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 September 30, 2003

Commission File Number 1-12744

MARTIN MARIETTA MATERIALS, INC.

(Exact name of registrant as specified in its charter)

North Carolina	56-1848578
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification Number)
2710 Wycliff Road, Raleigh, NC	27607-3033
(Address of principal executive offices)	(Zip Code)

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

Former name: None

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

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

Yes [X] No [ ]

Indicate by check mark whether the registrant is an accelerated filer (as defined in Rule 12b-2 of the Exchange Act)

Yes [X] No [ ]

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

Class	Outstanding as of October 31, 2003
Common Stock, $0.01 par value	48,930,179

MARTIN MARIETTA MATERIALS, INC. AND CONSOLIDATED SUBSIDIARIES
FORM 10-Q
For the Quarter Ended September 30, 2003

PART I - FINANCIAL INFORMATION

ITEM 1. Financial Statements

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

	September 30, 2003	December 31, 2002
	(Dollars in Thousands)	(Audited)
ASSETS		
Current assets:		
Cash and cash equivalents	$ 53,574	$ —
Accounts receivable, net	312,843	232,884
Inventories, net	212,681	239,726
Current deferred income tax benefits	23,800	21,387
Other current assets	9,474	32,152
Total Current Assets	612,372	526,149
Property, plant and equipment	2,190,708	2,146,480
Allowances for depreciation and depletion	(1,144,374)	(1,078,904)
Net property, plant and equipment	1,046,334	1,067,576
Goodwill, net	577,491	577,449
Other intangibles, net	29,931	31,972
Other noncurrent assets	65,054	55,384
Total Assets	$ 2,331,182	$ 2,258,530
LIABILITIES AND SHAREHOLDERS' EQUITY		
Bank Overdraft	$ —	$ 304
Accounts payable	82,702	73,186
Accrued salaries, benefits and payroll taxes	34,152	45,168
Accrued insurance and other taxes	42,936	32,511
Income taxes	5,660	2,307
Current maturities of long-term debt	1,249	11,389
Other current liabilities	40,288	32,962
Total Current Liabilities	206,987	197,827
Long-term debt and commercial paper	719,759	733,471
Pension, postretirement and postemployment benefits	102,950	101,796
Noncurrent deferred income taxes	119,278	108,496
Other noncurrent liabilities	59,254	33,930
Total Liabilities	1,208,228	1,175,520
Shareholders' equity:		
Common stock, par value $0.01 per share	489	488
Preferred stock, par value $0.01 per share	—	—
Additional paid-in capital	447,734	447,153
Accumulated other comprehensive loss	(7,365)	(7,365)
Retained earnings	682,096	642,734
Total Shareholders' Equity	1,122,954	1,083,010
Total Liabilities and Shareholders' Equity	$ 2,331,182	$ 2,258,530

See accompanying notes to consolidated financial statements.

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2003	2002	2003	2002
	(Dollars in Thousands, Except Per Share Amounts)			(Restated)
Net Sales	$ 450,091	$ 417,775	$ 1,136,698	$ 1,100,236
Freight and delivery revenues	61,768	55,269	158,566	147,724
Total revenues	511,859	473,044	1,295,264	1,247,960
Cost of sales	345,953	320,452	910,740	866,960
Freight and delivery costs	61,768	55,269	158,566	147,724
Total cost of revenues	407,721	375,721	1,069,306	1,014,684
Gross Profit	104,138	97,323	225,958	233,276
Selling, general & administrative expenses	29,595	28,833	88,601	85,205
Research and development	245	12	415	232
Other operating (income) and expenses, net	(424)	(65)	1,936	(620)
Earnings from Operations	74,722	68,543	135,006	148,459
Interest expense	10,905	11,179	31,909	33,525
Other nonoperating (income) and expenses, net	(1,454)	558	(1,192)	8,969
Earnings from continuing operations before income tax expense and cumulative effect of change in accounting principle	65,271	56,806	104,289	105,965
Income tax expense	19,731	17,995	32,308	32,636
Earnings from continuing operations before cumulative effect of change in accounting principle	45,540	38,811	71,981	73,329
Discontinued Operations:				
(Loss) earnings on discontinued operations, net of related tax (benefit) expense of $(32), $331, $(580) and $11,377 respectively	(20)	114	(829)	8,409
Earnings before cumulative effect of change in accounting principle	45,520	38,925	71,152	81,738
Cumulative effect of change in accounting for asset retirement obligations, net of related taxes of $4,498	—	—	(6,874)	—
Cumulative effect of change in accounting for intangible assets	—	—	—	(11,510)
Net earnings	$ 45,520	$ 38,925	$ 64,278	$ 70,228
Net Earnings Per Common Share:				
Basic from continuing operations before cumulative effect of change in accounting principle	$ 0.93	$ 0.80	$ 1.47	$ 1.51
Discontinued operations	—	—	(0.02)	0.17
Cumulative effect of change in accounting principle	—	—	(0.14)	(0.23)
	$ 0.93	$ 0.80	$ 1.31	$ 1.45
Diluted from continuing operations before cumulative effect of change in accounting principle	$ 0.93	$ 0.80	$ 1.47	$ 1.50
Discontinued operations	—	—	(0.02)	0.17
Cumulative effect of change in accounting principle	—	—	(0.14)	(0.23)
	$ 0.93	$ 0.80	$ 1.31	$ 1.44
Dividends Per Share	$ 0.18	$ 0.15	$ 0.51	$ 0.43
Average Number of Common Shares Outstanding:				
Basic	48,922,858	48,820,079	48,906,598	48,692,654
Diluted	49,189,728	48,955,259	49,119,952	48,842,559

See accompanying notes to consolidated financial statements.

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

	Nine Months Ended September 30,	
	2003	2002
	(Dollars in Thousands)	(Restated)
Net earnings	$ 64,278	$ 70,228
Cumulative effect of change in accounting principle	6,874	11,510
Earnings before cumulative effect of change in accounting principle	71,152	81,738
Adjustments to reconcile earnings to cash provided by operating activities:		
Depreciation, depletion and amortization	103,814	102,975
Other items, net	23	(22,584)
Changes in operating assets and liabilities, net of effects of acquisitions and divestitures:		
Deferred income taxes	12,210	18,449
Accounts receivable, net	(78,326)	(64,730)
Inventories, net	21,938	(14,096)
Accounts payable	10,172	986
Other assets and liabilities, net	30,424	29,590
Net cash provided by operating activities	171,407	132,328
Investing activities:		
Additions to property, plant and equipment	(82,434)	(109,273)
Acquisitions, net	(8,523)	(48,625)
Divestitures and other investing activities, net	14,920	86,735
Net cash used for investing activities	(76,037)	(71,163)
Financing activities:		
Net principal repayments of long-term debt	(23,830)	(38,586)
Proceeds from termination of interest rate swaps	12,581	—
Dividends paid	(24,916)	(20,955)
Loans payable	(5,713)	2,399
Issuance of common stock	386	675
Net cash used in financing activities	(41,492)	(56,467)
Net increase in cash and cash equivalents	53,878	4,698
(Bank overdraft) cash and cash equivalents, beginning of period	(304)	1,379
Cash and cash equivalents, end of period	$ 53,574	$ 6,077
Supplemental disclosures of cash flow information:		
Cash paid for interest	$ 28,844	$ 29,788
Net income tax (refunds) payments	$ (682)	$ 21,989
Noncash investing and financing activities:		
Exchange of quarries	$ —	$ 10,500
Value of common stock issued in connection with acquisitions	$ —	$ 9,718
Debt assumed in connection with acquisitions	$ —	$ 7,500
Notes receivable issued in connection with divestitures	$ 10,397	$ —

See accompanying notes to consolidated financial statements.

CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Basis of Presentation

The accompanying unaudited 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, 2002, filed with the Securities and Exchange Commission on March 27, 2003. 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 nine months ended September 30, 2003 are not indicative of the results to be expected for the full year.

In 2002 and 2003, the Corporation divested of certain nonstrategic operations within its Aggregates operating segment with the 2003 divestitures being uncertain as of December 31, 2002. As such, the Corporation had a continuing financial interest in this certain group of assets and the related market served by these operations during 2002 and through the 2003 date of disposal. In the first quarter 2003, the divestiture resulted in discontinued operations. The results of operations for this and other divestitures through the dates of disposal and any gains or losses on disposals are included in “(Loss) earnings from discontinued operations” on the consolidated statements of earnings.

The results of discontinued operations during the quarter and nine months ended September 30, 2002 have been reclassified, as required, to conform to the 2003 presentation. For the quarter ended September 30, the discontinued operations included net sales of $4.4 million and $11.4 million in 2003 and 2002, respectively, and a pretax loss of $0.1 million in 2003 and a pretax gain of $0.4 million in 2002. The pretax loss for the quarter ended September 30, 2003 included net losses on disposal of $0.7 million. The pretax gain for the quarter ended September 30, 2002 included a gain on disposal of $0.4 million. For the nine months ended September 30, the discontinued operations included net sales of $17.7 million and $43.7 million in 2003 and 2002, respectively, and a pretax loss of $1.4 million in 2003 and a pretax gain of $19.8 million in 2002. For the nine months ended September 30, the discontinued operations had a net loss on disposal of $0.8 million in 2003 and a net gain on disposal of $22.4 million in 2002.

During the nine months ended September 30, 2003, the Corporation decreased its accrual for incurred but not reported claims related to its self-insurance health benefits provided to its employees. The change in estimate was based on the Corporation’s recent claims experience and increased net earnings for the nine months by $1.3 million, or $0.03 per diluted share.

CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Continued)

1. Basis of Presentation (continued)

The financial statements for the nine months ended September 30, 2002 have been restated to reflect the adoption of Statement of Financial Accounting Standards No. 142, *Goodwill and Other Intangible Assets* ("FAS 142"). An impairment charge of $11.5 million, or $0.23 per diluted share, was recorded during the fourth quarter of 2002, retroactive to January 1, 2002, as the cumulative effect of adopting FAS 142.

Certain 2002 amounts have been reclassified to conform to the 2003 presentation. Such reclassifications had no impact on previously reported net earnings or financial position.

2. Inventories

	September 30, 2003	December 31, 2002
	(Dollars in Thousands)	
Finished products	$185,896	$212,694
Product in process and raw materials	10,591	8,967
Supplies and expendable parts	22,548	23,724
	219,035	245,385
Less allowances	(6,354)	(5,659)
Total	$212,681	$239,726

3. Goodwill

The following shows changes in net goodwill (dollars in thousands):

	Quarter Ended September 30, 2003	Nine Months Ended September 30, 2003
Balance at beginning of period	$579,094	$577,449
Acquisitions	—	5,232
Adjustments to purchase price allocations	(93)	(580)
Amounts allocated to divestitures	(1,510)	(4,610)
Balance at end of period	$577,491	$577,491

CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Continued)

4. Long-Term Debt

	September 30, 2003	December 31, 2002
	(Dollars in Thousands)	
6.875% Notes, due 2011	$249,767	$249,750
5.875% Notes, due 2008	214,804	209,143
6.9% Notes, due 2007	124,975	124,971
7% Debentures, due 2025	124,261	124,251
Commercial paper and line of credit, interest rates ranging from 1.50% to 1.94%	—	25,713
Acquisition notes, interest rates ranging from 2.11% to 9.00%	6,242	10,849
Other notes	959	183
	721,008	744,860
Less current maturities	(1,249)	(11,389)
Total	$719,759	$733,471

No borrowings were outstanding under the Corporation's revolving credit agreement or commercial paper program at September 30, 2003. See the "Liquidity and Capital Resources" discussion contained in the "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 21 through 23 of this Form 10-Q.

In May 2003, the Corporation terminated the interest rate swap agreements that it had entered into in May 2002 and received a cash payment of $12.6 million, which represented the fair value of the swaps on the date of termination. The Corporation also received accrued interest of $2.1 million, which represented the difference in the interest rate between the fixed interest received and the variable interest paid from the previous interest payment date to the termination date. In accordance with generally accepted accounting principles, the carrying amount of the related Notes on the date of termination, which includes adjustments for changes in the fair value of the debt while the swaps were in effect, will be accreted back to its par value over the remaining life of the Notes. The accretion will decrease annual interest expense by approximately $2 million until the maturity of the Notes in 2008.

In August 2003, the Corporation entered into interest rate swap agreements (the "Swaps") for interest related to $100 million of the $200 million Notes due in 2008. The Corporation will receive a 5.875% fixed annual interest rate and pay a floating annual rate equal to six-month London Inter Bank Offer Rate ("LIBOR") plus 1.50%. The critical terms of the Swaps and the related Notes agree and other conditions of Statement of Financial Accounting Standards No. 133, *Accounting for Derivative Instruments and Hedging Activities,* have been met; accordingly, the hedge is considered perfectly effective and qualifies for the shortcut method of accounting. The Corporation is required to record the fair value of the Swaps and the corresponding change in the fair value of the related Notes in its consolidated balance sheet. At September 30, 2003, the fair value of the Swaps was $3.5 million. See Item 3, "Quantitative and Qualitative Disclosures About Market Risk" on pages 26 and 27 of this Form 10-Q.

CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Continued)

5. Income Taxes

The Corporation’s effective income tax rate for continuing operations for the nine months ended September 30 was 31.0% in 2003 and 30.8% in 2002. The Corporation’s effective tax rate includes 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, foreign operating earnings and earnings from nonconsolidated investments.

On September 15, 2003, the Corporation filed its required 2002 federal and state income tax returns. The difference between the estimated income tax expense reflected in the audited consolidated financial statements for the year ended December 31, 2002 and the actual income tax expense as filed was not significant. The federal statute of limitations for assessment is closed for all years through and including 1999. The Corporation’s tax years subject to federal examination are 2000 through 2003.

The effective income tax rate for discontinued operations for the nine months ended September 30, 2003 and 2002 was 41.2% and 57.5%, respectively. The 2002 rate includes the permanent differences associated with the write off of nondeductible goodwill related to certain divestitures.

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.

The Corporation reached agreement on a successor collective bargaining agreement at its Manistee, Michigan facility during the third quarter of 2003. There was no work stoppage and the new agreement expires in August, 2007.

CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Continued)

7. Stock-Based Compensation

The Corporation has stock-based compensation plans for employees and directors which are accounted for under the intrinsic value method prescribed by APB Opinion 25, *Accounting for Stock Issued to Employees*, and related Interpretations. The following table illustrates the effect on net earnings and earnings per share if the Corporation had applied the fair value recognition provisions of Statement of Financial Accounting Standards No. 123, *Accounting for Stock-Based Compensation*:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2003	2002	2003	2002
				(Restated)
Net earnings, as reported	$45,520	$38,925	$64,278	$70,228
Add: Stock-based compensation expense included in reported net earnings, net of related tax effects	373	125	1,005	250
Deduct: Total stock-based compensation expense determined under fair value for all awards, net of related tax effects	(1,644)	(1,927)	(4,052)	(5,074)
Pro forma net earnings	$44,249	$37,123	$61,231	$65,404
Earnings per share:				
Basic-as reported	$ 0.93	$ 0.80	$ 1.31	$ 1.45
Basic-pro forma	$ 0.90	$ 0.76	$ 1.25	$ 1.34
Diluted-as reported	$ 0.93	$ 0.80	$ 1.31	$ 1.44
Diluted-pro forma	$ 0.90	$ 0.76	$ 1.25	$ 1.34

8. Adoption of Statement of Financial Accounting Standards No. 143, *Accounting for Asset Retirement Obligations*

Effective January 1, 2003, the Corporation adopted Statement of Financial Accounting Standards No. 143, *Accounting for Asset Retirement Obligations* ("FAS 143"). FAS 143 requires the recognition of the fair value of a legally enforceable liability representing an asset retirement obligation in the period in which it is incurred. A corresponding amount is capitalized as part of the asset's carrying amount. The asset retirement obligation is recorded at the acquisition date of a long-lived tangible asset if the fair value can be reasonably estimated. The Corporation incurs reclamation obligations as part of its aggregates mining process. Prior to the adoption of FAS 143, the Corporation generally expensed reclamation obligations in the period in which they were incurred.

CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Continued)

8. Adoption of Statement of Financial Accounting Standards No. 143, *Accounting for Asset Retirement Obligations* (Continued)

The provisions of FAS 143 require the projected estimated reclamation obligation to include a market risk premium which represents the amount an external party would charge for bearing the uncertainty of guaranteeing a fixed price today for performance in the future. However, due to the average remaining quarry life exceeding 60 years on average at current production rates and the nature of quarry reclamation work, the Corporation believes that it is impractical for external parties to agree to a fixed price today. Therefore, a market risk premium has not been included in the reclamation liabilities.

The estimated future reclamation obligations have been discounted to their present value and are being accreted to their projected future obligations. Additionally, the fixed assets recorded concurrently with the liabilities are being depreciated over the period until reclamation activities are expected to occur. The accretion and depreciation expenses are included in other operating income and expenses on the consolidated statements of earnings.

The cumulative effect of adopting FAS 143 was a charge of $6.9 million, or $0.14 per diluted share, which is net of a $4.5 million income tax benefit.

For the quarter ended September 30, 2003, the Corporation recorded accretion and depreciation expense related to FAS 143 of $0.6 million, which reduced earnings from continuing operations and net earnings by $0.4 million, or $0.01 per diluted share. For the nine months ended September 30, 2003, the Corporation recorded accretion and depreciation expense related to FAS 143 of $1.5 million, which reduced earnings from continuing operations and net earnings by $0.9 million, or $0.02 per diluted share.

The following shows the changes in the asset retirement obligation (amounts in thousands):

	Quarter Ended September 30, 2003	Nine Months Ended September 30, 2003
Balance at beginning of period	$18,557	$18,122
Accretion expense	259	777
Liabilities incurred	660	763
Liabilities settled	—	(186)
Balance at end of period	$19,476	$19,476

CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Continued)

8. Adoption of Statement of Financial Accounting Standards No. 143, *Accounting for Asset Retirement Obligations* (Continued)

The following pro forma information presents the results of operations, excluding the cumulative effect of the accounting change for FAS 143, and the asset retirement obligation as if FAS 143 had been adopted on January 1, 2002 (amounts in thousands, except per share amounts):

	Quarter Ended September 30, 2002	Nine Months Ended September 30, 2002
Earnings from continuing operations before cumulative effect of change in accounting principle	$38,528	$72,469
Net earnings	$38,642	$69,368
Earnings per diluted share from continuing operations before cumulative effect of change in accounting principle	$ 0.79	$ 1.48
Net earnings per diluted share	$ 0.79	$ 1.42

	Asset Retirement Obligation
Balance at January 1, 2002	$17,096
Balance at December 31, 2002	$18,122

9. Accounting Changes

In July 2002, the Financial Accounting Standards Board ("FASB") issued Statement of Financial Accounting Standards No. 146, *Obligations Associated with Disposal Activities* ("FAS 146"). FAS 146 requires that a liability for a disposal obligation be recognized and measured at its fair value when it is incurred, including severance pay and other obligations. FAS 146 is effective for disposal activities initiated after December 31, 2002. The adoption of FAS 146 had no impact on the Corporation's net earnings or financial position.

In November 2002, the FASB issued Interpretation No. 45, *Guarantor's Accounting and Disclosure Requirements for Guarantees, Including Indirect Guarantees of Indebtedness of Others* ("FIN 45"). FIN 45 requires that upon issuance of certain guarantees, the guarantor must recognize a liability for the fair value of the obligation it assumes under the guarantee. FIN 45 also enhances the disclosures of certain types of guarantees. The recognition provisions of FIN 45 were effective for guarantees issued or modified after December 31, 2002. The Corporation, through its Magnesia Specialties division, is a 50% member of a limited liability company. Each of the two members of the limited liability company has guaranteed 50% of its debt, each up to a maximum of $7.5 million based on repayment obligations under a loan facility. At September 30, 2003, the Corporation has recorded a liability of $6.5 million, which reflects its expected future contributions to the limited liability company to repay the debt.

CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Continued)

9. Accounting Changes (Continued)

In January 2003, the FASB issued Interpretation No. 46, *Consolidation of Variable Interest Entities* ("FIN 46"). FIN 46 requires a new approach in determining if a reporting entity consolidates certain legal entities referred to as variable interests entities ("VIEs"), including joint ventures, limited liability corporations and equity investments. A VIE is an entity in which the equity investors do not have a controlling interest or which has insufficient resources to finance the entity's activities without receiving additional financial support from the other parties. Under FIN 46, consolidation of a VIE is required by the investor with the majority of the variable interests in the entity. FIN 46 is effective immediately for variable interests in VIEs created after January 31, 2003 and December 31, 2003 for variable interests in VIEs acquired prior to February 1, 2003. The adoption of FIN 46 is not expected to be material to the Corporation's financial position or results of operations.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS
Third Quarter and Nine Months Ended September 30, 2003 and 2002

OVERVIEW Martin Marietta Materials, Inc. (the "Corporation"), operates in two principal business segments: aggregates products and magnesia-based products. The Corporation's net sales and earnings are predominately derived from its aggregates segment, which processes and sells granite, limestone, and other aggregates-related products from a network of approximately 340 quarries, distribution facilities and plants in 28 states in the southeastern, southwestern, 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 magnesia-based chemicals products used in industrial, agricultural and environmental applications, and dolomitic lime sold primarily to customers in the steel industry.

CRITICAL ACCOUNTING POLICIES The Corporation outlined its critical accounting policies in its Annual Report on Form 10-K for the year ended December 31, 2002, filed with the Securities and Exchange Commission on March 27, 2003.

Pension Expense-Selection of Assumptions. The discount rate assumption selected at December 31, 2002 for the Corporation's defined benefit pension plans was 6.75%. This assumption, combined with certain other assumptions and actual results for 2002, resulted in the Corporation recording a minimum pension liability of $12.2 million, which required a direct charge to shareholders' equity at December 31, 2002 of $7.4 million, net of taxes. Pension expense for 2003, which is determined using the same assumptions, is estimated to be approximately $15.1 million for the year, representing an increase of $4.5 million over 2002 pension expense. In 2003, the average yield on high quality bonds, which is the basis of the discount rate assumption, has decreased approximately 50 basis points. If the discount rate selected at December 31, 2003 is 6.25%, and assuming an actual return on assets for the year of 8%, the Corporation expects the minimum pension liability to increase by approximately $8 million at December 31, 2003. This would require a net after-tax charge to shareholders' equity of approximately $5 million for 2003. Any difference in the actual return on assets for the year as compared to 8% will impact the minimum pension liability, with a higher return resulting in a lower liability and vice versa. The discount rate at December 31, 2003 and the actual return on pension assets for the year then ended will be factors in determining 2004 pension expense.

Asset Retirement Obligations – Selection of Assumptions and Estimates. Effective January 1, 2003, the Corporation adopted Statement of Financial Accounting Standards No. 143, *Accounting for Asset Retirement Obligations* ("FAS 143"). This pronouncement requires recognition of a liability that represents an asset retirement obligation in the period in which it is incurred if a reasonable estimate of fair value can be made. A corresponding amount is capitalized as part of the fixed asset. FAS 143 is limited to obligations that are legally enforceable, whether due to law or statute, an oral or written contract, or under the doctrine of promissory estoppel. The Corporation, through its Aggregates segment, incurs reclamation obligations at most of its quarries.

The selection of asset retirement obligations as a critical accounting policy is due to the significant assumptions and estimates made by management in determining the asset retirement liability and the cumulative effect of the change in accounting principle. Further, the adoption of FAS 143 will result in additional depreciation expense and accretion expense annually.

The significant assumptions and estimates required in the adoption of FAS 143 include the following:

- *Year quarry is expected to close*. The estimated year of closure is when final reclamation occurs and is generally based on the remaining years of mineral reserves or the expiration of a lease. It is highly speculative to determine the year of closure of a quarry because changes in demand, the ability to extract additional mineral reserves or renewing a lease can affect the year of closure. On average, the Corporation has greater than 60 years of mineral reserves at its quarries based on current production rates.

- *Total current reclamation costs.* The Corporation has not closed many locations in its history. State performance bonding requirements and management's experience and knowledge of the industry were used to estimate current reclamation costs.

- *Inflation Rate.* The inflation rate is applied to total current reclamation costs to estimate the reclamation costs at the time the quarries are closed. The Corporation assumed an annual inflation rate of 3%.

- *Discount Rate*. The estimated reclamation costs at the closing year were discounted back to January 1, 2003 to determine the initial asset retirement obligation. Further, the reclamation costs were discounted back to the year that the quarry was either initially mined or acquired to determine the initially recorded fixed asset. The discount rate should represent the Corporation's credit-adjusted, risk-free rate of interest. This credit-adjusted, risk-free rate of interest for the Corporation ranged from 5.50% to 7.00%, depending on the term of the debt, for a period of ten to thirty years, respectively. The discount rate used in management's estimate of reclamation cost was matched to the year a quarry was expected to close.

Using these estimates and assumptions, the cumulative effect of the change in accounting principle, fixed asset, accumulated depreciation and the asset retirement obligation were calculated for each of the Corporation's locations that have an asset retirement obligation. At January 1, 2003, the following amounts were recorded in connection with the adoption of FAS 143:

Cumulative effect of change in accounting principle	$ 6.9 million
Net deferred tax asset	$ 4.5 million
Net fixed asset	$ 6.2 million
Asset retirement obligation	$17.6 million

Subsequent to the adoption of FAS 143, the Corporation will recognize annual depreciation expense, currently estimated at approximately $0.8 million, related to the fixed assets. Further, the Corporation will recognize annual accretion expense, currently estimated at approximately $1.0 million, as the asset retirement obligation is accreted to its future value. The assumptions and estimates related to FAS 143 will be updated as facts and circumstances change. Any changes will affect annual depreciation and accretion expenses.

RESULTS OF OPERATIONS Consolidated net sales for the quarter were $450.1 million, an increase of 7.7 percent over 2002 third quarter net sales of $417.8 million. Consolidated earnings from operations for the quarter increased 9.0 percent and were $74.7 million as compared to $68.5 million in the third quarter 2002. Earnings for the quarter were positively affected by increases in aggregates shipments in the majority of the Corporation's markets coupled with pricing increases. Improved operating efficiency favorably affected aggregates production costs resulting in cost per ton declining about 1 percent as compared to the prior year quarter. Interest expense decreased 2 percent to $10.9 million for the third quarter 2003. Other nonoperating income and expenses, net, was income of $1.5 million compared to an expense of $0.6 million in the prior year. Consolidated after-tax earnings from continuing operations for the quarter were $45.5 million, or $0.93 per diluted share, compared to $38.8 million, or $0.80 per diluted share, in the third quarter 2002.

In 2002 and 2003, the Corporation divested of certain nonstrategic operations within its Aggregates operating segment with the 2003 divestitures being uncertain as of December 31, 2002. As such, the Corporation had a continuing financial interest in this certain group of assets and the related market served by these operations during 2002 and through the 2003 date of disposal. In the first quarter 2003, the divestiture resulted in discontinued operations. The results of operations for this and other divestitures through the dates of disposal and any gains or losses on disposals are included in "(Loss) Earnings from discontinued operations" on the consolidated statements of earnings. The results of discontinued operations during the quarter and nine months ended September 30, 2002 have been reclassified, as required, to conform to the 2003 presentation. For the quarter ended September 30, the discontinued operations included net sales of $4.4 million and $11.4 million in 2003 and 2002, respectively, and a pretax loss of $0.1 million in 2003 and a pretax gain of $0.4 million in 2002. The pretax loss for the quarter ended September 30, 2003 included net losses on disposal of $0.7 million. The pretax gain for the quarter ended September 30, 2002 included a gain on disposal of $0.4 million.

Net earnings for the quarter ended September 30 were $45.5 million, or $0.93 per diluted share, in 2003 and $38.9 million, or $0.80 per diluted share, in 2002.

Consolidated net sales for the first nine months of 2003 were $1.14 billion compared to $1.10 billion for the year-earlier period. On a year-to-date basis, consolidated earnings from operations were $135.0 million in 2003 compared with $148.5 million in 2002. Other nonoperating income and expenses, net, was income of $1.2 million in 2003 and an expense of $9.0 million in 2002. Interest expense decreased 5 percent to $31.9 million in 2003 as compared to the prior year. Consolidated earnings from continuing operations for the nine months ended September 30 were $72.0 million, or $1.47 per diluted share, in 2003 compared to $73.3 million, or $1.50 per diluted share, in 2002.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS
Third Quarter and Nine Months Ended September 30, 2003 and 2002
(Continued)

For the nine months ended September 30, the discontinued operations included net sales of $17.7 million and $43.7 million in 2003 and 2002, respectively, and a pretax loss of $1.4 million in 2003 and a pretax gain of $19.8 million in 2002. For the nine months ended September 30, the discontinued operations had a net loss on disposal of $0.8 million in 2003 and a net gain on disposal of $22.4 million in 2002.

During the first quarter 2003, the Corporation recorded a $6.9 million, or $0.14 per diluted share, net charge as the cumulative effect of an accounting change related to the adoption of FAS 143. The first nine months of 2002 were restated to reflect the $11.5 million, or $0.23 per diluted share, charge recorded as the cumulative effect of an accounting change related to the adoption of Statement of Financial Accounting Standards No. 142, *Goodwill and Other Intangible Assets.* Consolidated net earnings for the first nine months were $64.3 million, or $1.31 per diluted share, in 2003 as compared to $70.2 million, or $1.44 per diluted share, in 2002.

Except as indicated, the following comparative analysis in the Results of Operations section of this Management's Discussion and Analysis of Financial Condition and Results of Operations is based on results from continuing operations.

Net sales for the Aggregates division were $428.1 million for the third quarter of 2003, a 7.0 percent increase over third quarter 2002 net sales of $399.9 million. Aggregates volume at heritage locations was up 6.0 percent while pricing increased 2.0 percent at heritage locations. Inclusive of acquisitions and divestitures, aggregates pricing increased 2.3 percent and aggregates shipments increased 4.2 percent. Gross margin for the division was 23.7 percent in 2003 compared with 23.6 percent in the year-earlier period, with an increase in the aggregates product line being partially offset by a decrease in the asphalt product line.

The following tables present volume and pricing data and shipments data for heritage operations, acquisitions and discontinued operations:

	Three Months Ended September 30, 2003		Nine Months Ended September 30, 2003	
	Volume	Pricing	Volume	Pricing
Volume/Pricing Variance (1)				
Heritage Aggregates Operations (2)	6.0%	2.0%	0.2%	1.9%
Aggregates Division(3)	4.2%	2.3%	(1.2%)	2.3%

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2003	2002	2003	2002
Shipments (tons in thousands)				
Heritage Aggregates Operations (2)	54,891	51,794	137,241	136,945
Acquisitions	1,468	1,528	4,128	2,035
Divestitures (4)	346	1,104	1,179	5,246
Aggregates Division(3)	56,705	54,426	142,548	144,226

(1) *Volume/pricing variances reflect the percentage increase/(decrease) from the comparable period in the prior year.*

(2) *Heritage aggregates operations exclude acquisitions that have not been included in prior-year operations for a full year and divestitures.*

(3) *Aggregates division includes all acquisitions from the date of acquisition and divested operations through the dates of divestiture.*

(4) *Divestitures include the tons related to divested operations up to the dates of divestiture.*

Selling, general and administrative expenses as a percentage of net sales declined from 6.8 percent in the third quarter of 2003 to 6.5 percent in the prior year quarter. The change reflected operating efficiencies and overhead cost reductions from the recent restructuring of the Aggregates business partially offset by increased pension and healthcare costs. The Aggregates division's earnings from operations were $74.0 million in the third quarter of 2003 as compared to $67.3 million in the third quarter of 2002.

The Aggregates division's business is significantly affected by seasonal changes and other weather-related conditions. Consequently, the Aggregates division's production and shipment levels coincide with general construction activity levels, most of which occur in the division's markets typically during the spring, summer, and fall seasons. Further because of the potentially significant impact of weather on the Corporation's operations, nine month results are not indicative of expected performance for the year.

Magnesia Specialties' third quarter net sales of $22.0 million increased 23 percent when compared to the year-earlier period as the division generated increased sales from water treatment products, a new product line for the pulp and paper industry and strong lime shipments. The earnings from operations for the third quarter were $0.8 million for 2003 as compared to $1.3 million in 2002, primarily due to higher natural gas prices. For the nine months ended September 30, net sales were $63.9 million and $56.3 million in 2003 and 2002, respectively. Earnings from operations for the first nine months were $2.9 million in 2003 and $4.2 million in 2002.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND
RESULTS OF OPERATIONS
Third Quarter and Nine Months Ended September 30, 2003 and 2002
(Continued)

The following tables present net sales, gross profit, selling, general and administrative expenses, and earnings from operations data for the Corporation and each of its divisions for the three months and nine months ended September 30, 2003 and 2002. 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.

Earnings from operations include research and development expense and other operating income and expenses. Research and development expense for the Corporation was $245,000 and $12,000 for the quarter ended September 30, 2003 and 2002, respectively. Other operating income and expenses, net, for the Corporation, was income of $424,000 and $65,000 for the quarter ended September 30, 2003 and 2002, respectively.

For the nine months ended September 30, 2003 and 2002, research and development expense for the Corporation was $415,000 and $232,000, respectively. Other operating income and expenses, net, for the Corporation, was an expense of $1,936,000 and income of $620,000 for the nine months ended September 30, 2003 and 2002, respectively.

	Three Months Ended September 30			
	2003		2002	
	Amount	% of Net Sales	Amount	% of Net Sales
	(Dollars in Thousands)			
Net sales:				
Aggregates	$428,130	100.0	$399,935	100.0
Magnesia Specialties	21,961	100.0	17,840	100.0
Total	$450,091	100.0	$417,775	100.0
Gross profit:				
Aggregates	$101,534	23.7	$ 94,526	23.6
Magnesia Specialties	2,604	11.9	2,797	15.7
Total	$104,138	23.1	$ 97,323	23.3
Selling, general & administrative expenses:				
Aggregates	$ 27,845	6.5	$ 27,369	6.8
Magnesia Specialties	1,750	8.0	1,464	8.2
Total	$ 29,595	6.6	$ 28,833	6.9
Earnings from operations:				
Aggregates	$ 73,952	17.3	$ 67,278	16.8
Magnesia Specialties	770	3.5	1,265	7.1
Total	$ 74,722	16.6	$ 68,543	16.4

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS
Third Quarter and Nine Months Ended September 30, 2003 and 2002
(Continued)

	Nine Months Ended September 30			
	2003		2002	
	Amount	% of Net Sales	Amount	% of Net Sales
	(Dollars in Thousands)			
Net sales:				
Aggregates	$1,072,804	100.0	$1,043,972	100.0
Magnesia Specialties	63,894	100.0	56,264	100.0
Total	$1,136,698	100.0	$1,100,236	100.0
Gross profit:				
Aggregates	$ 217,539	20.3	$ 224,353	21.5
Magnesia Specialties	8,419	13.2	8,923	15.9
Total	$ 225,958	19.9	$ 233,276	21.2
Selling, general & administrative expenses:				
Aggregates	$ 83,326	7.8	$ 80,653	7.7
Magnesia Specialties	5,275	8.3	4,552	8.1
Total	$ 88,601	7.8	$ 85,205	7.7
Earnings from operations:				
Aggregates	$ 132,091	12.3	$ 144,297	13.8
Magnesia Specialties	2,915	4.6	4,162	7.4
Total	$ 135,006	11.9	$ 148,459	13.5

Interest expense was $10.9 million in the third quarter 2003, compared to $11.2 million in the third quarter of 2002, primarily due to lower average outstanding debt offset by lower capitalized interest. Additionally, the impact of interest rate swaps was more favorable in the third quarter of 2002.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS
Third Quarter and Nine Months Ended September 30, 2003 and 2002
(Continued)

Other nonoperating income and expenses, net, for the quarter ended September 30, was income of $1.5 million in 2003 compared with $0.6 million in expense in 2002. In addition to other offsetting amounts, other income and expenses, net, is comprised generally of interest income, gains and losses related to certain amounts receivable, costs associated with the commercialization of certain new technologies and net equity earnings from nonconsolidated investments. For the quarter ended September 30, 2003, the amount included income related to nonrecurring settlements and $1.7 million of start-up costs related to the structural composites business. For the nine months ended September 30, 2003, the amount included structural composites business start-up costs of $3.3 million. For the nine months ended September 30, 2002, the amount included $6.6 million of expenses related to legal settlements and to reserve an investment related to certain microwave technologies. During the nine months ended September 30, the Corporation wrote off net customer bad debts of approximately $2.2 million and $1.6 million in 2003 and 2002, respectively. In 2003, $1.8 million of the net write offs were applied against the allowance for doubtful accounts while net write offs in 2002 were charged to expense. At September 30, 2003, management considers the allowance for doubtful accounts to be adequate.

The Corporation reached agreement on a successor collective bargaining agreement at its Manistee, Michigan facility during the third quarter of 2003. There was no work stoppage and the new agreement expires in August, 2007.

LIQUIDITY AND CAPITAL RESOURCES Net cash flow provided by operating activities during the nine months ended September 30, 2003 was $171.4 million compared with $132.3 million in the comparable period of 2002. The cash flow for both 2003 and 2002 was principally from earnings, before deducting depreciation, depletion and amortization, offset by working capital requirements. Depreciation, depletion and amortization was as follows (amounts in millions):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2003	**2002**	**2003**	**2002**
Depreciation	$32.4	$31.2	$ 94.9	$ 93.5
Depletion	1.5	1.6	4.0	4.5
Amortization	1.9	1.8	4.9	5.0
	$35.8	$34.6	$103.8	$103.0

Net cash flow provided by operating activities increased in 2003 due to the timing of income tax payments and inventory control measures partially offset by higher pension plan contributions and higher accounts receivable.

The seasonal nature of the construction aggregates business impacts quarterly net cash provided by operating activities when compared with the year. Full year 2002 net cash provided by operating activities was $203.6 million, compared with $132.3 million provided by operations in the first nine months of 2002.

Capital expenditures, exclusive of acquisitions, for the first nine months were $82.4 million in 2003 and $109.3 million in 2002. Comparable full-year capital expenditures were $152.7 million in 2002.

In May 2003, the Corporation terminated the interest rate swap agreements that it had entered into in May, 2002 and received a cash payment of $12.6 million, which represented the fair value of the Swaps on the date of termination. The Corporation also received accrued interest of $2.1 million, which represented the difference in the interest rate between the fixed interest received and the variable interest paid from the previous interest payment date to the termination date. In accordance with generally accepted accounting principles, the carrying amount of the related Notes on the date of termination, which includes adjustments for changes in the fair value of the debt while the Swaps were in effect, will be accreted back to its par value over the remaining life of the Notes. The accretion will decrease annual interest expense by approximately $2 million until the maturity of the Notes in 2008.

In August 2003, the Corporation entered into interest rate swap agreements (the "Swaps") for interest related to $100 million of the $200 million Notes due in 2008. The Corporation will receive a 5.875% fixed annual interest rate and pay a floating annual rate equal to six-month London Inter Bank Offer Rate ("LIBOR") plus 1.50%. The critical terms of the Swaps and the related Notes agree and other conditions of Statement of Financial Accounting Standards No. 133 *Accounting for Derivative Instruments and Hedging Activities* ("FAS 133") have been met; accordingly, the hedge is considered perfectly effective and qualifies for the shortcut method of accounting. The Corporation is required to record the fair value of the Swaps and the corresponding change in the fair value of the related Notes in its consolidated balance sheet. At September 30, 2003, the fair value of the Swaps was $3.5 million. See Item 3, "Quantitative and Qualitative Disclosures About Market Risk" on pages 26 and 27 of this Form 10-Q.

The Corporation declared a $0.03 per share increase in its regular quarterly dividend to $0.18 per share effective for the dividend paid on June 30, 2003. The increased dividend on an annual basis is $0.72 per share and is expected to require additional cash of $6 million on an annual basis at the current level of outstanding common shares.

The Corporation continues to rely upon internally generated funds and access to capital markets, including its revolving credit agreement, a cash management facility and a leasing line of credit to meet its liquidity requirements, finance its operations and fund its capital requirements.

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, fund pension contributions and allow for payment of dividends in 2003.

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-2" by Standard & Poor's and "P-2" by Moody's. In July 2001, Standard and Poor's revised its outlook for the Corporation to negative from stable while reaffirming its ratings. 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.

Contractual Obligations

In 2003, the Corporation entered into new equipment operating leases with aggregate future commitments of $19.9 million. The Corporation intends to continue entering into operating leases, primarily for mobile equipment, in its ordinary course of business. The Corporation also enters into equipment rentals on a regular basis to meet shorter term, nonrecurring and intermittent needs.

The Corporation made contributions of $19.1 million to the pension plan during the third quarter. Total pension plan contributions during 2003 are expected to be approximately $21 million.

ACCOUNTING CHANGES The accounting changes that currently impact the Corporation are included in Notes 8 and 9 to the Consolidated Financial Statements.

OUTLOOK 2003 The outlook for the Aggregates business for the remainder of 2003 hinges primarily on weather conditions in the fourth quarter. Assuming moderate conditions, the Corporation expects it customers to continue to work against backlogs, which should generate positive operating results. Management expects fourth quarter 2003 net earnings to range from $0.45 to $0.60 per diluted share.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS
Third Quarter and Nine Months Ended September 30, 2003 and 2002
(Continued)

OTHER MATTERS If you are interested in Martin Marietta Materials, Inc. stock, management recommends that, at a minimum, you read the Corporation's current annual report and 10-K, 10-Q and 8-K reports to the SEC over the past year. The Corporation's recent proxy statement for the annual meeting of shareholders also contains important information. These and other materials that have been filed with the SEC are accessible through the Corporation's Web site at www.martinmarietta.com and are also available at the SEC's Web site at www.sec.gov. You may also write or call the Corporation's Corporate Secretary, who will provide copies of such reports.

Investors are cautioned that all statements in this Quarterly Report that relate to the future involve risks and uncertainties, and are based on assumptions that the Corporation believes in good faith are reasonable but which may be materially different from actual results. Forward-looking statements give the investor our expectations or forecasts of future events. You can identify these statements by the fact that they do not relate only to historical or current facts. They may use words such as "anticipate," "estimate," "expect," "project," "intend," "plan," "believe," and other words of similar meaning in connection with future events or future operating or financial performance. Any or all of our forward-looking statements here and in other publications may turn out to be wrong.

Factors that the Corporation currently believes could cause actual results to differ materially from the forward-looking statements in this Quarterly Report on Form 10-Q include, but are not limited to, business and economic conditions and trends in the markets the Corporation serves; the level and timing of federal and state transportation funding; levels of construction spending in the markets the Corporation serves; unfavorable weather conditions; ability to recognize increased sales and quantifiable savings from internal expansion projects; ability to successfully integrate acquisitions quickly and in a cost-effective manner and achieve anticipated profitability; fuel costs; transportation costs; competition from new or existing competitors; successful development and implementation of the structural composite technological process and strategic products for specific market segments; unanticipated costs or other adverse effects associated with structural composite revenue levels, products pricing, and cost associated with manufacturing ramp-up; the financial strength of the structural composite customers and suppliers; business and economic conditions and trends in the trucking and composites industries in various geographic regions; possible disruption in commercial activities related to terrorist activity and armed conflict, such as reduced end-user purchases relative to expectations; and other risk factors listed from time to time found in the Corporation's filings with the Securities and Exchange Commission. Other factors besides those listed here may also adversely affect the Corporation, and may be material to the Corporation. The Corporation assumes no obligation to update any such forward-looking statements.

INVESTOR ACCESS TO COMPANY FILINGS Shareholders may obtain, without charge, a copy of Martin Marietta Materials' Annual Report on Form 10-K, as filed with the Securities and Exchange Commission for the fiscal year ended December 31, 2002, by writing to:

Martin Marietta Materials, Inc.
Attn: Corporate Secretary
2710 Wycliff Road
Raleigh, North Carolina 27607-3033

Additionally, Martin Marietta Materials' Annual Report, press releases and filings with the Securities and Exchange Commission, including Forms 10-K, 10-Q, 8-K and 11-K, can generally be accessed via the Corporation's Web site. Filings with the Securities and Exchange Commission accessed via the Web site are available through a link with the Electronic Data Gathering, Analysis, and Retrieval ("EDGAR") system. Accordingly, access to such filings is available upon EDGAR placing the related document in its database. Investor relations contact information is as follows:

Telephone: (919) 783-4658
Email: investors@martinmarietta.com
Web site address: www.martinmarietta.com

Item 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

The Corporation's operations are highly dependent upon the interest rate-sensitive construction and steelmaking industries. Consequently, these marketplaces could experience lower levels of economic activity in an environment of rising interest rates or escalating costs. Aside from these inherent risks from within its operations, the Corporation's earnings are affected also by changes in short-term interest rates, as a result of its temporary cash investments, including overnight investments in Eurodollars; outstanding commercial paper obligations; interest rate swaps; and defined benefit pension plans.

Commercial Paper Obligations. The Corporation has a $275 million commercial paper program in which borrowings bear interest at a variable rate based on LIBOR. At September 30, 2003, there were no outstanding commercial paper borrowings. Due to commercial paper borrowings bearing interest at a variable rate, there is interest rate risk when such debt is outstanding.

Interest Rate Swaps. In August 2003, the Corporation entered into interest rate swap agreements (the "Swaps") for interest related to $100 million of the $200 million Notes due in 2008 to increase the percentage of its long-term debt that bears interest at a variable rate. The Swaps are fair value hedges designed to hedge against changes in the fair value of the Notes due to changes in LIBOR, the designated benchmark interest rate. The terms of the Swaps include the Corporation receiving a fixed annual interest rate of 5.875% and paying a variable annual interest rate based on six-month LIBOR plus 1.50%.

The Corporation is required to record the fair value of the Swaps and the change in the fair value of the related Notes in its consolidated balance sheet. In accordance with Statement of Financial Accounting Standards No. 133, *Accounting for Derivative Instruments and Hedging Activities,* no gain or loss is recorded for the changes in fair values. At September 30, 2003, the fair market value of the Swaps is $3.5 million.

As a result of the Swaps, the Corporation has increased interest rate risk associated with changes in the LIBOR rate. A hypothetical decrease in interest rates of 1% would decrease annual interest expense by $1 million and also increase the fair market value of the debt covered by the Swaps by approximately $4.5 million. A hypothetical increase in interest rates of 1% would increase annual interest expense by $1 million and also decrease the fair market value of the debt covered by the Swaps by approximately $5.6 million.

Pension Expense. The Corporation sponsors noncontributory defined benefit pension plans which cover substantially all employees. Therefore, the Corporation's results of operations are affected by its pension expense. Assumptions that affect this expense include the discount rate and the expected long-term rate of return on assets. The selection of the discount rate is based on the yields on high quality, fixed income investments. The selection of the expected long-term rate of return on assets is based on general market conditions and related returns on a portfolio of investments. Therefore, the Corporation has interest rate risk associated with these factors. The impact of hypothetical changes in these assumptions on the Corporation's annual pension expense is discussed in the Corporation's Annual Report on Form 10-K for the year ended December 31, 2002, filed with the Securities and Exchange Commission on March 27, 2003.

Aggregate Interest Rate Risk. The pension expense for 2003 is calculated based on assumptions selected at December 31, 2002. Therefore, interest rate risk in 2003 is limited to the potential effect related to interest rate swaps and outstanding commercial paper. Assuming that no commercial paper is outstanding, which is consistent with the balance at September 30, 2003, the aggregate effect of a hypothetical 1% increase in interest rates would increase interest expense and decrease pretax earnings by $1.0 million.

Item 4. CONTROLS AND PROCEDURES

As of September 30, 2003, an evaluation was performed under the supervision and with the participation of the Corporation’s management, including the Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and the operation of the Corporation’s disclosure controls and procedures. Based on that evaluation, the Corporation’s management, including the Chief Executive Officer and Chief Financial Officer, concluded that the Corporation’s disclosure controls and procedures were effective in ensuring that all material information required to be disclosed is made known to them in a timely manner as of September 30, 2003. Management has made some changes since September 30, 2003 that are designed to improve the Corporation’s internal controls, however, there have been no significant changes in the Corporation’s internal controls or in other factors that could significantly affect the internal controls.

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, 2002.

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

No matters were submitted to a vote of security holders during the third quarter of 2003.

Item 5. Other Information.

On July 23, 2003, the Corporation announced that it will release its financial results for the second quarter and six months ended June 30, 2003 on July 30, 2003.

On July 30, 2003, the Corporation reported its financial results for the second quarter and six months ended June 30, 2003.

On August 20, 2003, the Corporation announced that the Board of Directors had declared a regular quarterly cash dividend of $0.18 per share of the Corporation's common stock. The dividend, which represents a cash payout of $0.72 per share on an annual basis, was payable to shareholders of record at the close of business on August 29, 2003.

On September 19, 2003, the Corporation announced that it did not sustain any significant damage to its quarry operations from Hurricane Isabel and reaffirmed its third quarter earnings guidance of $0.80 to $0.92 per diluted share.

On October 1, 2003, the Corporation announced the election of Dennis L. Rediker to its Board of Directors.

On October 21, 2003, the Corporation announced that it will release its financial results for the third quarter and nine months ended September 30, 2003 on October 30, 2003.

On October 30, 2003, the Corporation reported its financial results for the third quarter and nine months ended September 30, 2003.

PART II- OTHER INFORMATION
(Continued)

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits

Exhibit No.	Document
3.01	Restated Bylaws of the Company, as amended
10.01	Amendment No. 6 to the Martin Marietta Materials, Inc. Incentive Stock Plan
11.01	Martin Marietta Materials, Inc. and Consolidated Subsidiaries Computation of Earnings per Share for the Quarter and Nine Months ended September 30, 2003 and 2002
31.01	Exhibit – Regulation FD Disclosure – Written Statement dated November 13, 2003 of Chief Executive Officer pursuant to Securities and Exchange Act of 1934 rule 13a-14 as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.02	Exhibit – Regulation FD Disclosure – Written Statement dated November 13, 2003 of Chief Financial Officer pursuant to Securities and Exchange Act of 1934 rule 13a-14 as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.01	Exhibit – Regulation FD Disclosure – Written Statement dated November 13, 2003 of Chief Executive Officer required by 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.02	Exhibit – Regulation FD Disclosure – Written Statement dated November 13, 2003 of Chief Financial Officer required by 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

(b) Reports on Form 8-K

During the quarter ended June 30, 2003, the Corporation filed the following current reports on Form 8-K:

Date of Report	Description
July 30, 2003	The Corporation issued a press release announcing financial results for the second quarter and six months ended June 30, 2003.

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:November 13, 2003

By: /s/ JANICE K. HENRY

Janice K. Henry
Senior Vice President and Chief
Financial Officer

EXHIBIT INDEX

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EXHIBIT 3.01

MARTIN MARIETTA MATERIALS, INC.

RESTATED BYLAWS

(as of November 13, 2003)

**RESTATED
BYLAWS
OF
MARTIN MARIETTA MATERIALS, INC.**

(Incorporated under the laws of North Carolina, November 12, 1993, and herein referred to as the “Corporation”)

ARTICLE I.

SHAREHOLDERS

Section 1.01. ANNUAL MEETINGS. The Corporation shall hold an annual meeting of the shareholders for the election of directors and the transaction of any business within the powers of the Corporation on such date during the month of May in each year as shall be determined by the Board of Directors or at such time during the year as the Board of Directors may prescribe. Subject to Section 1.12 of these Bylaws, any business of the Corporation may be transacted at such annual meeting. Failure to hold an annual meeting at the designated time shall not, however, invalidate the corporate existence or affect otherwise valid corporate acts.

Section 1.02. SPECIAL MEETINGS. The power to call a special meeting of the shareholders of the Corporation shall be governed by Article 9 of the Corporation’s Restated Articles of Incorporation, as such provision may be amended from time to time.

Section 1.03. PLACE OF MEETINGS. All meetings of shareholders shall be held at such place within the United States as may be designated in the Notice of Meeting.

Section 1.04. NOTICE OF MEETINGS. Not less than ten (10) days nor more than sixty (60) days before the date of every shareholders’ meeting, the Secretary shall give to each shareholder entitled to vote at such meeting and each other shareholder entitled to notice of the meeting, written or printed notice stating the time and place of the meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called, either by mail or by presenting it to him or her personally or by leaving it at his or her residence or usual place of business. If mailed, such notice shall be deemed to be given when deposited in the United States mail addressed to the shareholder at his or her post office address as it appears on the records of the Corporation, with postage thereon prepaid. Any meeting of shareholders, annual or special, may adjourn from time to time without further notice to a date not more than 120 days after the original record date at the same or some other place.

Section 1.05. WAIVER OF NOTICE. Any shareholder may waive notice of any meeting before or after the meeting. The waiver must be in writing, signed by the shareholder and delivered to the Corporation for inclusion in the minutes or filing with the corporate records. A shareholder’s attendance, in person or by proxy, at a meeting (a) waives objection to lack of notice or defective notice of the meeting, unless the shareholder or his proxy at the beginning of the meeting objects to holding the meeting or transacting business at the meeting; and (b) waives objection to consideration of a particular matter at the meeting that is not within the purpose or purposes described in the meeting notice, unless the shareholder or his proxy objects to considering the matter before it is voted upon.

Section 1.06. PRESIDING OFFICER AND SECRETARY AT MEETINGS. At each meeting of shareholders the Chairman of the Board, or in his or her absence the President, or in their absence, the person designated in writing by the Chairman of the Board, or if no person is so designated, then a person designated by the Board of Directors, shall preside as chairman of the meeting; if no person is so designated, then the meeting shall choose a chairman by a majority of all votes cast at a meeting at which a quorum is present. The Secretary, or in the absence of the Secretary, a person designated by the chairman of the meeting, shall act as secretary of the meeting.

Section 1.07. QUORUM. Shares entitled to vote as a separate voting group may take action on a matter at the meeting only if a quorum of those shares exists. A majority of the votes entitled to be cast on the matter by the voting group constitutes a quorum of that voting group for action on that matter.

Once a share is represented for any purpose at a meeting, it is deemed present for quorum purposes for the remainder of the meeting and for any adjournment of that meeting unless a new record date is or must be set for that adjourned meeting.

In the absence of a quorum at the opening of any meeting of shareholders, such meeting may be adjourned from time to time by the vote of a majority of the votes cast on the motion to adjourn; and, subject to the provisions of Section 1.04, at any subsequent session of a meeting that has been adjourned any business may be transacted that might have been transacted at the original meeting if a quorum exists with respect to the matter proposed.

Section 1.08. PROXIES. Shares may be voted either in person or by one or more proxies authorized by a written appointment of proxy signed by the shareholder or by his duly authorized attorney in fact. An appointment of proxy is valid for eleven (11) months from the date of its execution, unless a different period is expressly provided in the appointment form.

Section 1.09. VOTING OF SHARES. Subject to the provisions of the Articles of Incorporation, each outstanding share shall be entitled to one vote on each matter voted on at a meeting of shareholders.

Except in the election of directors as governed by the provisions of Section 2.03, if a quorum exists, action on a matter by a voting group is approved if the votes cast within the voting group favoring the action exceed the votes cast opposing the action, unless a greater vote is required by law or the Articles of Incorporation or these Bylaws.

Absent special circumstances, shares of the Corporation are not entitled to vote if they are owned, directly or indirectly, by another corporation in which the Corporation owns, directly or indirectly, a majority of the shares entitled to vote for directors of the second corporation; provided that this provision does not limit the power of the Corporation to vote its own shares held by it in a fiduciary capacity.

Section 1.10. SHAREHOLDERS' LIST. Before each meeting of shareholders, the Secretary of the Corporation shall prepare an alphabetical list of the shareholders entitled to notice of such meeting. The list shall be arranged by voting group (and within each voting group, by class or series of shares) and show the address of and number of shares held by each shareholder. The list shall be kept on file at the principal office of the Corporation, or at a place identified in the meeting notice in the city where the meeting will be held, for the period beginning two business days after notice of the meeting is given and continuing through the meeting, and shall be available for inspection by any shareholder, his agent or attorney, at any time during regular business hours. The list shall also be available at the meeting and shall be subject to inspection by any shareholder, his agent or attorney, at any time during the meeting or any adjournment thereof.

Section 1.11. INSPECTORS OF ELECTION. In advance of any meeting of shareholders, the Board of Directors may appoint Inspectors of Election to act at such meeting or at any adjournment or adjournments thereof. If such Inspectors are not so appointed or fail or refuse to act, the chairman of any such meeting may (and shall upon the request of shareholders entitled to cast a majority of all the votes entitled to be cast at the meeting) make such appointments. No such Inspector need be a shareholder of the Corporation.

If there are three (3) or more Inspectors of Election, the decision, act or certificate of a majority shall be effective in all respects as the decision, act or certificate of all. The Inspectors of Election shall determine the number of shares outstanding, the voting power of each, the shares represented at the meeting, the existence of a quorum, the authenticity, validity and effect of proxies; shall receive votes, ballots, assents or consents, hear and determine all challenges and questions in any way arising in connection with the vote, count and tabulate all votes, assents and consents, and determine the result; and do such acts as may be proper to conduct the election and the vote with fairness to all shareholders. On request, the Inspectors shall make a report in writing of any challenge, question or matter determined by them, and shall make and execute a certificate of any fact found by them.

Section 1.12. DIRECTOR NOMINATIONS AND SHAREHOLDERS BUSINESS.

(a) *Advance Notice of Nominations of Directors.* Only persons who are nominated in accordance with the provisions set forth in these Bylaws shall be eligible to be elected as directors at an annual or special meeting of shareholders. Nomination for election to the Board of Directors shall be made by the Board of Directors or a Nominating Committee appointed by the Board of Directors.

Nomination for election of any person to the Board of Directors may also be made by a shareholder if written notice of the nomination of such person shall have been delivered to the Secretary of the Corporation at the principal office of the Corporation not less than 60 days nor more than 90 days prior to the first anniversary of the preceding year's annual meeting; provided, however, that in the event that the date of the annual meeting is advanced by more than 30 days or delayed by more than 60 days from such anniversary date, notice by shareholder must be so delivered not earlier than the 90th day prior to such annual meeting and not later than the close of business on the later of the 60th day prior to such annual meeting or the tenth day following the day on which public announcement of the date of such meeting is first made. Each such notice shall set forth: (a) the name and address of the shareholder who intends to make the nomination, the beneficial owner, if any, on whose behalf the nomination is made and of the person or persons to be nominated; (b) the class and number of shares of stock of the Corporation which are owned beneficially and of record by such shareholder and such beneficial owner, and a representation that the shareholder intends to appear in person or by proxy at the meeting to nominate the person or persons specified in the notice; (c) a description of all arrangements or understandings between the shareholder and each nominee and any other person or persons (naming such person or persons) pursuant to which the nomination or nominations are to be made by the shareholder; (d) all other information regarding each nominee proposed by such shareholder as would be required to be included in a proxy statement filed pursuant to the proxy rules of the Securities and Exchange Commission if the nominee had been nominated by the Board of Directors; and (e) the written consent of each nominee to serve as director of the Corporation if so elected. The chairman of the meeting may refuse to acknowledge the nomination of any person not made in compliance with the foregoing procedure.

(b) *Advance Notice of General Matters.* No business shall be transacted at an annual meeting of shareholders, except such business as shall be (a) specified in the notice of meeting given as provided in Section 1.04, (b) otherwise brought before the meeting by or at the direction of the Board of Directors, or (c) otherwise brought before the meeting by a shareholder of record entitled to vote at the meeting, in compliance with the procedure set forth in this Section 1.12. For business to be brought before an annual meeting by a shareholder pursuant to (c) above, the shareholder must have given timely notice in writing to the Secretary. To be timely, a shareholder's notice must be delivered to, or mailed to and received at the principal executive offices of the Corporation not less than 60 days nor more than 90 days prior to the first anniversary of the preceding year's annual meeting; provided, however, that in the event that the date of the annual meeting is advanced by more than 30 days or delayed by more than 60 days from such anniversary date, notice by the shareholder must be so delivered not earlier than the 90th day prior to such annual meeting and not later than the close of business on the later of the 60th day prior to such annual meeting or the tenth day following the day on which public announcement of the date of such meeting is first made. Notice of actions to be brought before the annual meeting pursuant to (c) above shall set forth as to each matter the shareholder proposes to bring before the annual meeting (i) a brief description of the business desired to be brought before the annual meeting and the reasons for brining such business before the annual meeting, (ii) the name and address, as they appear on the Corporation's books, of each shareholder proposing such business, (iii) the classes and number of shares of the Corporation that are owned of record and beneficially by such shareholder, and (iv) any material interest of such shareholder in such business other than his interest as shareholder of the Corporation. Notwithstanding anything in these Bylaws to the contrary, no business shall be conducted at an annual meeting except in accordance with the provisions set forth in this Section 1.12. If the chairman of the annual meeting determines that any business was not properly brought before the meeting in accordance with provisions prescribed by these Bylaws, he shall so declare to the meeting, and to the extent permitted by law, any such business not properly brought before the meeting shall not be transacted.

(c) *General*

For purposes of this Section 1.12, "public announcement" shall mean disclosure in a press release reported by the Dow Jones News Service, Associated Press or comparable news service or in a document publicly filed by the Corporation with the Securities and Exchange Commission pursuant to Sections 13, 14 or 15(d) of the Exchange Act.

Notwithstanding the foregoing provisions of this Section 1.12, a shareholder shall also comply with all applicable requirements of state law and of the Exchange Act and the rules and regulations thereunder with respect to the matters set forth in this Section 1.12. Nothing in this Section 1.12 shall be deemed to affect any rights of shareholders to request inclusion of proposals in the Corporation's proxy statement pursuant to Rule 14a-8 under the Exchange Act.

ARTICLE II.

BOARD OF DIRECTORS

Section 2.01. POWERS. The business and affairs of the Corporation shall be managed under the direction of its Board of Directors. The Board of Directors may exercise all the powers of the Corporation, except such as are by statute or the Articles of Incorporation or the Bylaws conferred upon or reserved to the shareholders.

Section 2.02. NUMBER OF DIRECTORS. The number of directors of the Corporation shall be determined in accordance with Article 5(a) of the Corporation's Restated Articles of Incorporation, as such provision may be amended from time to time. A person is eligible for election as a director for a three-year term only if that term expires not later than December 31 of the calendar year in which such person's 72nd birthday occurs.

Section 2.03. ELECTION OF DIRECTORS. The election of directors of the Corporation shall be governed by Article 5(b) of the Corporation's Restated Articles of Incorporation, as such provision may be amended from time to time.

Section 2.04. CHAIRMAN OF THE BOARD. The Board of Directors shall designate from its membership a Chairman of the Board, who shall have such powers and perform such duties as may be prescribed by these Bylaws and assigned to him or her by the Board of Directors.

Section 2.05. REMOVAL. The removal of directors of the Corporation shall be governed by Article 5(d) of the Corporation's Restated Articles of Incorporation, as such provision may be amended from time to time.

Section 2.06. VACANCIES. Vacancies in the Board of Directors shall be filled in accordance with Article 5(c) of the Corporation's Restated Articles of Incorporation, as such provision may be amended from time to time.

Section 2.07. REGULAR MEETINGS. Regular meetings of the Board of Directors shall be held at such time and place within or without the State of North Carolina as may be designated by the Board of Directors.

Section 2.08. SPECIAL MEETINGS. Special meetings of the Board of Directors may be called at any time, at any place, and for any purpose by the Chairman of the Board, the President, the Chairman of the Executive Committee, or upon the request of a majority of the Board of any officer of the Corporation.

Section 2.09. NOTICE OF MEETINGS. Regular meetings of the Board of Directors may be held without notice. Notice of the place, day, and hour of every special meeting of the Board of Directors shall be given to each director twenty-four (24) hours (or more) before the meeting, by telephoning the notice to such director, or by delivering the notice to him or her personally, or by sending the notice to him or her by telegraph, or by facsimile, or by leaving notice at his or her residence or usual place of business, or, in the alternative, by mailing such notice three (3) days (or more) before the meeting, postage prepaid, and addressed to him or her at his or her last known post office address, according to the records of the Corporation. If mailed, such notice shall be deemed to be given when deposited in the United States mail, properly addressed with postage thereon prepaid. If notice be given by telegram or by facsimile, such notice shall be deemed to be given when the telegram is delivered to the telegraph company or when the facsimile is transmitted. If the notice be given by telephone or by personal delivery, such notice shall be deemed to be given at the time of the communication or delivery. Unless required by law, by these Bylaws or by resolution of the Board of Directors, no notice of any meeting of the Board of Directors, need state the business to be transacted thereat. Any meeting of the Board of Directors, regular or special, may adjourn from time to time to reconvene at the same or some other place, and no further notice need be given of any such adjourned meeting.

Section 2.10. WAIVER OF NOTICE. Any director may waive notice of any meeting before or after the meeting. The waiver must be in writing, signed by the director entitled to the notice and delivered to the Corporation for inclusion in the minutes or filing with the corporate records. A director's attendance at or participation in a meeting waives any required notice of such meeting unless the director at the beginning of the meeting, or promptly upon arrival, objects to holding the meeting or to transacting business at the meeting and does not thereafter vote for or assent to action taken at the meeting.

Section 2.11. TELEPHONE MEETING. Members of the Board, or of any committee thereof, may participate in a meeting by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other at the same time. Participation in this manner shall constitute presence in person at the meeting.

Section 2.12. ACTION WITHOUT MEETING. Action required or permitted to be taken at a meeting of the Board of Directors may be taken without a meeting if the action is taken by all members of the Board. The action must be evidenced by one or more written consents signed by each director before or after such action, describing the action taken, and included in the minutes or filed with the corporate records.

Section 2.13. PRESIDING OFFICER AND SECRETARY AT MEETINGS. Each meeting of the Board of Directors shall be presided over by the Chairman of the Board of Directors or in his or her absence, by the President or if neither is present by such member of the Board of Directors as shall be chosen by the meeting. The Secretary, or in his or her absence, an Assistant Secretary, shall act as secretary of the meeting, or if no such officer is present, a secretary of the meeting shall be designated by the person presiding over the meeting.

Section 2.14. QUORUM AND VOTING. At all meetings of the Board of Directors, one third (1/3) of the Board of Directors, but in no case less than two (2) directors, shall constitute a quorum for the transaction of business. Except in cases in which it is by statute, by the Articles of Incorporation, or by the Bylaws otherwise provided, the vote of a majority of such quorum at a duly constituted meeting shall be sufficient to pass any measure. In the absence of a quorum, the directors present by majority vote and without notice other than by announcement may adjourn the meeting from time to time until a quorum shall be present. At any such adjourned meeting at which a quorum shall be present, any business may be transacted which might have been transacted at the meeting originally notified.

Section 2.15. PRESUMPTION OF ASSENT. A director who is present at a meeting of the Board of Directors or a committee of the Board of Directors when corporate action is taken is deemed to have assented to the action taken unless (a) he objects at the beginning of the meeting, or promptly upon his arrival, to holding it or to transacting business at the meeting, or (b) his dissent or abstention from the action taken is entered in the minutes of the meeting, or (c) he files written notice of his dissent or abstention with the presiding officer of the meeting before its adjournment or with the Corporation immediately after the adjournment of the meeting. Such right of dissent or abstention is not available to a director who votes in favor of the action taken.

Section 2.16. COMPENSATION. The Board of Directors may provide by resolution for the compensation of directors for their services as such and for the payment or reimbursement of any or all expenses incurred by them in connection with such services.

ARTICLE III.

COMMITTEES

Section 3.01. COMMITTEES OF THE BOARD. The Board of Directors may by resolution create an Executive Committee, an Audit Committee, a Nominating Committee and such other committees of the Board and appoint members of the Board of Directors to serve on them. The creation of a committee of the Board and appointment of members to it must be approved by a majority of the number of directors in office when the action is taken. Each committee of the Board must have two or more members and, to the extent authorized by law and specified by the Board of Directors, shall have and may exercise all of the authority of the Board of Directors, shall have and may exercise all of the authority of the Board of Directors in the management of the Corporation, except that a committee may not have such powers or perform such duties as may be (i) inconsistent with law, (ii) inconsistent with the Articles of Incorporation or Bylaws, or (iii) inconsistent with the resolution creating such committee and the authority delegated to it therein. Each committee member serves at the pleasure of the Board of Directors. The provisions in these Bylaws governing meetings, action without meetings, notice and waiver of notice, and quorum and voting requirements of the Board of Directors apply to committees of the Board established under this section.

Section 3.02. MEETINGS OF COMMITTEES. Each committee of the Board of Directors shall fix its own rules of procedure consistent with the provisions of the Board of Directors governing such committee, and shall meet as provided by such rules or by resolution of the Board of Directors, and it shall also meet at the call of its chairman or any two (2) members of such committee. Unless otherwise provided by such rules or by such resolution, the provisions of the article of these Bylaws entitled "Board of Directors" relating to the place of holding and notice required of meetings of the Board of Directors shall govern committees of the Board of Directors. A majority of each committee shall constitute a quorum thereof; provided, however, that in the absence of any member of such committee, the members thereof present at any meeting, whether or not they constitute a quorum, may appoint a member of the Board of Directors to act in the place of such absent member. Except in cases in which it is otherwise provided by the rules of such committee or by resolution of the Board of Directors, the vote of a majority of such quorum at a duly constituted meeting shall be sufficient to pass any measure.

ARTICLE IV.

OFFICERS

Section 4.01. OFFICERS OF THE CORPORATION. The officers of the Corporation shall consist of a President, a Secretary, a Treasurer and such elected Vice-Presidents, Assistant Secretaries, Assistant Treasurers, and other officers as may from time to time be appointed by or under the authority of the Board of Directors. Any two or more offices may be held by the same person, but no officer may act in more than one capacity where action of two or more officers is required.

Section 4.02. APPOINTMENT AND TERM. The officers of the Corporation shall be appointed by the Board of Directors or by a duly appointed officer authorized by the Board of Directors to appoint one or more officers or assistant officers. Each officer shall hold office until his or her death, resignation, retirement, removal, disqualification or his or her successor shall have been appointed.

Section 4.03. PRESIDENT. The President shall be the Chief Executive Officer of the Corporation and shall, in the absence of the Chairman of the Board, preside at all meetings of the shareholders. Subject to the authority of the Board of Directors, he or she shall have general charge and supervision of the Business and affairs of the Corporation. He or she may sign with the Secretary or an Assistant Secretary certificates of stock of the Corporation. He or she shall have the authority to sign and execute in the name of the Corporation all deeds, mortgages, bonds, contracts or other instruments. He or she shall have the authority to vote stock in other corporations, and he or she shall perform such other duties of management as may be prescribed by a resolution or resolutions or as otherwise may be assigned to him or her by the Board of Directors. He or she shall have the authority to delegate such authorization and power as vested in him or her by these Bylaws to some other officer or employee or agent of the Corporation as he or she shall deem appropriate.

Section 4.04. VICE-PRESIDENTS. In the absence of the President or in the event of his or her death, inability or refusal to act, the Vice-Presidents in the order of their length of service, as such, unless otherwise determined by the Board of Directors, shall perform the duties of the President, and when so acting shall have the powers of and be subject to all the restrictions upon the President. In the absence of the Chairman of the Board or the President, any Vice-President may sign, with the Secretary or an Assistant Secretary, certificates for shares of the Corporation; and shall perform such other duties as from time to time may be prescribed by the President or Board of Directors.

Section 4.05. SECRETARY. The Secretary shall keep the minutes of the meetings of the shareholders and of the Board of Directors, in books provided for the purpose; shall see that all notices of such meetings are duly given in accordance with the provisions of the Bylaws of the Corporation, or as required by law; may sign certificates of shares of the Corporation with the Chairman of the Board; shall be custodian of the corporate seal; shall see that the corporate seal is affixed to all documents, the execution of which, on behalf of the Corporation, under its seal, is duly authorized, and when so affixed may attest the same; and in general, shall perform all duties incident to the office of a secretary of a corporation, and such other duties as from time to time may be assigned to the Secretary by the President or the Board of Directors.

Section 4.06. TREASURER. The Treasurer shall have charge of and be responsible for all funds, securities, receipts and disbursements of the Corporation, and shall deposit, or cause to be deposited, in the name of the Corporation, all monies or other valuable effects in such banks, trust companies, or other depositories as shall, from time to time, be selected by the Board of Directors; and in general, shall perform all the duties incident to the office of a treasurer of a corporation, and such other duties as from time to time may be assigned to him or her by the President or the Board of Directors.

Section 4.07. OFFICERS HOLDING TWO OR MORE OFFICES. Any two (2) or more of the above mentioned offices, except those of President and Vice-President, may be held by the same person, but no officer shall execute, acknowledge or verify any instrument in more than one capacity, if such instrument be required by law, by the Articles of Incorporation or by these By-Laws, to be executed, acknowledged or verified by any two (2) or more officers.

Section 4.08. COMPENSATION OF OFFICERS. The compensation of all officers of the Corporation shall be fixed by or under the authority of the Board of Directors, and no officer shall serve the Corporation in any other capacity and receive compensation therefor unless such additional compensation shall be duly authorized. The appointment of an officer does not itself create contract rights.

Section 4.09. RESIGNATIONS. An officer may resign at any time by communicating his or her resignation to the Corporation, orally or in writing. A resignation is effective when communicated unless it specifies in writing a later effective date. If a resignation is made effective at a later date that is accepted by the Corporation, the Board of Directors may fill the pending vacancy before the effective date if the Board provides that the successor does not take office until the effective date.

Section 4.10. REMOVAL. Any officer of the Corporation may be removed, with or without cause, by the Board of Directors, if such removal is determined in the judgment of the Board of Directors to be in the best interests of the Corporation, and any officer of the Corporation duly appointed by another officer may be removed, with or without cause, by such officer.

Section 4.11. BONDS. The Board of Directors may by resolution require any officer, agent, or employee of the Corporation to give bond to the Corporation, with sufficient sureties, conditioned on the faithful performance of the duties of his respective office or position and to comply with such other conditions as may from time to time be required by the Board of Directors.

ARTICLE V.

SHARES

Section 5.01. CERTIFICATES. Each shareholder shall be entitled to a certificate or certificates which shall represent and certify the number and kind of shares owned by such shareholder in the Corporation. Such certificates shall be signed by the Chairman of the Board or the President, or in their absence, any Vice-President, and countersigned by the Secretary or an Assistant Secretary, and sealed with the seal of the Corporation or a facsimile of such seal. Shares certificates shall be in such form, not inconsistent with law or with the charter, as shall be approved by the Board of Directors. When certificates for stock of any class are countersigned by a transfer agent, other than the Corporation or its employee, or by a registrar, other than the Corporation or its employee, any other signature on such certificates may be a facsimile. In case any officer of the Corporation who has signed any certificate ceases to be an officer of the Corporation, whether because of death, resignation or otherwise, before such certificate is issued, the certificate may nevertheless be issued and delivered by the Corporation as if the officer had not ceased to be such officer as of the date of its issue.

Section 5.02. TRANSFER OF SHARES. Shares shall be transferable only on the books of the Corporation by the holder thereof, in person or by duly authorized attorney, upon the surrender of the certificate representing the shares to be transferred, properly endorsed. The Board of Directors shall have power and authority to make such other rules and regulations concerning the issue, transfer and resignation of certificates of stock as it may deem expedient.

Section 5.03. TRANSFER AGENTS AND REGISTRARS. The Corporation may have one (1) or more transfer agents and one(1) or more registrars of its stock, whose respective duties the Board of Directors may, from time to time, define. No certificate of stock shall be valid until countersigned by a transfer agent, if the Corporation has a transfer agent, or until registered by a registrar, if the Corporation has a registrar. The duties of transfer agent and registrar may be combined.

Section 5.04. RECORD DATES. The Board of Directors is hereby empowered to fix, in advance, a date as the record date for the purpose of determining shareholders entitled to notice of, or to vote at, any meeting of shareholders, or shareholders entitled to receive payment of any dividend or the allotment of any rights, or in order to make a determination of shareholders for any other proper purpose. Such date in any case shall be not more than seventy (70) days, and, in the case of a meeting of shareholders, not less than ten (10) days, prior to the date on which the particular action, requiring such determination of shareholders, is to be taken. If a record date is not set and the transfer books are not closed, the record date for the purpose of making any proper determination with respect to shareholders shall be fixed in accordance with applicable law.

Section 5.05. NEW CERTIFICATES. In case any certificate of stock is lost, stolen, mutilated or destroyed, the Board of Directors may authorize the issue of a new certificate in place thereof upon such terms and conditions as it may deem advisable; or the Board of Directors may delegate such power to any officer or officers or agents of the Corporation; but the Board of Directors or such officer or officers, in their discretion, may refuse to issue such new certificate save upon the order of some court having jurisdiction in the premises.

ARTICLE VI.

INDEMNIFICATION

Any person (1) who at any time serves or has served as an officer, employee or a director of the Corporation, or (2) who, while serving as an officer, employee or a director of the Corporation, serves or has served at the request of the Corporation as a director, officer, partner, trustee, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, or as a trustee, other fiduciary or administrator under an employee benefit plan, shall have a right to be indemnified by the Corporation to the fullest extent permitted by law (provided that any employee of the Corporation shall have a right to be indemnified by the Corporation acting in his or her capacity as an employee of the Corporation only upon satisfaction of the standards of conduct for officers and directors set forth in the North Carolina Business Corporation Act) against (a) expenses, including attorneys' fees, incurred by him or her in connection with any threatened, pending or completed civil, criminal, administrative, investigative or arbitrative action, suit or proceeding (and any appeal therein), whether or not brought by or on behalf of the Corporation, seeking to hold him or her liable by reason of the fact that such person is or was acting in such capacity, and (b) payments made by such person in satisfaction of any liability, judgment, money decree, fine (including an excise tax assessed with respect to an employee benefit plan), penalty or settlement for which he or she may have become liable in any such action, suit or proceeding. To the fullest extent from time to time permitted by law, the Corporation agrees to pay the indemnitee's expenses, including attorney's fees and expenses incurred in defending any such action, suit, or proceeding in advance of the final disposition of such action, suit, or proceeding and without requiring a preliminary determination of the ultimate entitlement to indemnification; provided that, the indemnified party first provides the Corporation with (a) a written affirmation of the indemnified party's good faith belief that such party meets the standard of conduct necessary for indemnification under the laws of the State of North Carolina and (b) a written undertaking by or on behalf of such indemnified party to repay the amount advanced if it shall ultimately be determined by a final judicial decision from which there is no further right to appeal that the applicable standard of conduct has not been met. The foregoing rights of the indemnitee hereunder shall inure to the benefit of the indemnitee, whether or not he or she is an officer, director, employee, or agent at the time such liabilities or expenses are imposed or incurred.

The Board of Directors of the Corporation shall take all such action as may be necessary and appropriate to authorize the Corporation to pay the indemnification required by this bylaw, including without limitation, making a determination that indemnification is permissible in the circumstances and a good faith evaluation of the manner in which the claimant for indemnity acted and of the reasonable amount or indemnity due him. The Board of Directors may appoint a committee or special counsel to make such determination and evaluation. The Board may give notice to, and obtain approval by, the shareholders of the Corporation for any decision to indemnify.

Any person who at any time after the adoption of this bylaw serves or has served in the aforesaid capacity for or on behalf of the Corporation shall be deemed to be doing or to have done so in reliance upon and as consideration for, the right of indemnification provided herein. Such right shall inure to the benefit of the legal representatives of any such person and shall not be exclusive of any other rights to which such person may be entitled apart from the provision of this bylaw, including a right of indemnification under any statute, agreement or insurance policy.

ARTICLE VII.

SUNDRY PROVISIONS

Section 7.01. SEAL. The corporate seal of the Corporation shall consist of two concentric circles between which is the name of the Corporation and in the center of which is inscribed SEAL; and such seal, as impressed or affixed on the margin hereof, is hereby adopted as the corporate seal of the Corporation.

Section 7.02. AMENDMENTS. Except as otherwise provided in the Articles of Incorporation or by law, these Bylaws, including any bylaws adopted by the shareholders, may be amended or repealed and new bylaws may be adopted by the Board of Directors.

EXHIBIT 10.01

**AMENDMENT NO. 6 TO THE MARTIN MARIETTA MATERIALS, INC.
INCENTIVE STOCK PLAN**

This Amendment No. 6 to the Martin Marietta Materials, Inc. Incentive Stock Plan, as previously amended (the “Plan”) hereby makes the following amendments, effective as of June 1, 2003.

1. Section 6.08 of the Plan is hereby deleted.

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

EXHIBIT 11.01

MARTIN MARIETTA MATERIALS, INC. AND CONSOLIDATED SUBSIDIARIES

COMPUTATION OF EARNINGS PER SHARE

For the Three and Nine Months Ended September 30, 2003 and 2002
(Dollars in Thousands, Except Per Share Data)

	Three Months Ended September 30	
	2003	**2002**
Earnings from continuing operations	$ 45,540	$ 38,811
(Loss) earnings on discontinued operations	(20)	114
Net earnings	$ 45,520	$ 38,925
Weighted average number of common shares outstanding:		
Basic	48,922,858	48,820,079
Effect of dilutive securities	266,870	135,180
Diluted	49,189,728	48,955,259
Net earnings per common share:		
Basic from continuing operations	$ 0.93	$ 0.80
Discontinued operations	—	—
	$ 0.93	$ 0.80
Diluted from continuing operations	$ 0.93	$ 0.80
Discontinued operations	—	—
	$ 0.93	$ 0.80

EXHIBIT 11.01

MARTIN MARIETTA MATERIALS, INC. AND CONSOLIDATED SUBSIDIARIES

COMPUTATION OF EARNINGS PER SHARE

For the Three and Nine Months Ended September 30, 2003 and 2002
(Dollars in Thousands, Except Per Share Data)

	Nine Months Ended September 30	
	2003	**2002**
		(Restated)
Earnings from continuing operations before the cumulative effect of change in accounting principle	$ 71,981	$ 73,329
(Loss) earnings on discontinued operations	(829)	8,409
Cumulative effect of change in accounting for asset retirement obligations	(6,874)	—
Cumulative effect of change in accounting for intangible assets	—	(11,510)
Net earnings	$ 64,278	$ 70,228
Weighted average number of common shares outstanding:		
Basic	48,906,598	48,692,654
Effect of dilutive securities	213,354	149,905
Diluted	49,119,952	48,842,559
Net earnings per common share:		
Basic from continuing operations before cumulative effect of change in accounting principle	$ 1.47	$ 1.51
Discontinued operations	(0.02)	0.17
Cumulative effect of change in accounting principle	(0.14)	(0.23)
	$ 1.31	$ 1.45
Diluted from continuing operations before cumulative effect of change in accounting principle	$ 1.47	$ 1.50
Discontinued operations	(0.02)	0.17
Cumulative effect of change in accounting principle	(0.14)	(0.23)
	$ 1.31	$ 1.44

EXHIBIT 31.01

CERTIFICATION PURSUANT TO SECURITIES AND EXCHANGE ACT OF 1934 RULE 13a-14 AS ADOPTED PURSUANT TO SECTION 302 OF SARBANES-OXLEY ACT OF 2002

I, Stephen P. Zelnak, Jr., Chief Executive Officer, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Martin Marietta Materials, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant’s other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   c. Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):

a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 13, 2003

By: /s/ Stephen P. Zelnak, Jr.

Stephen P. Zelnak, Jr.
Chairman and Chief Executive Officer

EXHIBIT 31.02

**CERTIFICATION PURSUANT TO SECURITIES AND EXCHANGE ACT OF 1934
RULE 13a-14 AS ADOPTED PURSUANT TO SECTION 302 OF SARBANES-OXLEY
ACT OF 2002**

I, Janice K. Henry, Chief Financial Officer, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Martin Marietta Materials, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant’s other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   c. Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant’s other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of registrant’s board of directors (or persons performing the equivalent functions):

   a. All significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: November 13, 2003

By: /s/ Janice K. Henry

Janice K. Henry
Chief Financial Officer

EXHIBIT 32.01

Written Statement Pursuant to 18 U.S.C. 1350,
As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the Quarterly Report on Form 10-Q for the period ended September 30, 2003 (the “Report”) of Martin Marietta Materials, Inc. (the “Registrant”), as filed with the Securities and Exchange Commission on the date hereof, I, Stephen P. Zelnak, Jr., the Chief Executive Officer of the Registrant certify, to the best of my knowledge, that:

(1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Registrant.

/s/ Stephen P. Zelnak, Jr.

Stephen P. Zelnak, Jr.
Chief Executive Officer

Dated: November 13, 2003

A signed original of this written statement required by Section 906 has been provided to Martin Marietta Materials, Inc. and will be retained by Martin Marietta Materials, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.

EXHIBIT 32.02

Written Statement Pursuant to 18 U.S.C. 1350,
As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the Quarterly Report on Form 10-Q for the period ended September 30, 2003 (the “Report”) of Martin Marietta Materials, Inc. (the “Registrant”), as filed with the Securities and Exchange Commission on the date hereof, I, Janice K. Henry, the Chief Financial Officer of the Registrant certify, to the best of my knowledge, that:

(1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Registrant.

/s/ Janice K. Henry

Janice K. Henry
Chief Financial Officer

Dated: November 13, 2003

A signed original of this written statement required by Section 906 has been provided to Martin Marietta Materials, Inc. and will be retained by Martin Marietta Materials, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.