000,000 Credit Agreement dated as of November 29, 2013 among Martin Marietta Materials, Inc. and JPMorgan Chase Bank, N.A., as Administrative Agent, and Wells Fargo Bank, N.A., Branch Banking and Trust Company, and SunTrust Bank, as Co-Syndication Agents (incorporated by reference to Exhibit 10.01 to the Martin Marietta Materials, Inc., Current Report on Form 8-K filed on December 5, 2013) (Commission File No. 1-12744)

10.02 Credit and Security Agreement dated as of April 19, 2013, among Martin Marietta Funding LLC, as borrower, Martin Marietta Materials, Inc., as servicer, and SunTrust Bank, as lender together with the other lenders from time to time party thereto, and SunTrust Bank, as administrative agent for the lenders (incorporated by reference to Exhibit 10.01 to the Martin Marietta Materials, Inc. Current Report on Form 8-K filed on April 24, 2013) (Commission File No. 1-12744)

10.03 Purchase and Contribution Agreement dated as of April 19, 2013, between Martin Marietta Materials, Inc., as seller and as servicer, and Martin Marietta Funding LLC, as buyer (incorporated by reference to Exhibit 10.02 to the Martin Marietta Materials, Inc. Current Report on Form 8-K filed on April 24, 2013) (Commission File No. 1-12744)

10.04 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)**

*10.05 Amended and Restated Martin Marietta Materials, Inc. Common Stock Purchase Plan for Directors**

10.06 Martin Marietta Materials, Inc. Amended and Restated Executive Incentive Plan (incorporated by reference to Exhibit 10.05 to the Martin Marietta Materials, Inc. Annual Report on Form 10-K for the fiscal year ended December 31, 2008) (Commission File No. 1-12744)**

52

Table of Contents

10.07	Martin Marietta Materials, Inc. Incentive Stock Plan, as Amended (incorporated by reference to Exhibit 10.06 to the Martin Marietta Materials, Inc. Annual Report on Form 10-K for the fiscal year ended December 31, 2008) (Commission File No. 1-12744)**
10.08	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)**
10.09	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. Third Amended and Restated Supplemental Excess Retirement Plan (incorporated by reference to Exhibit 10 to the Martin Marietta Materials, Inc. Quarterly Report on Form 10-Q for the quarter ended June 30, 2012) (Commission File No. 1-12744)**
10.11	Form of Option Award Agreement under the Martin Marietta Materials, Inc. Amended and Restated Stock-Based Award Plan (incorporated by reference to Exhibit 10.11 to the Martin Marietta Materials, Inc. Annual Report on Form 10-K for the fiscal year ended December 31, 2008) (Commission File No. 1-12744)**
10.12	Form of Restricted Stock Unit Agreement under the Martin Marietta Materials, Inc. Amended and Restated Stock-Based Award Plan (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, 2009) (Commission File No. 1-12744)**
10.13	Form of Amendment to the Stock Unit Agreement under the Martin Marietta Materials, Inc. Amended and Restated Stock-Based Award Plan (incorporated by reference to Exhibit 10.13 to the Martin Marietta Materials, Inc. Annual Report on Form 10-K for the fiscal year ended December 31, 2008) (Commission File No. 1-12744)**
*10.14	Form of Restricted Stock Unit Agreement used for Directors under the Martin Marietta Materials, Inc. Amended and Restated Stock-Based Award Plan***12.01 Computation of ratio of earnings to fixed charges for the year ended December 31, 2013
*12.01	Computation of ratio of earnings to fixed charges for the year ended December 31, 2013
*13.01	Excerpts from Martin Marietta Materials, Inc. 2013 Annual Report to Shareholders, portions of which are incorporated by reference in this Form 10-K. Those portions of the 2013 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 24, 2014 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 24, 2014 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 24, 2014 of Chief Executive Officer required by 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
*32.02	Certification dated February 24, 2014 of Chief Financial Officer required by 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

Table of Contents

*95	Mine Safety Disclosure Exhibit
*101.INS	XBRL Instance Document
*101.SCH	XBRL Taxonomy Extension Schema Document
*101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
*101.LAB	XBRL Taxonomy Extension Label Linkbase Document
*101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document
*101.DEF	XBRL Taxonomy Extension Definition Linkbase

Other material incorporated by reference:

Martin Marietta Materials, Inc. s 2014 Proxy Statement filed pursuant to Regulation 14A, portions of which are incorporated by reference in this Form 10-K. Those portions of the 2014 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

Table of Contents

(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
Description	Balance at beginning of period	(1) Charged to costs and expenses	(2) Charged to other accounts describe	Deductions describe	Balance at end of period
		(Amounts in Thousands)			
Year ended December 31, 2013					
Allowance for doubtful accounts	$ 6,069	$	$	$ 1,988[(a)]	$ 4,081
Allowance for uncollectible notes receivable	440	369			809
Inventory valuation allowance	96,817	1,165	$ 1,044[(b)]		99,026
Year ended December 31, 2012					
Allowance for doubtful accounts	$ 5,295	$ 774	$	$	$ 6,069
Allowance for uncollectible notes receivable	295	145			440
Inventory valuation allowance	92,481	4,475		139[(c)]	96,817
Year ended December 31, 2011					
Allowance for doubtful accounts	$ 3,578	$ 1,717	$	$	$ 5,295
Allowance for uncollectible notes receivable	179	116			295
Inventory valuation allowance	87,044	7,882	2,154[(b)]	4,599[(c)]	92,481

(a) Write off of uncollectible accounts and change in estimates.
(b) Application of reserve policy to acquired inventories.
(c) Divestitures.

Table of Contents

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 24, 2014

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.

Table of Contents

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	February 24, 2014
/s/ C. Howard Nye C. Howard Nye	President and Chief Executive Officer	February 24, 2014
/s/ Anne H. Lloyd Anne H. Lloyd	Executive Vice President and Chief Financial Officer	February 24, 2014
/s/ Dana F. Guzzo Dana F. Guzzo	Senior Vice President, Chief Information Officer, Chief Accounting Officer, and Controller	February 24, 2014
/s/ Sue W. Cole Sue W. Cole	Director	February 24, 2014
/s/ David G. Maffucci David G. Maffucci	Director	February 24, 2014
/s/ William E. McDonald William E. McDonald	Director	February 24, 2014
/s/ Frank H. Menaker, Jr. Frank H. Menaker, Jr.	Director	February 24, 2014
/s/ Laree E. Perez Laree E. Perez	Director	February 24, 2014
/s/ Michael J. Quillen Michael J. Quillen	Director	February 24, 2014

Table of Contents

/s/ Dennis L. Rediker Dennis L. Rediker	Director	February 24, 2014
/s/ Richard A. Vinroot Richard A. Vinroot	Director	February 24, 2014

58

Table of Contents

EXHIBITS

Exhibit No.	
2.01	Agreement and Plan of Merger, dated as of January 27, 2014, among the Company, Texas Industries, Inc. and Project Holdings, Inc. (incorporated by reference to Exhibit 2.1 to the Martin Marietta Materials, Inc. Current Report on Form 8-K, filed on January 30, 2014) (Commission File No. 1-12744)
2.02	Voting Agreement, dated as of January 27, 2014, between the Company and Southeastern Asset Management, Inc. (incorporated by reference to Exhibit 2.2 to the Martin Marietta Materials, Inc. Current Report on Form 8-K, filed on January 30, 2014) (Commission File No. 1-12744)
2.03	Voting Agreement, dated as of January 27, 2014, between the Company and NNS Holding (incorporated by reference to Exhibit 2.3 to the Martin Marietta Materials, Inc. Current Report on Form 8-K, filed on January 30, 2014) (Commission File No. 1-12744)
*3.01	Restated Articles of Incorporation of the Company, as amended
3.02	Restated Bylaws of the Company, as amended (incorporated by reference to Exhibit 3.01 to the Martin Marietta Materials, Inc. Current Report on Form 8-K, filed on November 10, 2011) (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 1 of the Company s Restated Bylaws, as amended (incorporated by reference to Exhibit 3.01 to the Martin Marietta Materials, Inc. Current Report on Form 8-K, filed on November 10, 2011) (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 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)
4.07	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

59

	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)
4.08	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)
4.09	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) (Commission File No. 1-12744)
10.01	$600,000,000 Credit Agreement dated as of November 29, 2013 among Martin Marietta Materials, Inc. and JPMorgan Chase Bank, N.A., as Administrative Agent, and Wells Fargo Bank, N.A., Branch Banking and Trust Company, and SunTrust Bank, as Co-Syndication Agents (incorporated by reference to Exhibit 10.01 to the Martin Marietta Materials, Inc., Current Report on Form 8-K filed on December 5, 2013) (Commission File No. 1-12744)
10.02	Credit and Security Agreement dated as of April 19, 2013, among Martin Marietta Funding LLC, as borrower, Martin Marietta Materials, Inc., as servicer, and SunTrust Bank, as lender together with the other lenders from time to time party thereto, and SunTrust Bank, as administrative agent for the lenders (incorporated by reference to Exhibit 10.01 to the Martin Marietta Materials, Inc. Current Report on Form 8-K filed on April 24, 2013) (Commission File No. 1-12744)
10.03	Purchase and Contribution Agreement dated as of April 19, 2013, between Martin Marietta Materials, Inc., as seller and as servicer, and Martin Marietta Funding LLC, as buyer (incorporated by reference to Exhibit 10.02 to the Martin Marietta Materials, Inc. Current Report on Form 8-K filed on April 24, 2013) (Commission File No. 1-12744)
10.04	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)**
*10.05	Amended and Restated Martin Marietta Materials, Inc. Common Stock Purchase Plan for Directors**
10.06	Martin Marietta Materials, Inc. Amended and Restated Executive Incentive Plan (incorporated by reference to Exhibit 10.05 to the Martin Marietta Materials, Inc. Annual Report on Form 10-K for the fiscal year ended December 31, 2008) (Commission File No. 1-12744)**
10.07	Martin Marietta Materials, Inc. Incentive Stock Plan, as Amended (incorporated by reference to Exhibit 10.06 to the Martin Marietta Materials, Inc. Annual Report on Form 10-K for the fiscal year ended December 31, 2008) (Commission File No. 1-12744)**

Table of Contents

10.08	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)**
10.09	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. Third Amended and Restated Supplemental Excess Retirement Plan (incorporated by reference to Exhibit 10 to the Martin Marietta Materials, Inc. Quarterly Report on Form 10-Q for the quarter ended June 30, 2012) (Commission File No. 1-12744)**
10.11	Form of Option Award Agreement under the Martin Marietta Materials, Inc. Amended and Restated Stock-Based Award Plan (incorporated by reference to Exhibit 10.11 to the Martin Marietta Materials, Inc. Annual Report on Form 10-K for the fiscal year ended December 31, 2008) (Commission File No. 1-12744)**
10.12	Form of Restricted Stock Unit Agreement under the Martin Marietta Materials, Inc. Amended and Restated Stock-Based Award Plan (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, 2009) (Commission File No. 1-12744)**
10.13	Form of Amendment to the Stock Unit Agreement under the Martin Marietta Materials, Inc. Amended and Restated Stock-Based Award Plan (incorporated by reference to Exhibit 10.13 to the Martin Marietta Materials, Inc. Annual Report on Form 10-K for the fiscal year ended December 31, 2008) (Commission File No. 1-12744)**
*10.14	Form of Restricted Stock Unit Agreement used for Directors under the Martin Marietta Materials, Inc. Amended and Restated Stock-Based Award Plan**
*12.01	Computation of ratio of earnings to fixed charges for the year ended December 31, 2013
*13.01	Excerpts from Martin Marietta Materials, Inc. 2013 Annual Report to Shareholders, portions of which are incorporated by reference in this Form 10-K. Those portions of the 2013 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 24, 2014 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 24, 2014 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 24, 2014 of Chief Executive Officer required by 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
*32.02	Certification dated February 24, 2014 of Chief Financial Officer required by 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

Table of Contents

*95	Mine Safety Disclosure Exhibit
*101.INS	XBRL Instance Document
*101.SCH	XBRL Taxonomy Extension Schema Document
*101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
*101.LAB	XBRL Taxonomy Extension Label Linkbase Document
*101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document
*101.DEF	XBRL Taxonomy Extension Definition Linkbase

Other material incorporated by reference:

Martin Marietta Materials, Inc. s 2014 Proxy Statement filed pursuant to Regulation 14A, portions of which are incorporated by reference in this Form 10-K. Those portions of the 2014 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