MARTIN MARIETTA MATERIALS INC
Form 424B5
April 18, 2008

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**Filed pursuant to Rule 424(b)(5)**
**SEC File No. 333-142343**

**CALCULATION OF REGISTRATION FEE**

| Title of each Class of Securities to be Registered | Maximum Aggregate Offering Price | Amount of Registration Fee(1) |
|---|---|---|
| Debt Securities | $ 300,000,000 | $ 11,790 |

(1) Calculated in accordance with Rule 457(r) under the Securities Act of 1933.

**Prospectus Supplement**
(To prospectus dated April 25, 2007)

**Martin Marietta Materials, Inc.**

***$300,000,000 6.60% Senior Notes due 2018***

**Issue Price: 99.929%**

The notes will mature on April 15, 2018. Interest on the notes will be paid on April 15 and October 15 of each year. The first interest payment will be October 15, 2008.

We may redeem the notes in whole or in part at any time prior to their maturity at the make whole redemption price described in this prospectus supplement.

Upon a change of control repurchase event, we will be required to make an offer to repurchase all outstanding notes at a price in cash equal to 101% of the principal amount of the notes, plus any accrued and unpaid interest to, but not including, the purchase date.

The notes will be unsecured and will rank equally with all our other unsecured unsubordinated indebtedness from time to time outstanding.

**Investing in the notes involves risks. See Risk factors beginning on page S-6 of this prospectus supplement.**

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the notes or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

| | Public offering price(1) | Underwriting discount | Proceeds, before expenses, to Martin Marietta Materials(1) |
|---|---|---|---|
| Senior note | 99.929% | 0.650% | 99.279% |

| | | | |
|---|---|---|---|
| Total | $299,787,000 | $1,950,000 | $297,837,000 |

(1) Plus accrued interest, if any, from April 21, 2008.

The notes will not be listed on any securities exchange. Currently there is no public market for the notes.

We expect to deliver the notes to investors in registered book-entry form through the facilities of The Depository Trust Company and its participants, including Clearstream Banking, societé anonyme and the Euroclear Bank S.A./N.V., on or about April 21, 2008.

*Joint Book-Running Managers*

**JPMorgan** **Banc of America Securities LLC** **Wachovia Securities**

*Co-Managers*

**BB&T Capital Markets**
**Wells Fargo Securities**
**Citi**

April 16, 2008

You should rely only on the information contained in or incorporated by reference in this prospectus supplement and the accompanying prospectus. We have not, and the underwriters have not, authorized anyone to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. We are not, and the underwriters are not, making an offer of these securities in any state where the offer is not permitted. You should not assume that the information contained in or incorporated by reference in this prospectus supplement and the accompanying prospectus is accurate as of any date other than the date on the front of this prospectus supplement.

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### Prospectus Supplement



### Prospectus

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## About this prospectus supplement

You should rely only upon the information contained in this prospectus supplement, the accompanying prospectus and the documents they incorporate by reference. We have not authorized any other person to provide you with different or additional information. If anyone provides you with different or additional information, you should not rely on it. Neither we nor the underwriters are making an offer to sell the notes in any jurisdiction where the offer or sale is not permitted. You should assume the information appearing in this prospectus supplement and the accompanying prospectus is accurate only as of their respective dates. Our business, financial condition, results of operations and prospects may have changed since those dates.

This prospectus supplement contains the terms of this offering of notes. This prospectus supplement may add, update or change information contained or incorporated by reference in the accompanying prospectus. In addition, the information incorporated by reference in the accompanying prospectus may have added, updated or changed information in the accompanying prospectus. If information in this prospectus supplement is inconsistent with any information in the accompanying prospectus (or any information incorporated therein by reference), this prospectus supplement will apply and will supersede such information in the accompanying prospectus.

It is important for you to read and consider all information contained in this prospectus supplement, the accompanying prospectus and the documents they incorporate by reference in making your investment decision.

## Where you can find more information

We file annual, quarterly and special reports, proxy statements and other information with the SEC under the Securities Exchange Act of 1934, as amended (the Exchange Act ). You may read and copy this information at the following location of the SEC:

Public Reference Room
100 F Street, N.E.
Room 1580
Washington, DC 20549

You may also obtain copies of this information at prescribed rates by mail from the Public Reference Room of the SEC, 100 F Street, N.E., Room 1580, Washington, DC 20549. You may obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330.

The SEC also maintains a web site that contains reports, proxy statements and other information about issuers, like us, who file electronically with the SEC. The address of that site is www.sec.gov.

You can also inspect reports, proxy statements and other information about us at the offices of the New York Stock Exchange, 20 Broad Street, New York, New York 10005.

We incorporate by reference information into this prospectus supplement, which means that we disclose important information to you by referring you to another document filed separately with the SEC. The information incorporated by reference is deemed to be part of this prospectus supplement. Any information contained in this prospectus supplement or any document incorporated or deemed to be incorporated by reference in this prospectus supplement will be

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deemed to be modified, superseded or updated to the extent that information contained in this prospectus supplement or any subsequently filed document incorporated or deemed to be incorporated by reference in this prospectus supplement modifies, supersedes or updates such earlier information. Any information so modified, superseded or updated will not be deemed, except as so modified, superseded or updated, to constitute a part of this prospectus supplement. We incorporate by reference the documents listed below and all future documents that we file with the SEC under Sections 13(a), 13(c), 14 and 15(d) of the Exchange Act (other than current reports furnished under items 2.02 and 7.01 of Form 8-K):

Annual Report on Form 10-K for the fiscal year ended December 31, 2007; and

Current Reports on Form 8-K filed on February 1, 2008, March 20, 2008 and April 14, 2008.

You may request a copy of these filings at no cost, by writing or telephoning us at the following address:

Martin Marietta Materials, Inc.
2710 Wycliff Road
Raleigh, North Carolina 27607-3033
Attn: Investor Relations
Telephone: (919) 781-4550

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## Summary

*This summary highlights information contained elsewhere or incorporated by reference in this prospectus supplement and the accompanying prospectus. This is not intended to be a complete description of the matters covered in this prospectus supplement and the accompanying prospectus and is subject, and qualified in its entirety by reference, to the more detailed information and financial statements (including the notes thereto) included or incorporated by reference in this prospectus supplement and the accompanying prospectus. Unless otherwise indicated, all references to Martin Marietta Materials, the Company, we, us and our refer to Martin Marietta Materials, Inc. and its consolidated subsidiaries.*

*See Risk factors in this prospectus supplement and in our annual report on Form 10-K for the year ended December 31, 2007 for factors that you should consider before investing in the notes and Information regarding forward-looking statements for information relating to statements contained in this prospectus supplement that are not historical facts.*

## Our company

We are a leading producer of aggregates for the construction industry, including infrastructure, commercial and residential. We also have a specialty products segment that manufactures and markets magnesia-based chemical products used in industrial, agricultural, and environmental applications, dolomitic lime sold primarily to the steel industry and structural composite products. For the year ended December 31, 2007, our aggregates business accounted for approximately 92% of our total net sales and our specialty products segment accounted for approximately 8% of our total net sales.

We were formed in 1993 as a North Carolina corporation to serve as successor to the operations of the materials group of the organization that is now Lockheed Martin Corporation. Our principal executive offices are located at 2710 Wycliff Road, Raleigh, North Carolina 27607-3033, and our telephone number is (919) 781-4550.

Our website is located at http://www.martinmarietta.com. We do not incorporate the information on our website into this prospectus supplement or the accompanying prospectus and you should not consider it a part of this prospectus supplement or the accompanying prospectus.

### *Recent developments*

On April 10, 2008, we amended our unsecured $250 million credit agreement to add another class of loan commitment, which had the effect of increasing the borrowing base under the credit agreement by $75 million. We may borrow under our credit agreement, including the additional funds available as a result of the increase, for general corporate purposes, including to support our commercial paper program.

On April 14, 2008, we announced the acquisition from Vulcan Materials Company of six quarries in Georgia and Tennessee. These newly acquired facilities significantly expand our presence in high-growth areas of Georgia and Tennessee, particularly south and west of Atlanta. These quarries will be integrated into our Southeast Group. As a result of this transaction, we estimate that our aggregates production in Georgia and Tennessee will increase by nearly 30% annually.

The acquisition was partially funded with proceeds from commercial paper borrowings. The remainder of the consideration for the acquisition consisted of certain of our assets, including the Table Mountain Quarry in Butte

County, California, the Loop 1604 property in Bexar County, Texas and the Greystone property in Vance County, North Carolina.

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## The offering

The following is a brief summary of some of the terms of the notes. For a more complete description of the terms of the notes see Description of the notes in this prospectus supplement and Description of debt securities in the accompanying prospectus.

| | |
|---|---|
| **Issuer** | Martin Marietta Materials, Inc. |
| **Notes offered** | $300,000,000 aggregate principal amount of 6.60% senior notes due 2018. |
| **Issue price** | 99.929% of principal amount, plus accrued interest, if any, from April 21, 2008. |
| **Maturity** | April 15, 2018. |
| **Interest** | Interest on the notes will accrue at the rate of 6.60% per year on the principal amount and will be payable semi-annually in cash in arrears on April 15 and October 15 of each year, beginning on October 15, 2008. |
| **Ranking** | The notes will be our unsecured and unsubordinated obligations and will rank equal in right of payment to all of our other existing and future unsecured and unsubordinated indebtedness. The notes will be effectively junior to all of our existing and future secured debt to the extent of the value of the assets securing such debt and will be structurally subordinated to all existing and future indebtedness and other liabilities of our subsidiaries.<br><br>As of December 31, 2007, we had an aggregate of approximately $1,124.3 million of indebtedness, excluding intercompany liabilities. As of December 31, 2007, excluding intercompany liabilities, our subsidiaries had no indebtedness and, other than capital lease obligations, we had no secured indebtedness.<br><br>The indenture governing the notes will not contain any restrictions on the incurrence of indebtedness other than as described under Description of the notes Covenants Limitations on liens. |
| **Additional notes** | We may from time to time, without notice to or the consent of the holders of the notes, create and issue additional debt securities having the same terms as and ranking equally and ratably with the notes in all respects. |
| **Sinking fund** | None. |
| **Change of control repurchase event** | Upon a change of control repurchase event, we will be required to make an offer to repurchase all outstanding notes at a price in cash equal to 101% of the principal amount of the notes, plus any accrued and unpaid interest to, but not including the repurchase date. See Description of the notes Change of control repurchase event. |
| **Optional redemption** | We may redeem the notes in whole or in part at any time prior to their maturity at the make whole redemption price described herein. See Description of the notes Optional redemption; no sinking fund. |

| | |
|---|---|
| **Trustee** | Branch Banking & Trust Company. |
| **Use of proceeds** | We estimate that the net proceeds from the offering will be approximately $297,337,000 after deducting the underwriting discount and transaction expenses. We intend to use the net proceeds from this offering to repay indebtedness outstanding under our commercial paper program and other short-term loans. See Use of proceeds. |
| **No listing** | We do not intend to list the notes on any national securities exchange. The notes will be new securities for which there is currently no public market. See Risk factors Risks Related to the Notes There is no public market for the notes, which could limit their market price or your ability to sell them. |
| **Risk factors** | Investing in the notes involves risks. See Risk factors and other information in this prospectus supplement and the accompanying prospectus for a discussion of factors you should consider carefully before deciding to invest in the notes. |

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## Summary financial data

The summary financial data set forth below for the fiscal years ended December 31, 2007, 2006, 2005, 2004 and 2003 have been derived from our audited consolidated financial statements. The selected financial data should be read in conjunction with our consolidated financial statements and Management s Discussion and Analysis of Financial Condition and Results of Operations included in our annual report on Form 10-K for the year ended December 31, 2007, which is incorporated by reference into this prospectus supplement and the accompanying prospectus.

| | | | | Year Ended December 31, | |
|---|---|---|---|---|---|
| **(dollars in thousands, except per share amounts)** | **2007** | **2006** | **2005** | **2004** | **2003** |
| **Consolidated operating results** | | | | | |
| Net sales | $ 1,967,612 | $ 1,929,666 | $ 1,728,977 | $ 1,489,796 | $ 1,385,467 |
| Freight and delivery revenues | 239,529 | 261,386 | 246,311 | 202,125 | 200,257 |
| Total revenues | 2,207,141 | 2,191,052 | 1,975,288 | 1,691,921 | 1,585,724 |
| Cost of sales | 1,552,704 | 1,551,774 | 1,431,407 | 1,268,401 | 1,192,280 |
| Freight and delivery costs | 239,529 | 261,386 | 246,311 | 202,125 | 200,257 |
| Total cost of revenues | 1,792,233 | 1,813,160 | 1,677,718 | 1,470,526 | 1,392,537 |
| Other operating (income) and expenses, net | (18,122) | (12,657) | (16,231) | (10,516) | (6,506) |
| **Earnings from operations** | 433,030 | 390,549 | 313,801 | 231,911 | 199,693 |
| Interest expense | 60,893 | 40,359 | 42,597 | 42,734 | 42,587 |
| Other nonoperating (income) and expenses, net | (6,443) | (2,819) | (1,483) | (607) | 429 |
| Earnings from continuing operations before taxes on income | 378,580 | 353,009 | 272,687 | 189,784 | 156,677 |
| Taxes on income | 116,073 | 107,632 | 74,225 | 58,491 | 47,034 |
| **Earnings from continuing operations** | 262,507 | 245,377 | 198,462 | 131,293 | 109,643 |
| Gain (loss) on discontinued operations, net of related tax expense (benefit) | 242 | 45 | (5,796) | (2,130) | (9,146) |
| **Earnings before cumulative effect of change in accounting principle** | 262,749 | 245,422 | 192,666 | 129,163 | 100,497 |
| Cumulative effect of change in accounting for asset retirement obligations | | | | | (6,874) |

| | | | | | |
|---|---|---|---|---|---|
| **Net earnings** | $ 262,749 | $ 245,422 | $ 192,666 | $ 129,163 | $ 93,623 |
| **Condensed consolidated balance sheet data** | | | | | |
| Current deferred income tax benefits | $ 44,285 | $ 25,317 | $ 14,989 | $ 5,750 | $ 21,603 |
| Current assets other | 581,725 | 567,037 | 587,052 | 618,503 | 589,048 |
| Property, plant and equipment, net | 1,433,553 | 1,295,491 | 1,166,351 | 1,065,215 | 1,042,432 |
| Goodwill | 574,667 | 570,538 | 569,263 | 567,495 | 577,586 |
| Other intangibles, net | 9,426 | 10,948 | 18,744 | 18,642 | 25,142 |
| Other noncurrent assets | 40,149 | 37,090 | 76,917 | 80,247 | 63,414 |
| **Total assets** | $ 2,683,805 | $ 2,506,421 | $ 2,433,316 | $ 2,355,852 | $ 2,319,225 |
| Current liabilities other | $ 230,480 | $ 189,116 | $ 199,259 | $ 202,843 | $ 221,683 |
| Current maturities of long-term debt and commercial paper | 276,136 | 125,956 | 863 | 970 | 1,068 |
| Long-term debt | 848,186 | 579,308 | 709,159 | 713,661 | 717,073 |
| Pension, postretirement and postemployment benefits | 103,518 | 106,413 | 98,714 | 88,241 | 76,917 |
| Noncurrent deferred income taxes | 160,902 | 159,094 | 149,972 | 139,179 | 116,647 |
| Other noncurrent liabilities | 118,592 | 92,562 | 101,664 | 57,531 | 55,990 |
| Shareholders equity | 945,991 | 1,253,972 | 1,173,685 | 1,153,427 | 1,129,847 |
| **Total liabilities and shareholders equity** | $ 2,683,805 | $ 2,506,421 | $ 2,433,316 | $ 2,355,852 | $ 2,319,225 |

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## Ratio of earnings to fixed charges

The following table shows our historical ratio of earnings to fixed charges for each of the five most recent fiscal years.

| | Year Ended December 31, | | | | |
|---|---|---|---|---|---|
| | **2007** | **2006** | **2005** | **2004** | **2003** |
| Ratio of earnings to fixed charges | 5.27 | 7.01 | 5.67 | 4.47 | 3.63 |

For this ratio, earnings consist of earnings before income taxes on income, extraordinary items and net cumulative effect of accounting changes, adjusted for undistributed earnings of less-than-fifty-percent-owned affiliates. Fixed charges consist of interest expensed and capitalized, plus the portion of rent expense under operating leases deemed by us to be representative of the interest factor.

## Risk factors

*Before you invest in the notes, you should carefully consider the following risks. The risks described below are not the only ones facing us. Additional risks not presently known to us or that we currently deem immaterial may also impair our business operations. Our business, financial condition or results of operations could be materially adversely affected by any of these risks. You should also review the other risks contained in our annual report on Form 10-K for the year ended December 31, 2007, which is incorporated by reference into this prospectus supplement and accompanying prospectus. This prospectus supplement, the accompanying prospectus and the information included or incorporated by reference also contain forward looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward looking statements as a result of certain factors, including the risks faced by us described below and elsewhere in this prospectus supplement, the accompanying prospectus and the information included or incorporated by reference.*

### Risks Related to our Business

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

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

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

Within the construction industry, we sell our aggregate products for use in both commercial construction and residential construction. Commercial and residential construction levels generally move with economic cycles; when the economy is strong, construction levels rise, and when the economy is weak, construction levels fall. Commercial construction was mixed in 2007, with growth slowing during the year. In some areas we saw declining commercial construction activity, including office and retail space, as developers considered the impact of the current credit markets on construction and development plans. Businesses facing tighter credit conditions often find it difficult to obtain financing for capital investments. The residential construction market declined sharply in 2007 in connection with the housing market downturn. Further, the outlook reflects diminished demand, with recovery not expected prior to late 2009 or 2010. Approximately 12% of our aggregates shipments in 2007 were to the residential construction market.

Our aggregate products are used in public infrastructure projects, which include the construction, maintenance, and improvement of highways, bridges, schools, prisons, and similar projects.

So our business is dependent on the level of federal, state, and local spending on these projects. We cannot be assured of the existence, amount, and timing of appropriations for spending on these projects. For example, while the current federal highway law passed in 2005 provides funding of $286.4 billion for highway, transit, and highway safety programs through September 30, 2009, Congress must pass an appropriations bill each year to approve spending these funds. We cannot be assured that Congress will pass an appropriations bill each year to approve funding at the level authorized in the federal highway law. Similarly, each state funds its infrastructure spending from specially allocated amounts collected from various taxes, typically gasoline taxes and vehicle fees, along with voter-approved bond programs. Shortages in state tax revenues can reduce the amounts spent on state infrastructure projects, even below amounts awarded under legislative bills. Delays in state infrastructure spending can hurt our business. For example, we expect delays in infrastructure spending in Florida, North Carolina, South Carolina and Texas will continue in 2008, which will limit our business growth in those states until the level and timing of spending improves.

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

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

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

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

***Our aggregates business is a capital-intensive business.***

The property and machinery needed to produce our products are very expensive. Therefore, we must have access to large amounts of cash to operate our businesses. We believe we have adequate cash to run our businesses. Because significant portions of our operating costs are fixed in nature, our financial results are sensitive to production volume changes.

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***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.

***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.

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 acquired 62 companies from 1995 through 2002. Some of these acquisitions were more easily integrated into our existing operations and have performed as well or better than we expected, while others have not. We have sold underperforming and other non-strategic assets, particularly lower margin businesses like our asphalt plants in Houston, Texas, and our road paving businesses in Shreveport, Louisiana, and Texarkana, Arkansas.

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

Our businesses require a continued supply of diesel fuel, natural gas, coal, petroleum coke and other energy. The financial results of these businesses have been affected at times by the short supply or high costs of these fuels and energy. While we can contract for some fuels and sources of energy, significant increases in costs or reduced availability of these items have and may in the future reduce our financial results. For example, in 2007, increases in fuel prices lowered net earnings for the aggregates business by $0.10 per diluted share when compared with 2006 fuel prices.

***Changes in legal requirements and governmental policies concerning zoning, land use, the environment, and other areas of the l***