

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

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

For the quarterly period ended March 31, 1998

Commission File Number 1-12744

MARTIN MARIETTA MATERIALS, INC.

(Exact name of registrant as specified in its charter)

North Carolina

56-1848578

(State or other jurisdiction of incorporation or organization) (I.R.S. Employer Identification Number)

2710 Wycliff Road, Raleigh, NC

27607-3033

(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code 919-781-4550

Former name: None

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

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

Yes No

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

Class	Outstanding as of April 30, 1998
Common Stock, \$.01 par value	46,474,007

MARTIN MARIETTA MATERIALS, INC. AND CONSOLIDATED SUBSIDIARIES

FORM 10-Q

For the Quarter Ended March 31, 1998

INDEX

	Page

Part I. Financial Information:	
Item 1. Financial Statements.	
Condensed Consolidated Balance Sheets - March 31, 1998 and December 31, 1997	3
Condensed Consolidated Statements of Earnings - Three Months Ended March 31, 1998 and 1997	4
Condensed Consolidated Statements of Cash Flows - Three Months Ended March 31, 1998 and 1997	5
Notes to Condensed Consolidated Financial Statements	6
Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.	10
Part II. Other Information:	
Item 1. Legal Proceedings.	15
Item 4. Submission of Matters to a Vote of Security Holders.	15
Item 5. Other Information.	15
Item 6. Exhibits and Reports on Form 8-K.	16
Signatures	17
Exhibit Index	18

MARTIN MARIETTA MATERIALS, INC. AND CONSOLIDATED SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS

	March 31, 1998	December 31, 1997
	-----	-----
	(Thousands of Dollars)	
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 4,030	\$ 18,661
Accounts receivable, net	130,038	147,432
Inventories, net	148,425	132,583
Deferred income tax benefit	17,098	16,873
Other current assets	7,206	6,463
	-----	-----
Total Current Assets	306,797	322,012
	-----	-----
Property, plant and equipment	1,289,279	1,242,677
Allowances for depreciation, depletion and amortization	(669,668)	(651,257)
	-----	-----
Net property, plant and equipment	619,611	591,420
Cost in excess of net assets acquired	147,939	148,481
Other intangibles	27,302	26,415
Other noncurrent assets	20,070	17,385
	-----	-----
Total Assets	\$ 1,121,719	\$ 1,105,713
	=====	=====
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 38,936	\$ 49,599
Accrued salaries, benefits and payroll taxes	19,009	19,742
Accrued insurance and other taxes	19,064	16,440
Income taxes	--	4,691
Current maturities of long-term debt	1,538	1,431
Loans payable	30,000	--
Other current liabilities	14,570	16,332
	-----	-----
Total Current Liabilities	123,117	108,235
Long-term debt	311,342	310,675
Pension, postretirement, and postemployment benefits	64,527	63,070
Noncurrent deferred income taxes	50,707	50,008
Other noncurrent liabilities	12,922	11,889
	-----	-----
Total Liabilities	562,615	543,877
	-----	-----
Shareholders' equity:		
Common stock, par value \$.01 per share	462	462
Additional paid-in capital	335,944	335,766
Retained earnings	222,698	225,608
	-----	-----
Total Shareholders' Equity	559,104	561,836
	-----	-----
Total Liabilities and Shareholders' Equity	\$ 1,121,719	\$ 1,105,713
	=====	=====

See accompanying notes to condensed consolidated financial statements.

MARTIN MARIETTA MATERIALS, INC. AND CONSOLIDATED SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF EARNINGS

	Three Months Ended March 31,	
	1998	1997
	-----	-----
	1998	1997
	-----	-----
	(Thousands of Dollars, Except Per Share Data)	
Net sales	\$ 186,535	\$ 158,163
Cost of sales	157,056	128,019
	-----	-----
Gross Profit	29,479	30,144
Selling, general and administrative expense	19,301	15,299
Research and development	746	492
	-----	-----
Earnings from Operations	9,432	14,353
Interest expense	(5,310)	(2,201)
Other income and expenses, net	(82)	1,469
	-----	-----
Earnings before Taxes on Income	4,040	13,621
Taxes on income	1,404	4,714
	-----	-----
Net Earnings	\$ 2,636	\$ 8,907
	=====	=====
Net earnings per share -Basic	\$ 0.06	\$ 0.19
-Diluted	\$ 0.06	\$ 0.19
Average number of common shares outstanding		
-Basic	46,215,439	46,079,530
-Diluted	46,409,450	46,154,503

See accompanying notes to condensed consolidated financial statements.

MARTIN MARIETTA MATERIALS, INC. AND CONSOLIDATED SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	Three Months Ended March 31,	
	1998	1997
	(Thousands of Dollars)	
Operating activities:		
Net earnings	\$ 2,636	\$ 8,907
Adjustments to reconcile earnings to cash provided by operating activities:		
Depreciation, depletion and amortization	22,644	16,334
Other items, net	(211)	175
Changes in operating assets and liabilities:		
Accounts receivable	17,394	916
Inventories	(15,085)	(3,376)
Accounts payable	(10,662)	(6,742)
Other assets and liabilities, net	(3,830)	1,138
Net cash provided by operating activities	12,886	17,352
Investing activities:		
Additions to property, plant and equipment	(16,740)	(14,849)
Acquisitions, net	(37,715)	(9,159)
Transactions with Lockheed Martin Corporation	--	23,768
Other investing activities, net	2,533	1,216
Net cash (used for) provided by investing activities	(51,922)	976
Financing activities:		
Repayments of long-term debt, net	(227)	(114)
Dividends	(5,546)	(5,530)
Loans payable	30,000	--
Issuance of Common Stock	178	--
Net cash provided by (used for) financing activities	24,405	(5,644)
Net (decrease) increase in cash	(14,631)	12,684
Cash balance (book overdraft), beginning of period	18,661	(4,260)
Cash balance, end of period	\$ 4,030	\$ 8,424

See accompanying notes to condensed consolidated financial statements.

MARTIN MARIETTA MATERIALS, INC. AND CONSOLIDATED SUBSIDIARIES
FORM 10-Q
For the Quarter Ended March 31, 1998

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. The accompanying unaudited condensed consolidated financial statements of Martin Marietta Materials, Inc. (the "Corporation") have been prepared in accordance with generally accepted accounting principles for interim financial information and with the instructions to the Quarterly Report on Form 10-Q and to Article 10 of Regulation S-X. The Corporation has continued to follow the accounting policies set forth in the audited consolidated financial statements and related notes thereto included in the Corporation's Annual Report on Form 10-K for the year ended December 31, 1997, filed with the Securities and Exchange Commission on March 30, 1998. In the opinion of management, the interim financial information provided herein reflects all adjustments (consisting of normal recurring accruals) necessary for a fair presentation of the results of operations for the interim periods. The results of operations for the three months ended March 31, 1998, are not necessarily indicative of the results to be expected for the full year.

2. Acquisition of American Aggregates Corporation

On May 28, 1997, the Corporation purchased all of the outstanding common stock of American Aggregates Corporation and subsidiary ("American Aggregates") along with certain other assets from American Aggregates' former parent, CSR America, Inc. The operating results of the acquired business have been included with those of the Corporation since that date. This business combination is being accounted for under the purchase method of accounting.

The purchase price consisted of approximately \$242 million in cash plus certain assumed liabilities. As of March 31, 1998, approximately \$104 million in goodwill has been recognized by the Corporation after recording approximately \$3 million in other intangibles (representing the estimated fair market value of certain assets) and other purchase adjustments necessary to allocate the purchase price to the value of the assets acquired and liabilities assumed. Goodwill is being amortized over a 30-year period and other intangibles are being amortized over periods not exceeding 14 years.

The presentation of certain pro forma financial information for the three months ended March 31, 1998, is not required for this business combination since the transaction is reflected in the Corporation's balance sheet at March 31, 1998, and in its results of operations for the three-month period then ended. However, for comparative purposes, the following unaudited pro forma summary financial information presents the historical results of operations of the Corporation and the American Aggregates business for the three months ended March 31, 1997, with pro forma adjustments as if the acquisition had been consummated as of the beginning of the period presented. The pro forma information is based upon certain estimates and assumptions that management of the Corporation believes are reasonable in the circumstances. The unaudited pro forma information presented on the following page is not necessarily indicative of what results of operations actually would have been if the acquisition had occurred on the date indicated. Moreover, they are not necessarily indicative of future results.

MARTIN MARIETTA MATERIALS, INC. AND CONSOLIDATED SUBSIDIARIES
 FORM 10-Q
 For the Quarter Ended March 31, 1998

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
 (Continued)

2. Acquisition of American Aggregates Corporation (continued)

Pro Forma Information (Unaudited)
 Three Months Ended
 March 31, 1997

 (Dollars in Thousands, Except Per Share Data)

Net sales	\$173,901
Net earnings	\$ 4,039
Net earnings per share	\$ 0.09

3. Inventories

	March 31, 1998	December 31, 1997
	-----	-----
	(Dollars in Thousands)	
Finished products	\$ 122,388	\$ 108,707
Product in process and raw materials	10,332	7,886
Supplies and expendable parts	23,500	23,161
	-----	-----
	156,220	139,754
Less allowances	(7,795)	(7,171)
	-----	-----
Total	\$ 148,425	\$ 132,583
	=====	=====

4. Long-Term Debt

	March 31, 1998	December 31, 1997
	-----	-----
	(Dollars in Thousands)	
6.9% Notes, due 2007	\$124,949	\$124,948
7% Debentures, due 2025	124,197	124,195
Commercial paper, interest rates approximating 5.65%	60,000	60,000
Acquisition notes, interest rates ranging from 5% to 10%	2,318	1,337
Other notes	1,416	1,626
	-----	-----
	312,880	312,106
Less current maturities	1,538	1,431
	-----	-----
Total	\$311,342	\$310,675
	=====	=====

MARTIN MARIETTA MATERIALS, INC. AND CONSOLIDATED SUBSIDIARIES
FORM 10-Q
For the Quarter Ended March 31, 1998

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Continued)

4. Long-Term Debt (continued)

No borrowings were outstanding under either of the Corporation's revolving credit agreements at March 31, 1998. However, these agreements support commercial paper borrowings of \$90 million outstanding at March 31, 1998, of which \$60 million has been classified as long-term debt in the Corporation's consolidated balance sheet based on management's ability and intention to maintain this debt outstanding for at least one year. At May 1, 1998, \$110 million remained outstanding under the Corporation's commercial borrowing obligations. See the "Liquidity and Capital Resources" discussion contained in the "Management's Discussion and Analysis of Financial Condition and Results of Operations" on page 12 of this Form 10-Q.

The Corporation's interest payments were approximately \$5.4 million in 1998 and \$0.1 million in 1997 for the three months ended March 31.

5. Income Taxes

The Corporation accounts for income taxes as prescribed in Statement of Financial Accounting Standards No. 109, "Accounting for Income Taxes." Deferred income tax assets and liabilities on the consolidated balance sheet reflect the net of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes.

The Corporation's effective income tax rate for the first three months was 34.8% in 1998 and 34.6% in 1997. The effective rate for the first quarter of 1998 was slightly lower than the current federal corporate income tax rate of 35% due to the effect of several offsetting factors. The Corporation's effective tax rate reflects the effect of state income taxes and the impact of differences in book and tax accounting arising from the net permanent benefits associated with the depletion allowances for mineral reserves, amortization of certain goodwill balances, foreign operating earnings, and earnings from nonconsolidated investments.

The Corporation's income tax payments were approximately \$5.9 million in 1998 and \$7.6 million in 1997, for the three months ended March 31.

6. Contingencies

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

MARTIN MARIETTA MATERIALS, INC. AND CONSOLIDATED SUBSIDIARIES
FORM 10-Q
For the Quarter Ended March 31, 1998

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Continued)

7. Other Matters

As of January 1, 1998, the Corporation adopted Statement of Financial Accounting Standards No. 130, "Reporting Comprehensive Income" (the "SFAS 130"). The SFAS 130 requires all non-owner changes in equity that are excluded from net earnings under existing Financial Accounting Standards Board standards be included as comprehensive income. The Corporation presently does not have any transactions that directly effect equity other than those transactions with owners in their capacity as owners. Therefore, the provisions of the SFAS 130 are not applicable.

The Corporation plans to adopt the provisions of the Statement of Financial Accounting Standards No. 131, "Disclosure about Segments of an Enterprise and Related Information" and the Statement of Financial Accounting Standards No. 132, "Employers' Disclosure about Pensions and Other Postretirement Benefits" in its annual reporting on Form 10-K for the year ended December 31, 1998. The impact of the adoption of these accounting standards on the Corporation's financial reporting and related disclosures is not expected to be material.

In February 1994, the Corporation was authorized by its shareholders and the Board of Directors to repurchase up to 2,000,000 shares of the Corporation's Common Stock for issuance under the Corporation's Amended Omnibus Securities Award Plan. On May 3, 1994, the Board of Directors authorized the repurchase of an additional 500,000 shares for general corporate purposes. As of the date of this quarterly report, there have been 68,200 shares of Common Stock repurchased by the Corporation under these authorizations.

MARTIN MARIETTA MATERIALS, INC. AND CONSOLIDATED SUBSIDIARIES
FORM 10-Q

For the Quarter Ended March 31, 1998

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND
RESULTS OF OPERATIONS

First Quarter Ended March 31, 1998 and 1997

OVERVIEW Martin Marietta Materials, Inc., (the "Corporation") operates in two principal business segments: aggregates products and magnesia-based products. The Corporation's sales and earnings are predominately derived from its aggregates segment, which processes and sells granite, sandstone, limestone, and other aggregates products from a network of more than 250 quarries and distribution facilities in 20 states in the southeastern, midwestern and central regions of the United States and in the Bahamas and Canada. The division's products are used primarily by commercial customers principally in domestic construction of highways and other infrastructure projects and for commercial and residential buildings. The magnesia-based products segment produces refractory materials and dolomitic lime used in domestic and foreign basic steel production and produces chemicals products used in industrial, agricultural and environmental applications. The magnesia-based products segment derives a major portion of its sales and earnings from the products used in the steel industry.

RESULTS OF OPERATIONS Consolidated net sales for the quarter were \$186.5 million, an 18% increase over 1997 first quarter sales of \$158.2 million. Consolidated earnings from operations were \$9.4 million in the first three months of 1998 compared with \$14.4 million in the first three months of 1997. Consolidated net earnings for the quarter were \$2.6 million, or \$0.06 per share (diluted), a decrease of \$6.3 million from 1997 first quarter net earnings of \$8.9 million, or \$0.19 per share (diluted). The increase in net sales reflects the impact of the nine acquisitions made during 1997, while earnings were reduced by the seasonal weather patterns of the newly acquired operations in the Midwestern and North Central regions of the United States.

Sales for the Aggregates division increased 22% to \$151.7 million for the first quarter of 1998, compared with the year-earlier period. This increase reflects the inclusion of the nine acquisitions completed during 1997, together with a 5.5% increase in the division's average net selling price at heritage locations, when compared to the same period in 1997. The division's operating profits were \$5.8 million for the period compared to the prior year's first quarter earnings from operations of \$11.8 million. First quarter earnings were negatively impacted by the higher level of exposure to cold weather climates as a result of the second quarter 1997 acquisition of American Aggregates, as well as several smaller acquisitions also completed during 1997. These operations which are concentrated principally in the Midwest, generally experience more severe winter weather conditions than the division's operations in the Southeast. Consequently, these businesses typically operate at very low levels in the first quarter, consistent with adverse weather patterns, and accordingly incur losses in the first quarter. Generally they operate at a high level for the remainder of the year with earnings skewed accordingly. Management believes the construction industry's overall aggregates annual consumption level and the Corporation's annual production and shipments, excluding acquisitions, will experience moderate overall growth for the full year 1998, compared with the prior year.

The Magnesia Specialties division had first quarter 1998 sales of \$34.8 million, an increase of approximately 2% over the first three months of 1997. During the quarter, increases in refractories and lime products were offset by reductions in sales of periclase. The division's first quarter earnings from operations increased 44% to \$3.6 million from \$2.5 million in the first quarter of 1997. Results from Magnesia Specialties were positively impacted by strong, cost-effective production during the first quarter of 1998, compared with the first quarter of 1997, which was negatively impacted by decreased production levels and higher costs principally related to manufacturing downtime associated with scheduled repair and maintenance activities.

(Continued)
Page 10 of 18

MARTIN MARIETTA MATERIALS, INC. AND CONSOLIDATED SUBSIDIARIES
 FORM 10-Q
 For the Quarter Ended March 31, 1998

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND
 RESULTS OF OPERATIONS
 (Continued)

First Quarter Ended March 31, 1998 and 1997

The following table presents net sales, gross profit, selling, general and administrative expense, and earnings from operations data for the Corporation and each of its divisions for the three months ended March 31, 1998 and 1997. In each case, the data is stated as a percentage of net sales, of the Corporation or the relevant division, as the case may be:

	Three Months Ended March 31,			
	(Dollars in Thousands)			
	1998		1997	
	Amount	% of Net Sales	Amount	% of Net Sales
Net sales:				
Aggregates	\$151,722	100.0	\$124,083	100.0
Magnesia Specialties	34,813	100.0	34,080	100.0
Total	186,535	100.0	158,163	100.0
Gross profit:				
Aggregates	20,394	13.4	23,008	18.5
Magnesia Specialties	9,085	26.1	7,136	20.9
Total	29,479	15.8	30,144	19.1
Selling, general & administrative expense:				
Aggregates	14,416	9.5	11,195	9.0
Magnesia Specialties	4,885	14.0	4,104	12.0
Total	19,301	10.4	15,299	9.7
Earnings from operations:				
Aggregates	5,788	3.8	11,813	9.5
Magnesia Specialties	3,644	10.5	2,540	7.5
Total	\$ 9,432	5.1	\$ 14,353	9.1

(Continued)
 Page 11 of 18

MARTIN MARIETTA MATERIALS, INC. AND CONSOLIDATED SUBSIDIARIES
FORM 10-Q
For the Quarter Ended March 31, 1998

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND
RESULTS OF OPERATIONS
(Continued)

First Quarter Ended March 31, 1998 and 1997

Other income and expenses, net for the quarter ended March 31, were \$0.1 million in expenses in 1998 compared with \$1.5 million in income in 1997. Including several offsetting amounts, other income and expenses, net, is comprised generally of interest income, gains and losses associated with the selling of certain assets, gains and losses related to certain amounts receivable, and net equity earnings from non-consolidated investments.

Interest expense was \$5.3 million in the first quarter, approximately \$3.1 million above the first quarter of 1997. The increased interest expense in 1998 resulted from the effect of additional indebtedness and borrowings incurred by the Corporation associated primarily with its acquisition of the American Aggregates business in May 1997.

The Corporation's estimated effective income tax rate for the first three months was 34.8% in 1998 and 34.6% in 1997. See Note 5 of the Notes to Condensed Consolidated Financial Statements.

LIQUIDITY AND CAPITAL RESOURCES Net cash flow provided by operating activities during the first quarter of 1998 was \$12.9 million compared with net cash provided by operations of \$17.4 million in the comparable period of 1997. The cash flow for both 1998 and 1997 was principally from earnings, before deducting depreciation, depletion and amortization, offset by working capital requirements. Working capital increases during the first quarter of 1998 and 1997 were primarily the result of increases in inventory balances, as well as decreases in trade accounts payable. The seasonal nature of the construction aggregates business impacts quarterly net cash provided by operating activities when compared with the year. Full year 1997 net cash provided by operating activities was \$195.6 million, compared with \$17.4 million provided by operations in the first quarter of 1997.

First quarter capital expenditures, exclusive of acquisitions, were \$16.7 million in 1998 and \$14.8 million in 1997. Capital expenditures are expected to be approximately \$130 million for 1998, exclusive of acquisitions. Comparable capital expenditures were \$86.4 million in 1997.

The Corporation continues to rely upon internally generated funds and access to capital markets, including funds obtained under its two revolving credit agreements and a cash management facility, to meet its liquidity requirements, finance its operations, and fund its capital requirements. With respect to the Corporation's ability to access the public market, currently the Corporation has an effective shelf registration on file with the Securities and Exchange Commission (the "Commission") for the offering of up to \$50 million of debt securities, which may be issued from time to time. Presently, management has the authority to file another shelf registration statement with the Commission. It should be noted, however, that the Corporation has not determined the timing when, or the amount for which, it may file such shelf registration.

MARTIN MARIETTA MATERIALS, INC. AND CONSOLIDATED SUBSIDIARIES
FORM 10-Q
For the Quarter Ended March 31, 1998

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND
RESULTS OF OPERATIONS
(Continued)

First Quarter Ended March 31, 1998 and 1997

In May 1997, the Corporation entered into a revolving credit agreement with a group of domestic and foreign banks, which provides for borrowings of up to \$150 million for general corporate purposes through May 26, 1998. Borrowings under this agreement are unsecured and bear interest, at the Corporation's option, at rates based upon: (i) the Euro-Dollar rate (as defined on the basis of a LIBOR); (ii) a bank base rate (as defined on the basis of a published prime rate or the Federal Funds Rate plus 1/2 of 1%); or (iii) a competitively determined rate (as defined on the basis of a bidding process). This short-term revolving credit agreement contains several covenants, including specific financial covenants related to leverage, limitation on encumbrances, and provisions that relate to certain changes of the Corporation's control. The Corporation is required to pay a loan commitment fee to the bank group. It is currently management's intent to extend this agreement.

The Corporation's ability to borrow or issue debt securities is dependent, among other things, upon prevailing economic, financial and market conditions.

Based on prior performance and current expectations, the Corporation's management believes that cash flows from internally generated funds and its access to capital markets are expected to continue to be sufficient to provide the capital resources necessary to fund the operating needs of its existing businesses, cover debt service requirements, and allow for payment of dividends in 1998. The Corporation may be required to obtain additional levels of financing in order to fund certain strategic acquisitions if any such opportunities arise. Currently, the Corporation's senior unsecured debt is rated "A" by Standard & Poor's and "A3" by Moody's. The Corporation's commercial paper obligations are rated "A-1" by Standard & Poor's, "P-2" by Moody's and "F-1" by Fitch Investors Service, L.P. While management believes its credit ratings will remain at an investment-grade level, no assurance can be given that these ratings will remain at the above-mentioned levels.

The Corporation may repurchase up to 2.5 million shares of its common stock under authorizations from the Corporation's Board of Directors for use in the Amended Omnibus Securities Award Plan and for general corporate purposes. As of May 1, 1998, there have been 68,200 shares repurchased under these authorizations.

ACCOUNTING CHANGES As of January 1, 1998, the Corporation adopted Statement of Financial Accounting Standards No. 130, "Reporting Comprehensive Income" (the "SFAS 130"). The SFAS 130 requires all non-owner changes in equity that are excluded from net earnings under existing Financial Accounting Standards Board standards be included as comprehensive income. The Corporation presently does not have any transactions that directly effect equity other than those transactions with owners in their capacity as owners. Therefore, the provisions of the SFAS 130 are not applicable.

(Continued)

MARTIN MARIETTA MATERIALS, INC. AND CONSOLIDATED SUBSIDIARIES
FORM 10-Q
For the Quarter Ended March 31, 1998

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND
RESULTS OF OPERATIONS
(Continued)

First Quarter Ended March 31, 1998 and 1997

The Corporation plans to adopt the provisions of the Statement of Financial Accounting Standards No. 131, "Disclosure about Segments of an Enterprise and Related Information" and the Statement of Financial Accounting Standards No. 132, "Employers' Disclosure about Pensions and Other Postretirement Benefits" in its annual reporting on Form 10-K for the year ended December 31, 1998. The impact of the adoption of these accounting standards on the Corporation's financial reporting and related disclosures is not expected to be material.

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

MARTIN MARIETTA MATERIALS, INC. AND CONSOLIDATED SUBSIDIARIES
 FORM 10-Q
 For the Quarter Ended March 31, 1998

PART II - OTHER INFORMATION

Item 1. Legal Proceedings.

Reference is made to Part I. Item 3. Legal Proceedings of the Martin Marietta Materials, Inc. Annual Report on Form 10-K for the year ended December 31, 1997.

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

At the Annual Meeting of Shareholders held on May 8, 1998, the shareholders of Martin Marietta Materials, Inc.:

- (a) Elected Richard G. Adamson, Marcus C. Bennett and Bobby F. Leonard to the Board of Directors of the Corporation to terms expiring at the Annual Meeting of Shareholders in the year 2001. The following table sets forth the votes for each director.

	Votes Cast For -----	Withheld -----
Richard G. Adamson	40,277,039	726,959
Marcus C. Bennett	40,275,570	728,428
Bobby F. Leonard	40,275,965	728,033

- (b) Approved the Stock-Based Award Plan. The voting results were: 25,437,743 -- For; 11,744,670 -- Against; and 246,886 -- Abstained.
- (c) Ratified the selection of Ernst & Young LLP, as independent auditors for the year ending December 31, 1998. The voting results for this ratification were 40,957,350 -- For; 24,751 -- Against; and 21,897 -- Abstained.

Item 5. Other Information.

On April 2, 1998 the Corporation announced it purchased Mid-State Construction & Materials, Inc., which is headquartered in Hot Springs, Arkansas. Mid-State operates two granite quarries, four ready mixed concrete plants, three asphalt plants, and a small construction company. The transaction involved an exchange of common stock plus cash consideration. Cash was transferred on March 31, 1998, and 253,415 shares of Martin Marietta Materials common stock were issued on April 1, 1998, the effective date of this transaction.

On May 11, 1998, the Corporation announced that the Board of Directors of Martin Marietta Materials, Inc., declared a regular quarterly cash dividend on the Corporation's Common Stock of \$0.12 a share, payable June 30, 1998, to shareholders of record at the close of business on June 1, 1998.

MARTIN MARIETTA MATERIALS, INC. AND CONSOLIDATED SUBSIDIARIES
FORM 10-Q
For the Quarter Ended March 31, 1998

PART II - OTHER INFORMATION
(Continued)

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits

Exhibit No. ---	Document -----
10.01	Martin Marietta Materials, Inc. Stock-Based Award Plan, as amended
10.02	Martin Marietta Materials, Inc. Amended and Restated Omnibus Securities Award Plan
10.03	Amended and Restated Martin Marietta Materials, Inc. Common Stock Purchase Plan for Directors, as amended
11.01	Martin Marietta Materials, Inc. and Consolidated Subsidiaries Computation of Earnings per Share for the Quarter ended March 31, 1998 and 1997
12.01	Martin Marietta Materials, Inc. and Consolidated Subsidiaries Computation of Ratio of Earnings to Fixed Charges for the Quarter ended March 31, 1998
27.01	Financial Data Schedule (for Securities and Exchange Commission use only)

MARTIN MARIETTA MATERIALS, INC. AND CONSOLIDATED SUBSIDIARIES
FORM 10-Q
For the Quarter Ended March 31, 1998

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

MARTIN MARIETTA MATERIALS, INC.
(Registrant)

Date: 5/15/98

By: /s/ JANICE K. HENRY

Janice K. Henry
Vice President, Chief Financial
Officer and Treasurer

MARTIN MARIETTA MATERIALS, INC. AND CONSOLIDATED SUBSIDIARIES
FORM 10-Q
For the Quarter Ended March 31, 1998

EXHIBIT INDEX

Exhibit No. ---	Document -----	Page ----
10.01	Martin Marietta Materials, Inc. Amended and Restated Stock-Based Award Plan	--
10.02	Martin Marietta Materials, Inc. Amended and Restated Omnibus Securities Award Plan	--
11.01	Martin Marietta Materials, Inc. and Consolidated Subsidiaries Computation of Earnings per Share for the Quarter ended March 31, 1998 and 1997	--
12.01	Martin Marietta Materials, Inc. and Consolidated Subsidiaries Computation of Ratio of Earnings to Fixed Charges for the Quarter ended March 31, 1998	--
27.01	Financial Data Schedule (for Securities and Exchange Commission use only)	

MARTIN MARIETTA MATERIALS, INC.
AMENDED AND RESTATED
STOCK-BASED AWARD PLAN

ADOPTED: MAY 1998

SECTION 1. ESTABLISHMENT AND PURPOSE

The Martin Marietta Materials, Inc. Amended and Restated Stock-Based Award Plan (the "Plan") was adopted by the shareholders of the Corporation in a manner that complies with Section 162(m) at the shareholders meeting held on May 8, 1998, and subsequently amended and restated by the Board of Directors at its meeting on May 8, 1998.

The purpose of this Plan is to benefit the Corporation's shareholders by encouraging high levels of performance by individuals who are key to the success of the Corporation and to enable the Corporation to attract, motivate, and retain talented and experienced individuals essential to its continued success. This is to be accomplished by providing such employees and directors an opportunity to obtain or increase their proprietary interest in the Corporation's performance and by providing such employees and directors with additional incentives to remain with the Corporation.

SECTION 2. DEFINITIONS

The following terms, as used herein, shall have the meaning specified:

"Affiliate" of a person means any entity directly or indirectly controlling, controlled by or under direct or indirect common control with such person.

"Award" means an award granted pursuant to Section 4 hereof.

"Award Agreement" means an agreement described in Section 7 hereof entered into between the Corporation and a Participant, setting forth the terms and conditions applicable to the Award granted to the Participant.

"Board of Directors" means the Board of Directors of the Corporation as it may be comprised from time to time.

"Code" means the Internal Revenue Code of 1986, as amended from time to time.

"Committee" means a committee composed of members of, and designated by, the Board of Directors and consisting solely of persons who are both (i) "non-employee directors" within the meaning of Rule 16b-3, and (ii) "outside directors" within the meaning of Section 162(m), as Rule 16b-3 and Section 162(m) may be amended from time to time, which committee shall at all times comprise at least the minimum number of such persons necessary to comply with both Rule 16b-3 and Section 162.

"Corporation" means Martin Marietta Materials, Inc.

"Covered Employee" means a covered employee within the meaning of Section 162(m) or the Treasury Regulations promulgated thereunder.

"Eligible Director" means each director of the Corporation who is not an employee of the Corporation or any Subsidiary.

"Employee" means officers and other key employees of the Corporation.

"Exchange Act" means the Securities Exchange Act of 1934, as amended from time to time.

"Fair Market Value" means the closing price of the relevant security as reported on the composite tape of New York Stock Exchange issues (or such other reporting system as shall be selected by the Committee) on the relevant date, or if no sale of the security is reported for such date, the next following day for which there is a reported sale. The Committee shall determine the Fair Market Value of any security that is not publicly traded, using such criteria as it shall determine, in its sole direction, to be appropriate for such valuation.

"Insider" means any person who is subject to Section 16 of the Exchange Act.

"Participant" means an Employee or Eligible Director who has been granted and holds an unexercised or unpaid Award pursuant to this Plan.

"Rule 16b-3" means Rule 16b-3 promulgated by the Securities and Exchange Commission under Section 16 or any successor rule or regulation as amended from time to time.

"Section 16" means Section 16 of the Exchange Act or any successor statute and the rules promulgated thereunder by the Securities and Exchange Commission, as they may be amended from time to time.

"Section 162(m)" means Section 162(m) of the Code or any successor statute and the Treasury Regulations promulgated thereunder, as they may be amended from time to time.

"Section 422" means Section 422 of the Code or any successor statute and the Treasury Regulations promulgated thereunder, as they may be amended from time to time.

"Stock" means shares of Common Stock of the Corporation, par value \$.01 per share.

"Subsidiary" means any entity directly or indirectly controlled by the Corporation.

SECTION 3. ELIGIBILITY

Awards may be granted (a) to exempt salaried Employees of the Corporation or any Subsidiary who are designated from time to time by the Committee or (b) to Eligible Directors.

No individual who beneficially owns Stock possessing five percent (5%) or more of the combined voting power of all classes of stock of the Corporation shall be eligible to participate in the Plan.

SECTION 4. AWARDS

The Committee may grant any of the following types of Awards, either singly, in tandem or in combination with other Awards, as the Committee may in its sole discretion determine:

- (a) Non-Qualified Stock Options. A Non-Qualified Stock Option is a right to purchase a specified number of shares of Stock during such specified time as the Committee may determine at a price not less than 100% of the Fair Market Value of the Stock on the date the option is granted.
 - (i) The purchase price of the Stock subject to the option may be paid in cash. At the discretion of the Committee, the purchase price may also be paid by the tender of Stock, or through a combination of Stock and cash, or through such other means as the Committee determines are consistent with the Plan's purpose and applicable law. No fractional shares of Stock will be issued or accepted.
 - (ii) Without limiting the foregoing, to the extent permitted by law (including relevant state law), the Committee may agree to accept, as full or partial payment of the purchase price of Stock issued upon exercise of options, (A) a promissory note of the optionee evidencing the optionee's obligation to make future cash payments to the Corporation, or (B) any other form of payment deemed acceptable to the Committee. Promissory notes referred to in clause (A) above shall be payable as determined by the Committee (but in no event later than five years after the date thereof), shall be secured by a pledge of shares of Stock purchased, and shall bear interest at a rate established by the Committee.
- (b) Incentive Stock Options. An Incentive Stock Option is an Award in the form of an option to purchase Stock that complies with the requirements of Code Section 422 or any successor section.
 - (i) To the extent that the aggregate Fair Market Value (determined at the time of the grant of the Award) of the shares subject to Incentive Stock Options which are exercisable by one person for the first time during a particular

calendar year exceeds \$100,000, such excess shall be treated as Non-Qualified Stock Options. For purposes of the preceding sentence, the term "Incentive Stock Option" shall mean an option to purchase Stock that is granted pursuant to this Section 4(b) or pursuant to any other plan of the Corporation, which option is intended to comply with Section 422 of the Code.

- (ii) No Incentive Stock Option may be granted under this Plan after the tenth anniversary of the date this Plan is adopted or the date this Plan is approved by the shareholders, whichever is earlier, or be exercisable more than ten years after the date the Award is made.
 - (iii) The exercise price of any Incentive Stock Option shall be no less than Fair Market Value of the Stock subject to the option on the date the Award is made.
 - (iv) The Committee may provide that the option price under an Incentive Stock Option may be paid by one or more of the methods available for paying the option price of a Non-Qualified Stock Option.
- (c) Restricted Stock. Restricted Stock is Stock of the Corporation that is issued to a Participant and is subject to restrictions on transfer and/or such other restrictions or incidents of ownership as the Committee may determine.
- (d) Other Stock-Based Incentive Awards. The Committee may from time to time grant Awards under this Plan that provide the Participant with the right to purchase Stock of the Corporation or provide incentive Awards that are valued by reference to the Fair Market Value of Stock of the Corporation (including, but not limited to phantom securities or dividend equivalents). Such Awards shall be in a form determined by the Committee (and may include terms contingent upon a change of control of the Corporation), provided that such Awards shall not be inconsistent with the terms and purposes of the Plan.

SECTION 5. SHARES OF STOCK AND OTHER STOCK-BASED AWARDS AVAILABLE UNDER PLAN

- (a) Subject to the adjustment provisions of Section 10 hereof, (i) the aggregate number of shares with respect to which Awards payable in securities may be granted under the Plan shall be no more than 5,000,000; (ii) the aggregate number of shares with respect to which Awards subject to Restricted Stock under the Plan shall be no more than 1,000,000; and (iii) the aggregate number of shares with respect to which Non-Qualified Stock Options or Incentive Stock Options may be granted to any individual Participant shall be no more than 500,000 in any one year. Awards that are canceled or repriced shall be counted against the 500,000 share per year limit to the extent required by Section 162(m) of the Code.

- (b) Any unexercised or undistributed portion of any terminated or forfeited Award (other than an Award terminated or forfeited by reason of the exercise of any Award granted in tandem therewith) shall be available for further Awards in addition to those available under Section 5(a) hereof.
- (c) For the purposes of computing the aggregate number of shares with respect to which awards payable in securities may be granted under the Plan, the following rules shall apply:
- (i) except as provided in (v) of this Section, each option shall be deemed to be the equivalent of the maximum number of shares that may be issued upon exercise of the particular option;
 - (ii) except as provided in (v) of this Section, each other stock-based Award shall be deemed to be equal to the number of shares to which it relates;
 - (iii) except as provided in (v) of this Section, where the number of shares available under the Award is variable on the date it is granted, the number of shares shall be deemed to be the maximum number of shares that could be received under that particular Award.
 - (iv) where one or more types of Awards (both of which are payable in Stock or another security) are granted in tandem with each other, such that the exercise of one type of Award with respect to a number of shares cancels an equal number of shares of the other, each joint Award shall be deemed to be the equivalent of the number of shares under the other; and
 - (v) each share awarded or deemed to be awarded under the preceding subsections shall be treated as shares of Stock, even if the Award is for a security other than Stock.

Additional rules for determining the aggregate number of shares with respect to which awards payable in securities may be granted under the Plan may be made by the Committee, as it deems necessary or appropriate.

- (d) No Stock may be issued pursuant to an Award under the Plan except to the extent that, prior to such issuance, the Corporation shall have acquired shares from its shareholders sufficient to fulfill the requirements of the Plan with respect to such issuance.

SECTION 6. DIRECTORS' OPTIONS

- (a) Annual Options. Each Eligible Director shall be granted a Non-Qualified Stock Option to acquire 1,500 shares of Stock immediately after each annual meeting of the Corporation's shareholders, beginning with the 1998 annual meeting of shareholders.
- (b) Terms and Conditions. Any Award granted under this Section 6 shall be subject to the following terms and conditions:
- (i) The exercise price of any Non-Qualified Stock Option granted under Section 6 shall be 100% of the Fair Market Value of the Stock on the date the Award is made.
 - (ii) Unless otherwise provided by this Plan, a Non-Qualified Stock Option granted under Section 6 shall become exercisable in whole or in part one year from the date the Award is made.
 - (iii) Each Award granted under this Plan shall become exercisable by the Eligible Director only after the completion of one year of Board service immediately following the date the Award is made; provided, however, that uninterrupted Board service by the Eligible Director until the annual meeting of the Corporation's shareholders next following the date the Award is made shall be deemed completion of one year of Board service.

SECTION 7. AWARD AGREEMENTS

Each Award under this Plan shall be evidenced by an Award Agreement setting forth the number of shares of Stock, or units subject to the Award and such other terms and conditions applicable to the Award as determined by the Committee.

- (a) Award Agreements shall include the following terms:
- (i) Termination of Employment or Service as Director: A provision describing the treatment of an Award in the event of the retirement, disability, death or other termination of a Participant's employment with the Corporation or Subsidiary or service as a director, including but not limited to terms relating to the vesting, time for exercise, forfeiture or cancellation of an Award in such circumstances.
 - (ii) Rights as Shareholder: A provision that a Participant shall have no rights as a shareholder with respect to any securities covered by an Award until the date the Participant becomes the holder of record. Except as provided in Section 10 hereof, no adjustment shall be made for dividends or other rights, unless the Award Agreement specifically requires such adjustment, in which case, grants of dividend equivalents or similar rights shall not be considered to be a grant of any other shareholder right.
 - (iii) Withholding: A provision requiring the withholding of applicable taxes required by law from all amounts paid in satisfaction of an Award. In the case of an Award paid in cash, the withholding obligation shall be satisfied by withholding the applicable amount and paying the net amount in cash to the Participant. In the case of Awards paid in shares of Stock or other securities of the Corporation, a Participant may satisfy the withholding obligation by paying the amount of any taxes in cash or, with the approval of the Committee, shares of Stock may be deducted from the payment to satisfy the obligation in full or in part. The number of shares to be deducted shall be determined by reference to the Fair Market Value of such shares on the date the Award is exercised.
 - (iv) Execution: A provision stating that no Award is enforceable until the Award Agreement or a receipt has been signed by the Participant and the Chairman or the Chief Executive Officer of the Corporation (or his delegate). By executing the Award Agreement or receipt, a Participant shall be deemed to have accepted and consented to any action taken under the Plan by the Committee, the Board of Directors or their delegates.
 - (v) Exercise and Payment: The permitted methods of exercising and paying the exercise price with respect to the Award.

(b) Award Agreements may include the following terms:

- (i) Replacement, Substitution and Reloading: Any provisions (A) permitting the surrender of outstanding Awards or securities held by the Participant in order to exercise or realize rights under other Awards, or in exchange for the grant of new Awards under similar or different terms (including the grant of

reload options), or, (B) requiring holders of Awards to surrender outstanding Awards as a condition precedent to the grant of new Awards under the Plan.

- (ii) Other Terms: Such other terms as are necessary and appropriate to effect an Award to the Participant including but not limited to the term of the Award, vesting provisions, any requirements for continued employment with the Corporation or any Subsidiary, any other restrictions or conditions (including performance requirements) on the Award and the method by which restrictions or conditions lapse, the effect on the Award of a change in control, the price and the amount or value of Awards.

SECTION 8. AMENDMENT AND TERMINATION

The Board of Directors may at any time amend, suspend or discontinue the Plan. The Committee may at any time alter or amend any or all Award Agreements under the Plan to the extent permitted by law. However, no such action may, without approval of the shareholders of the Corporation, be effective if shareholder approval would be required to keep the Plan and the Awards made thereunder in compliance with Sections 162(m) and 422.

SECTION 9. ADMINISTRATION

- (a) The Plan and all Awards granted pursuant thereto shall be administered by the Committee. The members of the Committee shall be designated by the Board of Directors. A majority of the members of the Committee shall constitute a quorum. The vote of a majority of a quorum shall constitute action by the Committee.
- (b) The Committee shall periodically determine the Participants in the Plan, except with respect to Eligible Directors, and the nature, amount, pricing, timing, and other terms of Awards to be made to such individuals.
- (c) The Committee shall have the power to interpret and administer the Plan. All questions of interpretation with respect to the Plan, the terms of any Award Agreements and, except with respect to Eligible Directors, the number of shares of Stock, or units granted, shall be determined by the Committee and its determination shall be final and conclusive upon all parties in interest. In the event of any conflict between an Award Agreement and this Plan, the terms of this Plan shall govern.
- (d) It is the intent of the Corporation that this Plan and Awards hereunder satisfy and be interpreted in a manner, that, in the case of Participants who are or may be Insiders, satisfies the applicable requirements of Rule 16b-3, so that such persons will be entitled to the benefits of Rule 16b-3 or other exemptive rules under Section 16 and will not be subjected to avoidable liability thereunder. If any provision of this Plan

or of any Award would otherwise frustrate or conflict with the intent expressed in this Section 9(d), that provision to the extent possible shall be interpreted and deemed amended so as to avoid such conflict. To the extent of any remaining irreconcilable conflict with such intent, the provision shall be deemed void as applicable to Insiders to the extent permitted by law and deemed advisable by the Committee.

- (e) It is the intent of the Corporation that this Plan and Awards hereunder satisfy and be interpreted in a manner, that, in the case of Participants who are or may be Covered Employees, satisfies the applicable requirements of Section 162(m), so that the Corporation will be entitled, to the extent possible, to deduct compensation paid under the Plan and otherwise to such Covered Employees and will not be subjected to avoidable loss of deductions thereunder. If any provision of this Plan or of any Award would otherwise frustrate or conflict with the intent expressed in this Section 9(e), that provision to the extent possible shall be interpreted and deemed amended so as to avoid such conflict. To the extent of any remaining irreconcilable conflict with such intent, the provision shall be deemed void as applicable to Covered Employees to the extent permitted by law and deemed advisable by the Committee.
- (f) The Committee may delegate to the officers or employees of the Corporation the authority to execute and deliver such instruments and documents, to do all such acts and things, and to take all such other steps deemed necessary, advisable or convenient for the effective administration of the Plan in accordance with its terms and purpose, except that the Committee may not delegate any discretionary authority with respect to substantive decisions or functions regarding the Plan or Awards thereunder as these relate to Insiders or Covered Employees, including but not limited to decisions regarding the timing, eligibility, pricing, amount or other material term of such Awards.

SECTION 10. ADJUSTMENT PROVISIONS

- (a) In the event of any change in the outstanding shares of Stock by reason of a stock dividend or split, recapitalization, merger or consolidation, reorganization, combination or exchange of shares or other similar corporate change, the number of shares of Stock (or other securities) then remaining subject to this Plan, and the maximum number of shares that may be issued to anyone pursuant to this Plan, including those that are then covered by outstanding Awards, shall (i) in the event of an increase in the number of outstanding shares, be proportionately increased and the price for each share then covered by an outstanding Award shall be proportionately reduced, and (ii) in the event of a reduction in the number of outstanding shares, be proportionately reduced and the price for each share then covered by an outstanding Award, shall be proportionately increased.
- (b) The Committee shall make any further adjustments as it deems necessary to ensure equitable treatment of any holder of an Award as the result of any transaction

affecting the securities subject to the Plan not described in (a), or as is required or authorized under the terms of any applicable Award Agreement.

SECTION 11. CHANGE IN CONTROL

- (a) Subject to Sections 5, 8 and 10, in the event of a change in control of the Corporation, in addition to any action required or authorized by the terms of any Award Agreement, all time periods for purposes of vesting in, or realizing gain from, any and all outstanding Awards made pursuant to this Plan will automatically accelerate.
- (b) For the purposes of this Section, a "Change in Control" shall mean on or after the effective date of the Plan,
- (i) The acquisition by any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Securities Exchange Act of 1934, as amended (the "Exchange Act")) (a "Person") of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of 40% or more of either (A) the fully diluted shares of Stock, as reflected on the Corporation's financial statements (the "Outstanding Corporation Common Stock"), or (B) the combined voting power of the then outstanding voting securities of the Corporation entitled to vote generally in the election of directors (the "Outstanding Corporation Voting Securities"); provided,

however, that for purposes of this subsection (i), the following acquisitions shall not constitute a Change of Control: (1) any acquisition by the Corporation or any "affiliate" of the Corporation, within the meaning of 17 C.F.R. ss. 230.405 (an "Affiliate"), (2) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Corporation or any Affiliate of the Corporation, or (3) any acquisition by any entity pursuant to a transaction which complies with clauses (A), (B) and (C) of subsection (iii) of this definition; or

- (ii) Individuals who constitute the Board on the effective date of the Plan (the "Incumbent Board") cease for any reason to constitute at least a majority of the Board; provided, however, that any individual becoming a director subsequent to such effective date whose election, or nomination for election by the Corporation's shareholders, was approved by a vote of at least a majority of the directors then comprising the Incumbent Board shall be considered as though such individual were a member of the Incumbent Board, but excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of an actual or threatened election contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board; or
- (iii) Consummation of a reorganization, merger or consolidation or sale or other disposition of all or substantially all of the assets of the Corporation (a "Business Combination"), in each case, unless, following such Business Combination, (A) all or substantially all of the individuals and entities who were the beneficial owners, respectively, of the Outstanding Corporation Common Stock and Outstanding Corporation Voting Securities immediately prior to such Business Combination beneficially own, directly or indirectly, more than 50% of, respectively, the then outstanding shares of common stock and the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors, as the case may be, of the corporation resulting from such Business Combination (including, without limitation, a corporation which as a result of such transaction owns the Corporation or all or substantially all of the Corporation's assets either directly or through one or more subsidiaries) in substantially the same proportions as their ownership, immediately prior to such Business Combination, of the Outstanding Corporation Common Stock and Outstanding Corporation Voting Securities, as the case may be, (B) no Person (excluding any employee benefit plan (or related trust) sponsored or maintained by the Corporation or any Affiliate of the Corporation, or such corporation resulting from such Business Combination or any Affiliate of such corporation) beneficially owns, directly or indirectly, 40% or more of, respectively, the fully diluted shares of common stock of the corporation resulting from such Business Combination, as reflected on such corporation's

financial statements, or the combined voting power of the then outstanding voting securities of such corporation except to the extent that such ownership existed prior to the Business Combination, and (C) at least a majority of the members of the board of directors of the corporation resulting from such Business Combination were members of the Incumbent Board at the time of the execution of the initial agreement, or of the action of the Board, providing for such Business Combination; or

- (iv) Approval by the shareholders of the Corporation of a complete liquidation or dissolution of the Corporation.

SECTION 12. UNFUNDED PLAN

The Plan shall be unfunded. Neither the Corporation nor the Board of Directors shall be required to segregate any assets that may at any time be represented by Awards made pursuant to the Plan. Neither the Corporation, the Committee, nor the Board of Directors shall be deemed to be a trustee of any amounts to be paid under the Plan.

SECTION 13. LIMITS OF LIABILITY

- (a) Any liability of the Corporation to any Participant with respect to an Award shall be based solely upon contractual obligations created by the Plan and the Award Agreement.
- (b) Neither the Corporation nor any member of the Board of Directors or of the Committee, nor any other person participating in any determination of any question under the Plan, or in the interpretation, administration or application of the Plan, shall have any liability to any party for any action taken or not taken, in good faith under the Plan.

SECTION 14. RIGHTS OF EMPLOYEES

- (a) Status as an eligible Employee shall not be construed as a commitment that any Award will be made under this Plan to such eligible Employee or to eligible Employees generally.
- (b) Nothing contained in this Plan (or in any other documents related to this Plan or to any Award) shall confer upon any Employee or Participant any right to continue in the employ or other service of the Corporation or constitute any contract or limit in any way the right of the Corporation to change such person's compensation or other benefits or to terminate the employment of such person with or without cause.

SECTION 15. DURATION

The Plan shall remain in effect until all Awards under the Plan have been exercised or terminated under the terms of the Plan and applicable Award Agreement, provided that Awards under the Plan may only be granted until December 31, 2008.

SECTION 16. GOVERNING LAW

The Plan shall be governed by the laws of the State of North Carolina.

MARTIN MARIETTA MATERIALS, INC.
AMENDED OMNIBUS SECURITIES AWARD PLAN

ADOPTED: FEBRUARY 1994
AS AMENDED AND RESTATED MAY 1998

SECTION 1. ESTABLISHMENT AND PURPOSE

The Martin Marietta Materials, Inc. Amended Omnibus Securities Award Plan (the "Plan") is an amendment and restatement of the Martin Marietta Materials, Inc. Omnibus Securities Award Plan (the "1994 Plan"), which effectiveness is subject to the adoption of the Plan by the shareholders of the Corporation in a manner that complies with Section 162(m).

The purpose of this Plan is to benefit the Corporation's shareholders by encouraging high levels of performance by individuals who are key to the success of the Corporation and to enable the Corporation to attract, motivate, and retain talented and experienced individuals essential to its continued success. This is to be accomplished by providing such employees an opportunity to obtain or increase their proprietary interest in the Corporation's performance and by providing such employees with additional incentives to remain with the Corporation.

SECTION 2. DEFINITIONS

The following terms, as used herein, shall have the meaning specified:

"Affiliate" of a person means any entity directly or indirectly controlling, controlled by or under direct or indirect common control with such person.

"Award" means an award granted pursuant to Section 4 hereof.

"Award Agreement" means an agreement described in Section 6 hereof entered into between the Corporation and a Participant, setting forth the terms and conditions applicable to the Award granted to the Participant.

"Board of Directors" means the Board of Directors of the Corporation as it may be comprised from time to time.

"Code" means the Internal Revenue Code of 1986, as amended from time to time.

"Committee" means a committee composed of members of, and designated by, the Board of Directors and consisting solely of persons who are both (i) "non-employee directors" within the meaning of Rule 16b-3, and (ii) "outside directors" within the meaning of Section 162(m), as Rule 16b-3 and Section 162(m) may be amended from time to time, which committee shall at all times comprise at least the minimum number of such persons necessary to comply with both Rule 16b-3 and Section 162.

"Corporation" means Martin Marietta Materials, Inc.

"Covered Employee" means a covered employee within the meaning of Section 162(m) or the Treasury Regulations promulgated thereunder.

"Employee" means officers and other key employees of the Corporation but excludes directors who are not also officers or employees of the Corporation.

"Exchange Act" means the Securities Exchange Act of 1934, as amended from time to time.

"Fair Market Value" means the closing price of the relevant security as reported on the composite tape of New York Stock Exchange issues (or such other reporting system as shall be selected by the Committee) on the relevant date, or if no sale of the security is reported for such date, the next following day for which there is a reported sale. The Committee shall determine the Fair Market Value of any security that is not publicly traded, using such criteria as it shall determine, in its sole direction, to be appropriate for such valuation.

"Insider" means any person who is subject to Section 16 of the Exchange Act.

"Participant" means an Employee who has been granted and holds an unexercised or unpaid Award pursuant to this Plan.

"Rule 16b-3" means Rule 16b-3 promulgated by the Securities and Exchange Commission under Section 16 or any successor rule or regulation as amended from time to time.

"Section 16" means Section 16 of the Exchange Act or any successor statute and the rules promulgated thereunder by the Securities and Exchange Commission, as they may be amended from time to time.

"Section 162(m)" means Section 162(m) of the Code or any successor statute and the Treasury Regulations promulgated thereunder, as they may be amended from time to time.

"Stock" means shares of Common Stock of the Corporation, par value \$.01 per share.

"Subsidiary" means any entity directly or indirectly controlled by the Corporation.

SECTION 3. ELIGIBILITY

Awards may be granted only to exempt salaried Employees of the Corporation or any Subsidiary who are designated from time to time by the Committee.

No individual who beneficially owns Stock possessing five percent (5%) or more of the combined voting power of all classes of stock of the Corporation shall be eligible to participate in the Plan.

SECTION 4. AWARDS

The Committee may grant any of the following types of Awards, either singly, in tandem or in combination with other Awards, as the Committee may in its sole discretion determine:

- (a) Non-qualified Stock Options. A Non-qualified Stock Option is a right to purchase a specified number of shares of Stock during such specified time as the Committee may determine at a price not less than 100% of the Fair Market Value of the Stock on the date the option is granted.
 - (i) The purchase price of the Stock subject to the option may be paid in cash. At the discretion of the Committee, the purchase price may also be paid by the tender of Stock, or through a combination of Stock and cash, or through such other means as the Committee determines are consistent with the Plan's purpose and applicable law. No fractional shares of Stock will be issued or accepted.
 - (ii) Without limiting the foregoing, to the extent permitted by law (including relevant state law), the Committee may agree to accept, as full or partial payment of the purchase price of Stock issued upon exercise of options, (A) a promissory note of the optionee evidencing the optionee's obligation to make future cash payments to the Corporation, or (B) any other form of payment deemed acceptable to the Committee. Promissory notes referred to in clause (A) above shall be payable as determined by the Committee (but in no event later than five years after the date thereof), shall be secured by a pledge of shares of Stock purchased, and shall bear interest at a rate established by the Committee.
- (b) Incentive Stock Options. An Incentive Stock Option is an Award in the form of an option to purchase Stock that complies with the requirements of Code Section 422 or any successor section.
 - (i) To the extent that the aggregate Fair Market Value (determined at the time of the grant of the Award) of the shares subject to Incentive Stock Options which are exercisable by one person for the first time during a particular

calendar year exceeds \$100,000, such excess shall be treated as Non-qualified Stock Options. For purposes of the preceding sentence, the term "Incentive Stock Option" shall mean an option to purchase Stock that is granted pursuant to this Section 4(b) or pursuant to any other plan of the Corporation, which option is intended to comply with Section 422(b) of the Code.

- (ii) No Incentive Stock Option may be granted under this Plan after the tenth anniversary of the date this Plan is adopted, or the date this Plan is approved by the shareholders, whichever is earlier, or be exercisable more than ten years after the date the Award is made.
 - (iii) The exercise price of any Incentive Stock Option shall be no less than Fair Market Value of the Stock subject to the option on the date the Award is made.
 - (iv) The Committee may provide that the option price under an Incentive Stock Option may be paid by one or more of the methods available for paying the option price of a Non-qualified Stock Option.
- (c) Stock Appreciation Rights. A Stock Appreciation Right ("SAR") is a right to receive, upon exercise of the right, but without payment by the Participant, an amount payable in cash. The amount payable with respect to each right shall be equal in value to a percent of the excess, if any, of the Fair Market Value of a share of Stock on the exercise date over the Fair Market Value of a share of Stock on the date the Award was made (or, in the case of a right granted with respect to a previously granted Award, the Fair Market Value of the shares that are the subject of the previously granted Award on the date such previous Award was granted). The applicable percent shall be established by the Committee.
- (d) Restricted Stock. Restricted Stock is Stock of the Corporation that is issued to a Participant and is subject to restrictions on transfer and/or such other restrictions or incidents of ownership as the Committee may determine.
- (e) Other Stock-based Incentive Awards. The Committee may from time to time grant Awards under this Plan that provide the Participant with the right to purchase Stock of the Corporation or provide incentive Awards that are valued by reference to the Fair Market Value of Stock of the Corporation (including, but not limited to phantom securities or dividend equivalents). Such Awards shall be in a form determined by the Committee (and may include terms contingent upon a change of control of the Corporation), provided that such Awards shall not be inconsistent with the terms and purposes of the Plan.

SECTION 5. SHARES OF STOCK AND OTHER STOCK-BASED AWARDS AVAILABLE UNDER PLAN

- (a) Subject to the adjustment provisions of Section 9 hereof, the aggregate number of shares with respect to which Awards payable in securities may be granted under the Plan shall be no more than 2,000,000 and the aggregate number of shares with respect to which Non-qualified Stock Options, Incentive Stock Options or SARs may be granted to any individual Participant shall be no more than 200,000 in any one year. Awards that are cancelled or repriced shall be counted against the 200,000 share per year limit to the extent required by Section 162(m) of the Code.
- (b) Any unexercised or undistributed portion of any terminated or forfeited Award (other than an Award terminated or forfeited by reason of the exercise of any Award granted in tandem therewith) shall be available for further Awards in addition to those available under Section 5(a) hereof.
- (c) For the purposes of computing the aggregate number of shares with respect to which awards payable in securities may be granted under the Plan, the following rules shall apply:
- (i) except as provided in (v) of this Section, each option shall be deemed to be the equivalent of the maximum number of shares that may be issued upon exercise of the particular option;
 - (ii) except as provided in (v) of this Section, each other stock-based Award shall be deemed to be equal to the number of shares to which it relates;
 - (iii) except as provided in (v) of this Section, where the number of shares available under the Award is variable on the date it is granted, the number of shares shall be deemed to be the maximum number of shares that could be received under that particular Award.
 - (iv) where one or more types of Awards (both of which are payable in Stock or another security) are granted in tandem with each other, such that the exercise of one type of Award with respect to a number of shares cancels an equal number of shares of the other, each joint Award shall be deemed to be the equivalent of the number of shares under the other; and
 - (v) each share awarded or deemed to be awarded under the preceding subsections shall be treated as shares of Stock, even if the Award is for a security other than Stock.

Additional rules for determining the aggregate number of shares with respect to which awards payable in securities may be granted under the Plan may be made by the Committee, as it deems necessary or appropriate.

- (d) No Stock may be issued pursuant to an Award under the Plan except to the extent that, prior to such issuance, the Corporation shall have acquired shares from its

shareholders sufficient to fulfill the requirements of the Plan with respect to such issuance.

SECTION 6. AWARD AGREEMENTS

Each Award under this Plan shall be evidenced by an Award Agreement setting forth the number of shares of Stock, SARs, or units subject to the Award and such other terms and conditions applicable to the Award as determined by the Committee.

- (a) Award Agreements shall include the following terms:
- (i) **Non-assignability:** A provision that no Award shall be assignable or transferable except by will or by the laws of descent and distribution and that during the lifetime of a Participant, the Award shall be exercised only by such Participant or by his or her guardian or legal representative.
 - (ii) **Termination of Employment:** A provision describing the treatment of an Award in the event of the retirement, disability, death or other termination of a Participant's employment with the Corporation or Subsidiary, including but not limited to terms relating to the vesting, time for exercise, forfeiture or cancellation of an Award in such circumstances.
 - (iii) **Rights as Shareholder:** A provision that a Participant shall have no rights as a shareholder with respect to any securities covered by an Award until the date the Participant becomes the holder of record. Except as provided in Section 9 hereof, no adjustment shall be made for dividends or other rights, unless the Award Agreement specifically requires such adjustment, in which case, grants of dividend equivalents or similar rights shall not be considered to be a grant of any other shareholder right.
 - (iv) **Withholding:** A provision requiring the withholding of applicable taxes required by law from all amounts paid in satisfaction of an Award. In the case of an Award paid in cash, the withholding obligation shall be satisfied by withholding the applicable amount and paying the net amount in cash to the Participant. In the case of Awards paid in shares of Stock or other securities of the Corporation, a Participant may satisfy the withholding obligation by paying the amount of any taxes in cash or, with the approval of the Committee, shares of Stock or other securities may be deducted from the payment to satisfy the obligation in full or in part. The number of shares to be deducted shall be determined by reference to the Fair Market Value of such shares on the date the Award is exercised.
 - (v) **Execution:** A provision stating that no Award is enforceable until the Award Agreement or a receipt has been signed by the Participant and the Chairman or the Chief Executive Officer of the Corporation (or his delegate). By

executing the Award Agreement or receipt, a Participant shall be deemed to have accepted and consented to any action taken under the Plan by the Committee, the Board of Directors or their delegates.

- (vi) Holding Period: In the case of an Award to an Insider, (A) of an equity security, a provision stating (or the effect of which is to require) that such security must be held for at least six months (or such longer period as the Committee in its discretion specifies) from the date of acquisition; or (B) of a derivative security with a fixed exercise price within the meaning of Section 16, a provision stating (or the effect of which is to require) that at least six months (or such longer period as the Committee in its discretion specifies) must elapse from the date of acquisition of the derivative security to the date of disposition of the derivative security (other than upon exercise or conversion) or its underlying equity security; or (C) of a derivative security without a fixed exercise price within the meaning of Section 16, a provision stating (or the effect of which is to require) that at least six months (or such longer period as the Committee in its discretion specifies) must elapse from the date upon which such price is fixed to the date of disposition of the derivative security (other than by exercise or conversion) or its underlying equity security; provided, however, that this clause (vi) shall not apply to any Award granted on or after August 15, 1996.
- (vii) Exercise and Payment: The permitted methods of exercising and paying the exercise price with respect to the Award.

(b) Award Agreements may include the following terms:

- (i) Replacement, Substitution and Reloading: Any provisions (A) permitting the surrender of outstanding Awards or securities held by the Participant in order to exercise or realize rights under other Awards, or in exchange for the grant of new Awards under similar or different terms (including the grant of reload options), or, (B) requiring holders of Awards to surrender outstanding Awards as a condition precedent to the grant of new Awards under the Plan.
- (ii) Other Terms: Such other terms as are necessary and appropriate to effect an Award to the Participant including but not limited to the term of the Award, vesting provisions, any requirements for continued employment with the Corporation or any Subsidiary, any other restrictions or conditions (including performance requirements) on the Award and the method by which restrictions or conditions lapse, the effect on the Award of a change in control, the price and the amount or value of Awards.

SECTION 7. AMENDMENT AND TERMINATION

The Board of Directors may at any time amend, suspend or discontinue the Plan. The Committee may at any time alter or amend any or all Award Agreements under the Plan to the extent permitted by law. However, no such action may, without approval of the shareholders of the Corporation, be effective if shareholder approval would be required to keep the Plan and the Awards made thereunder in compliance with Rule 16b-3 and Section 162(m).

SECTION 8. ADMINISTRATION

- (a) The Plan and all Awards granted pursuant thereto shall be administered by the Committee. The members of the Committee shall be designated by the Board of Directors. A majority of the members of the Committee shall constitute a quorum. The vote of a majority of a quorum shall constitute action by the Committee.
- (b) The Committee shall periodically determine the Participants in the Plan and the nature, amount, pricing, timing, and other terms of Awards to be made to such individuals.
- (c) The Committee shall have the power to interpret and administer the Plan. All questions of interpretation with respect to the Plan, the number of shares of Stock, SARs, or units granted, and the terms of any Award Agreements shall be determined by the Committee and its determination shall be final and conclusive upon all parties in interest. In the event of any conflict between an Award Agreement and this Plan, the terms of this Plan shall govern.
- (d) It is the intent of the Corporation that this Plan and Awards hereunder satisfy and be interpreted in a manner, that, in the case of Participants who are or may be Insiders, satisfies the applicable requirements of Rule 16b-3, so that such persons will be entitled to the benefits of Rule 16b-3 or other exemptive rules under Section 16 and will not be subjected to avoidable liability thereunder. If any provision of this Plan or of any Award would otherwise frustrate or conflict with the intent expressed in this Section 8(d), that provision to the extent possible shall be interpreted and deemed amended so as to avoid such conflict. To the extent of any remaining irreconcilable conflict with such intent, the provision shall be deemed void as applicable to Insiders to the extent permitted by law and deemed advisable by the Committee.
- (e) It is the intent of the Corporation that this Plan and Awards hereunder satisfy and be interpreted in a manner, that, in the case of Participants who are or may be Covered Employees, satisfies the applicable requirements of Section 162(m), so that the Corporation will be entitled, to the extent possible, to deduct compensation paid under the Plan and otherwise to such Covered Employees and will not be subjected to avoidable loss of deductions thereunder. If any provision of this Plan or of any Award would otherwise frustrate or conflict with the intent expressed in this Section 8(e), that provision to the extent possible shall be interpreted and deemed amended so as to avoid such conflict. To the extent of any remaining irreconcilable conflict

with such intent, the provision shall be deemed void as applicable to Covered Employees to the extent permitted by law and deemed advisable by the Committee.

- (f) The Committee may delegate to the officers or employees of the Corporation the authority to execute and deliver such instruments and documents, to do all such acts and things, and to take all such other steps deemed necessary, advisable or convenient for the effective administration of the Plan in accordance with its terms and purpose, except that the Committee may not delegate any discretionary authority with respect to substantive decisions or functions regarding the Plan or Awards thereunder as these relate to Insiders or Covered Employees, including but not limited to decisions regarding the timing, eligibility, pricing, amount or other material term of such Awards.

SECTION 9. ADJUSTMENT PROVISIONS

- (a) In the event of any change in the outstanding shares of Stock by reason of a stock dividend or split, recapitalization, merger or consolidation, reorganization, combination or exchange of shares or other similar corporate change, the number of shares of Stock (or other securities) then remaining subject to this Plan, and the maximum number of shares that may be issued to anyone pursuant to this Plan, including those that are then covered by outstanding Awards, shall (i) in the event of an increase in the number of outstanding shares, be proportionately increased and the price for each share then covered by an outstanding Award shall be proportionately reduced, and (ii) in the event of a reduction in the number of outstanding shares, be proportionately reduced and the price for each share then covered by an outstanding Award, shall be proportionately increased.
- (b) The Committee shall make any further adjustments as it deems necessary to ensure equitable treatment of any holder of an Award as the result of any transaction affecting the securities subject to the Plan not described in (a), or as is required or authorized under the terms of any applicable Award Agreement.

SECTION 10. CHANGE IN CONTROL

- (a) Subject to Sections 5, 7 and 9, in the event of a change in control of the Corporation, in addition to any action required or authorized by the terms of any Award Agreement, all time periods for purposes of vesting in, or realizing gain from, any and all outstanding Awards made pursuant to this Plan will automatically accelerate.
- (b) For the purposes of this Section, a "Change in Control" shall mean on or after the effective date of the Plan,
- (i) The acquisition by any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Securities Exchange Act of 1934, as amended (the "Exchange Act")) (a "Person") of beneficial ownership (within

the meaning of Rule 13d-3 promulgated under the Exchange Act) of 40% or more of either (A) the fully diluted shares of Stock, as reflected on the Corporation's financial statements (the "Outstanding Corporation Common Stock"), or (B) the combined voting power of the then outstanding voting securities of the Corporation entitled to vote generally in the election of directors (the "Outstanding Corporation Voting Securities"); provided, however, that for purposes of this subsection (i), the following acquisitions shall not constitute a Change of Control: (1) any acquisition by the Corporation or any "affiliate" of the Corporation, within the meaning of 17 C.F.R. ss. 230.405 (an "Affiliate"), (2) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Corporation or any Affiliate of the Corporation, or (3) any acquisition by any entity pursuant to a transaction which complies with clauses (A), (B) and (C) of subsection (iii) of this definition; or

- (ii) Individuals who constitute the Board on the effective date of the Plan (the "Incumbent Board") cease for any reason to constitute at least a majority of the Board; provided, however, that any individual becoming a director subsequent to such effective date whose election, or nomination for election by the Corporation's shareholders, was approved by a vote of at least a majority of the directors then comprising the Incumbent Board shall be considered as though such individual were a member of the Incumbent Board, but excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of an actual or threatened election contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board; or
- (iii) Consummation of a reorganization, merger or consolidation or sale or other disposition of all or substantially all of the assets of the Corporation (a "Business Combination"), in each case, unless, following such Business Combination, (A) all or substantially all of the individuals and entities who were the beneficial owners, respectively, of the Outstanding Corporation Common Stock and Outstanding Corporation Voting Securities immediately prior to such Business Combination beneficially own, directly or indirectly, more than 50% of, respectively, the then outstanding shares of common stock and the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors, as the case may be, of the corporation resulting from such Business Combination (including, without limitation, a corporation which as a result of such transaction owns the Corporation or all or substantially all of the Corporation's assets either directly or through one or more subsidiaries) in substantially the same proportions as their ownership, immediately prior to such Business Combination, of the Outstanding Corporation Common Stock and Outstanding Corporation Voting Securities, as the case may be, (B) no

Person (excluding any employee benefit plan (or related trust) sponsored or maintained by the Corporation or any Affiliate of the Corporation, or such corporation resulting from such Business Combination or any Affiliate of such corporation) beneficially owns, directly or indirectly, 40% or more of, respectively, the fully diluted shares of common stock of the corporation resulting from such Business Combination, as reflected on such corporation's financial statements, or the combined voting power of the then outstanding voting securities of such corporation except to the extent that such ownership existed prior to the Business Combination, and (C) at least a majority of the members of the board of directors of the corporation resulting from such Business Combination were members of the Incumbent Board at the time of the execution of the initial agreement, or of the action of the Board, providing for such Business Combination; or

- (iv) Approval by the shareholders of the Corporation of a complete liquidation or dissolution of the Corporation.

SECTION 11. UNFUNDED PLAN

The Plan shall be unfunded. Neither the Corporation nor the Board of Directors shall be required to segregate any assets that may at any time be represented by Awards made pursuant to the Plan. Neither the Corporation, the Committee, nor the Board of Directors shall be deemed to be a trustee of any amounts to be paid under the Plan.

SECTION 12. LIMITS OF LIABILITY

- (a) Any liability of the Corporation to any Participant with respect to an Award shall be based solely upon contractual obligations created by the Plan and the Award Agreement.
- (b) Neither the Corporation nor any member of the Board of Directors or of the Committee, nor any other person participating in any determination of any question under the Plan, or in the interpretation, administration or application of the Plan, shall have any liability to any party for any action taken or not taken, in good faith under the Plan.

SECTION 13. RIGHTS OF EMPLOYEES

- (a) Status as an eligible Employee shall not be construed as a commitment that any Award will be made under this Plan to such eligible Employee or to eligible Employees generally.
- (b) Nothing contained in this Plan (or in any other documents related to this Plan or to any Award) shall confer upon any Employee or Participant any right to continue in the employ or other service of the Corporation or constitute any contract or limit in

any way the right of the Corporation to change such person's compensation or other benefits or to terminate the employment of such person with or without cause.

SECTION 14. DURATION

The Plan shall remain in effect until all Awards under the Plan have been exercised or terminated under the terms of the Plan and applicable Award Agreement, provided that Awards under the Plan may only be granted until December 31, 2003.

SECTION 15. GOVERNING LAW

The Plan shall be governed by the laws of the State of North Carolina.

MARTIN MARIETTA MATERIALS, INC. AND CONSOLIDATED SUBSIDIARIES

COMPUTATION OF EARNINGS PER SHARE

For the Three Months Ended March 31
(Dollars in Thousands, Except Per Share Data)

	1998	1997
	-----	-----
Net earnings available for common shareholders	\$ 2,636	\$ 8,907
Weighted average number of common shares outstanding -Basic	46,215,439	46,079,530
-Diluted	46,409,450	46,154,503
Net earnings per common share -Basic	\$ 0.06	\$ 0.19
-Diluted	\$ 0.06	\$ 0.19

MARTIN MARIETTA MATERIALS, INC. AND CONSOLIDATED SUBSIDIARIES

COMPUTATION OF RATIO OF EARNINGS TO FIXED CHARGES

For the Three Months Ended March 31, 1998
(Dollars in Thousands)

EARNINGS:

Earnings before income taxes	\$ 4,040
(Earnings) losses of less than 50% owned associated companies, net	(60)
Interest expense	5,310
Portions of rents representative of an interest factor	445

Adjusted Earnings and Fixed Charges	\$ 9,735
	=====

FIXED CHARGES:

Interest expense	\$ 5,310
Capitalized interest	68
Portion of rents representative of an interest factor	445

Total Fixed Charges	\$ 5,823
	=====
Ratio of Earnings to Fixed Charges	1.67
	=====

THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE CONDENSED CONSOLIDATED BALANCE SHEET AS OF MARCH 31, 1998, AND THE RELATED CONDENSED CONSOLIDATED STATEMENT OF EARNINGS FOR THE THREE MONTHS THEN ENDED AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH QUARTERLY REPORT ON FORM 10-Q FOR THE QUARTERLY PERIOD ENDED MARCH 31, 1998.

1,000

3-MOS	
	DEC-31-1998
	JAN-01-1998
	MAR-31-1998
	4,030
	0
	134,540
	4,502
	148,425
	306,797
	1,289,279
	669,668
	1,121,719
123,117	
	311,342
0	
	0
	462
	558,642
1,121,719	
	186,535
186,535	
	157,056
	177,103
	57
	25
5,310	
	4,040
	1,404
2,636	
	0
	0
	0
	2,636
	.06
	.06