Vulcan Materials Company

3Q 2018 Supplemental Information for Earnings Conference Call

October 30, 2018

Aggregates

Essential Material | Valuable Asset

IMPORTANT DISCLOSURES

Forward Looking Statements

This document contains forward-looking statements. Statements that are not historical fact, including statements about Vulcan's beliefs and expectations, are forward-looking statements. Generally, these statements relate to future financial performance, results of operations, business plans or strategies, projected or anticipated revenues, expenses, earnings (including EBITDA and other measures), dividend policy, shipment volumes, pricing, levels of capital expenditures, intended cost reductions and cost savings, anticipated profit improvements and/or planned divestitures and asset sales. These forward-looking statements are sometimes identified by the use of terms and phrases such as "believe," "should," "would," "expect," "project," "estimate," "anticipate," "intend," "plan," "will," "can," "may" or similar expressions elsewhere in this document. These statements are subject to numerous risks, uncertainties, and assumptions, including but not limited to general business conditions, competitive factors, pricing, energy costs, and other risks and uncertainties discussed in the reports Vulcan periodically files with the SEC.

Forward-looking statements are not guarantees of future performance and actual results, developments, and business decisions may vary significantly from those expressed in or implied by the forward-looking statements. The following risks related to Vulcan's business, among others, could cause actual results to differ materially from those described in the forward-looking statements: those associated with general economic and business conditions; the timing and amount of federal, state and local funding for infrastructure; changes in Vulcan's effective tax rate; the increasing reliance on information technology infrastructure for Vulcan's ticketing, procurement, financial statements and other processes could adversely affect operations in the event that the infrastructure does not work as intended, experiences technical difficulties or is subjected to cyber attacks; the impact of the state of the global economy on Vulcan's businesses and financial condition and access to capital markets; changes in the level of spending for private residential and private nonresidential construction; the highly competitive nature of the construction materials industry; the impact of future regulatory or legislative actions, including those relating to climate change, wetlands, greenhouse gas emissions, the definition of minerals, tax policy or international trade; the outcome of pending legal proceedings; pricing of Vulcan's products; weather and other natural phenomena; energy costs; costs of hydrocarbon-based raw materials; healthcare costs; the amount of long-term debt and interest expense incurred by Vulcan; changes in interest rates; volatility in pension plan asset values and liabilities, which may require cash contributions to the pension plans; the impact of environmental cleanup costs and other liabilities relating to existing and/or divested businesses; Vulcan's ability to secure and permit aggregates reserves in strategically located areas; Vulcan's ability to manage and successfully integrate acquisitions; the effect of changes in tax laws, guidance and interpretations, including those related to the Tax Cuts and Jobs Act that was enacted in December 2017; significant downturn in the construction industry may result in the impairment of goodwill or long-lived assets; changes in technologies, which could disrupt the way we do business and how our products are distributed; and other assumptions, risks and uncertainties detailed from time to time in the reports filed by Vulcan with the SEC. All forward-looking statements in this communication are qualified in their entirety by this cautionary statement. Vulcan disclaims and does not undertake any obligation to update or revise any forward-looking statement in this document except as required by law.

CONTINUED IMPROVEMENT IN AGGREGATES SEGMENT PROFITABILITY

Third quarter Aggregates segment same-store highlights

	Third Quarter Year-over-Year % Change	
Daily shipment rate	↑ 6%	Daily shipping rates were strong throughout the third quarter (+6%) despite weather impacted September
Pricing momentum	↑ 3%	Adjusted for ~100 bps negative impact from geographic mix
Unit cost of sales (freight-adjusted)	↓ 2%	Despite 28% increase in unit cost of diesel
Gross profit/ton	↑ 8%	$5.45 per ton, + $0.39 over prior year
Cash Gross Profit/ton	↑ 6%	$6.67 per ton, +$0.35 over prior year
Flow Through	65%	Consistent with long term trend of 60%

See Appendix for reconciliation of non-GAAP measures.

RECENT RESULTS IN LINE WITH LONGER-TERM TRENDS

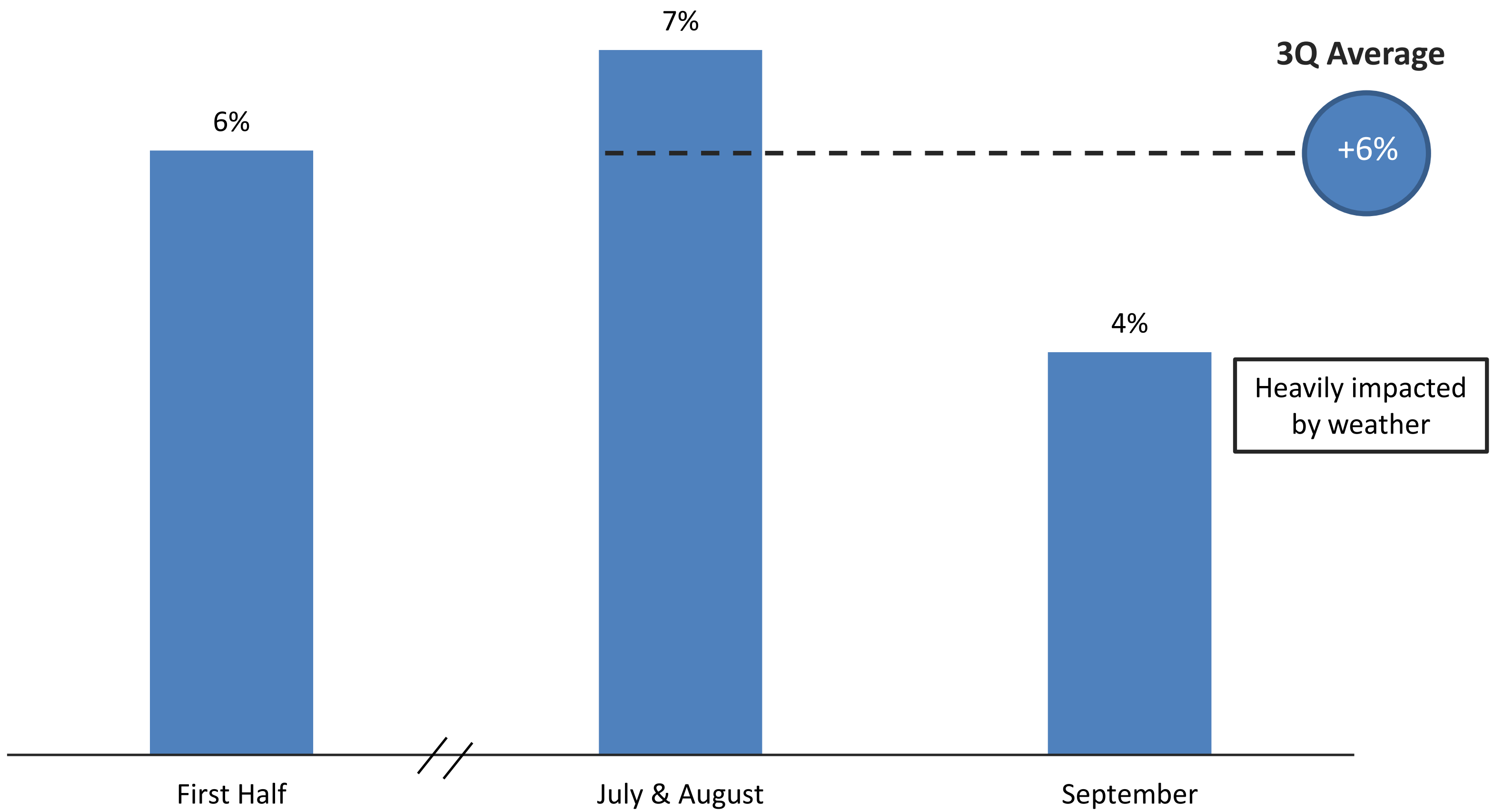
Aggregates segment results since recovery began

	TTM Change vs. 2Q 2013	CAGR	
Shipments	+ 57 million tons	+ 7%	Gradual recovery towards normalized demand
Freight-adjusted price	+ $2.54/ton	+ 4%	Compounding improvement over time
Unit cost of sales (freight-adjusted)	+ $0.33/ton	+ < 1%	Despite a negative 7% CAGR in unit cost of diesel
Gross profit/ton	+ $2.21/ton	+ 13%	$4.77 per ton
Cash gross profit/ton	+ $1.95/ton	+ 8%	$6.14 per ton

See Appendix for reconciliation of non-GAAP measures.

SOLID ORGANIC SHIPMENT GROWTH DESPITE SEPTEMBER WEATHER DISRUPTIONS

Change in YOY aggregates same-store daily shipping pace



OVERALL PRICING CLIMATE VERY STRONG

Near-term and longer-term pricing climate remains positive

- ✓ Confidence in multi-year recovery, including visibility to growing public demand
- ✓ Other construction materials prices are rising
- ✓ Rising diesel and logistics costs, widening natural economic moats around quarries
- ✓ Continued emphasis by suppliers on improving returns on capital
- ✓ Certain markets 'supply-constrained' due to labor and trucking shortages
- ✓ Improving year-over-year and sequential pricing

All further reinforced by current shipment strength

HIGHER SALES VOLUME, INCREASED PRICING AND LOWER UNIT COSTS DRIVE IMPROVED AGGREGATES SEGMENT PROFITABILITY

Aggregates segment same-store third quarter results

GROSS PROFIT
↑ 15%
+ $38 million

VOLUME
↑ 6%
+ 3.2 million tons

Continued improvement in the demand environment, particularly public, supported by steady shipment growth

UNIT PROFITABILITY
↑ 8%
+ $0.39 per ton

PRICE
↑ 2%
+ $0.23 per ton

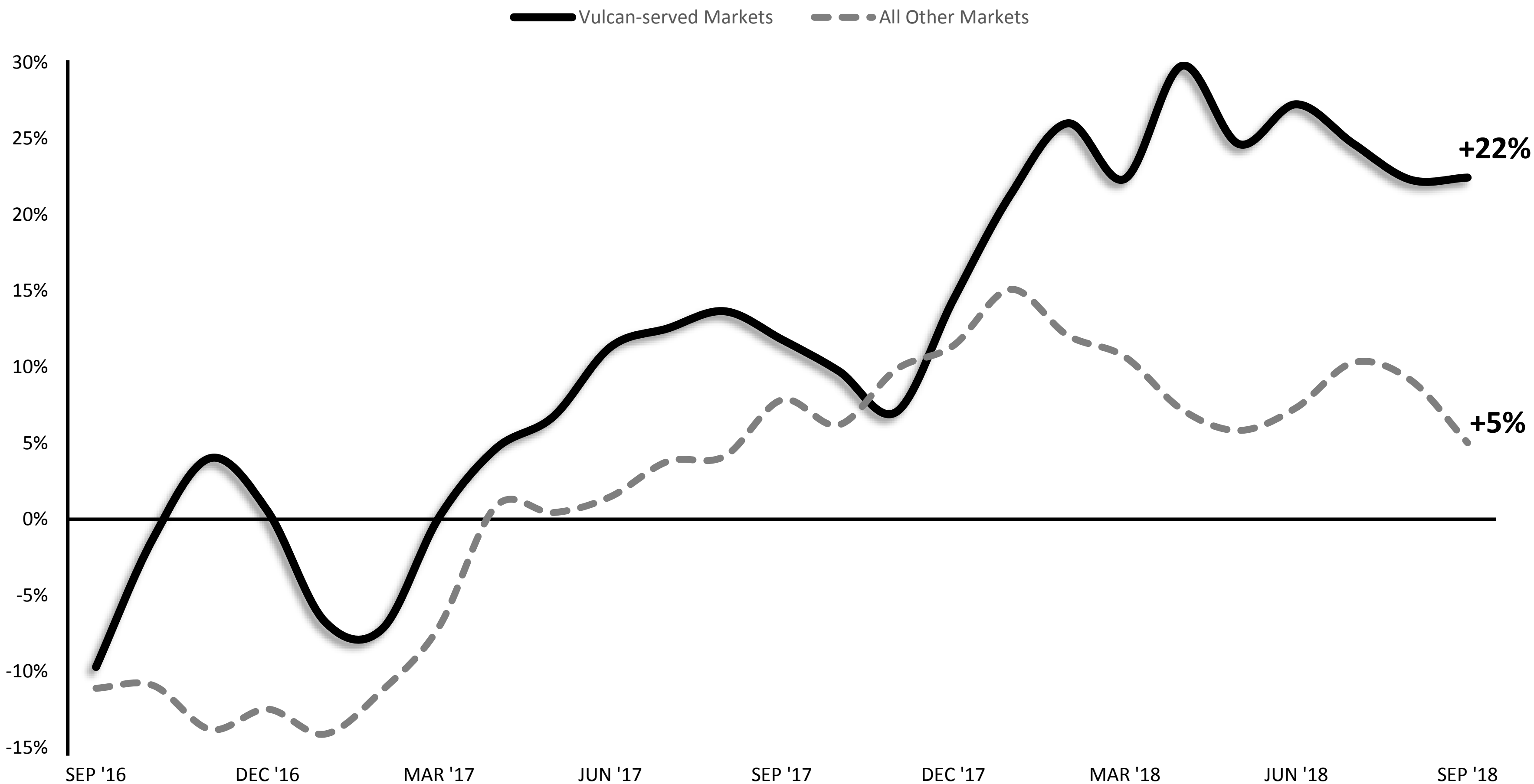
Customer confidence and visibility to growth resulted in higher pricing

UNIT COST
↓ 2%
- $0.16 per ton

Fixed cost leverage and operating efficiencies more than offset higher diesel costs

GROWING PUBLIC CONSTRUCTION ACTIVITY

Year-over-Year change in trailing-twelve-months highway award dollars

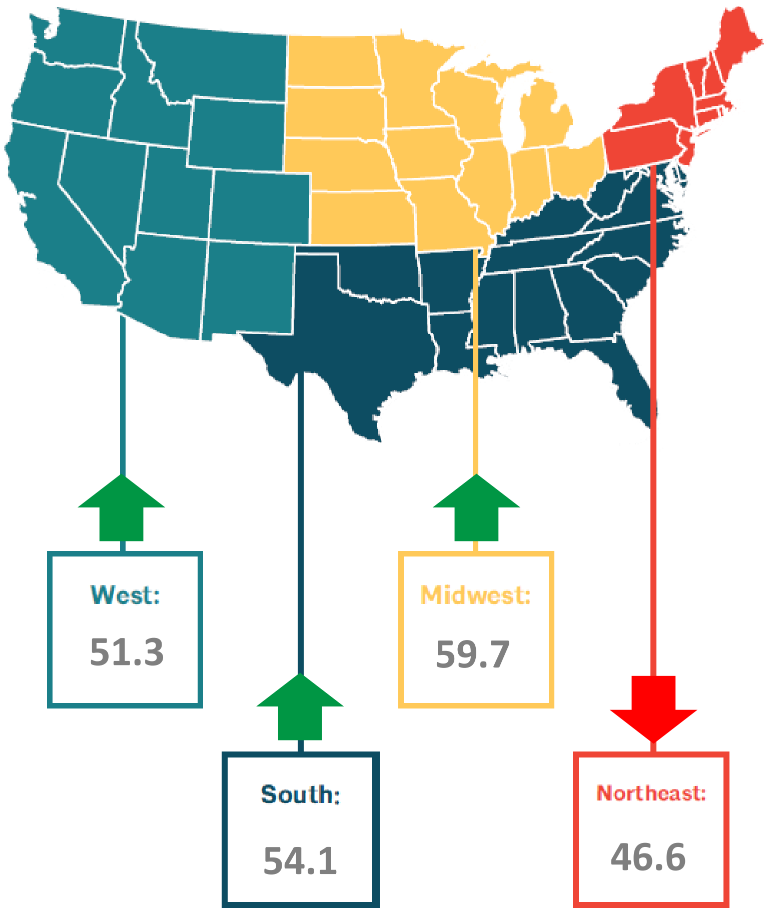


Source: Dodge Analytics and Company estimates.

US PRIVATE DEMAND LEADING INDICATORS REMAIN ENCOURAGING

Continued steady improvement for long-term Nonresidential outlook

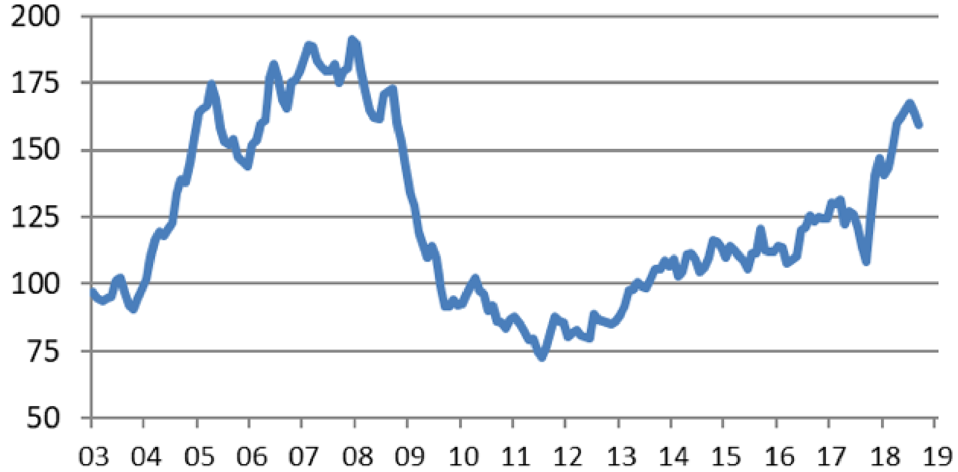
Architecture Billings Index



Source: The American Institute of Architects, Architecture Billings Index. Graph represents data from October 2017 – October 2018 across the four regions. A score of 50 equals no change from the previous month. Above 50 is an increase; below 50 is a decrease.

Dodge Momentum Index

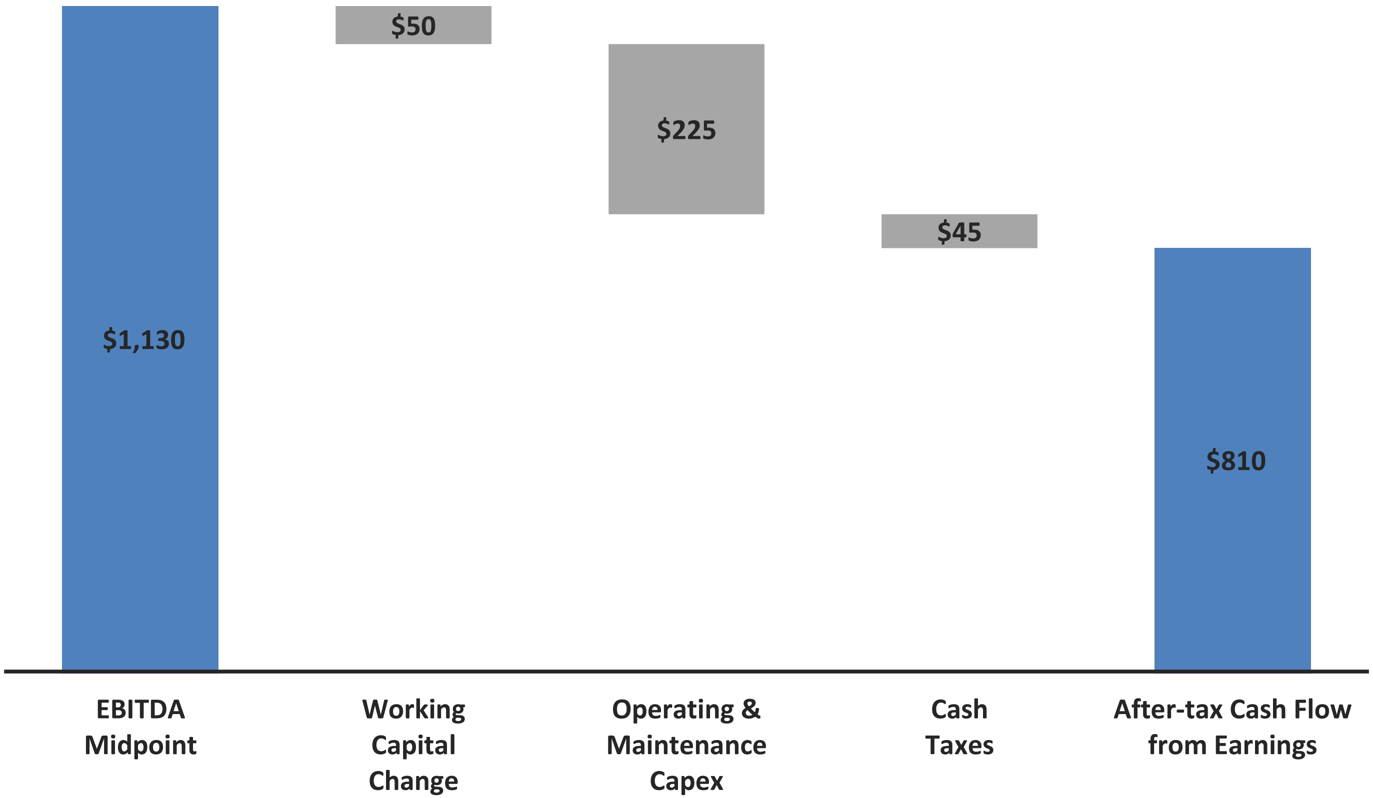
(Year 2000=100)



Source: McGraw Hill Construction

2018 PROJECTED AFTER-TAX CASH FLOW FROM EARNINGS

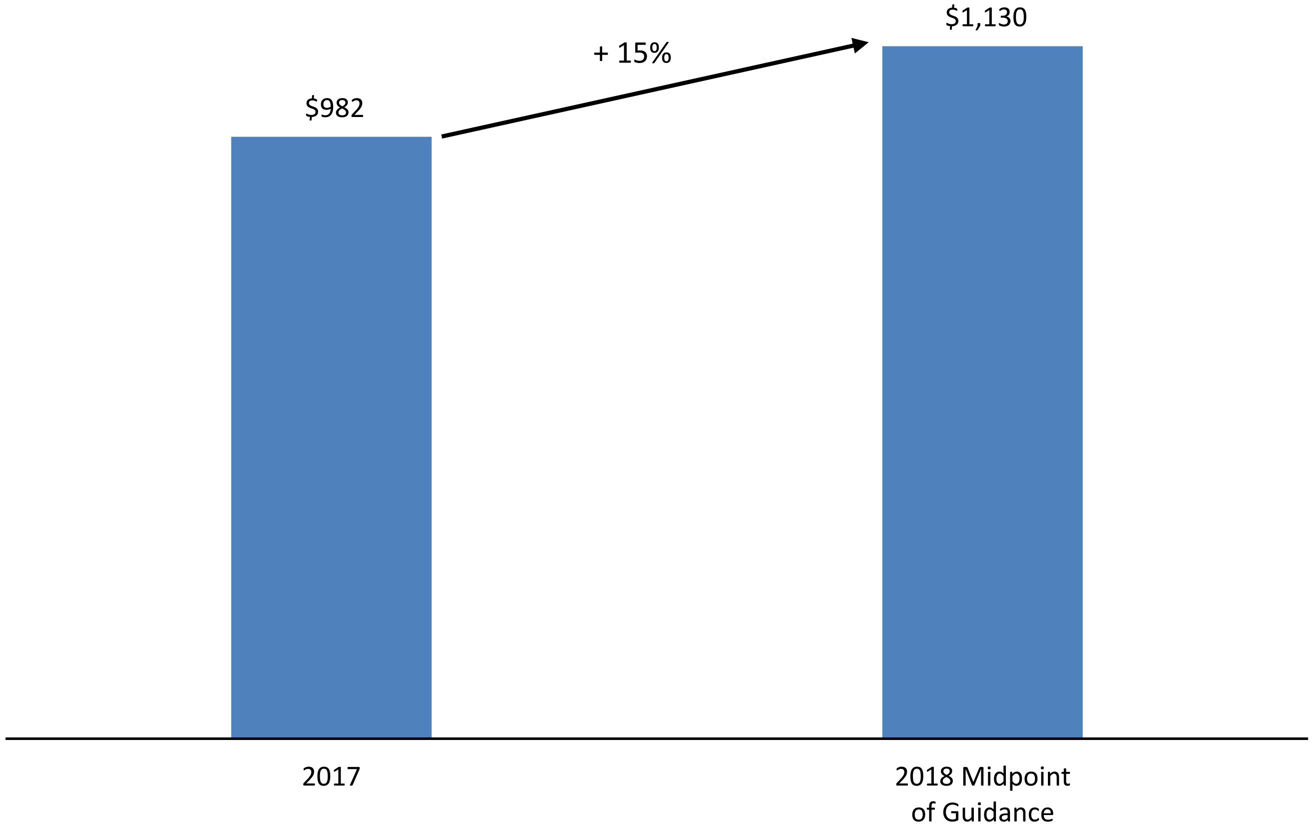
Solid and improving cash generation



See Appendix for reconciliation of non-GAAP measures.

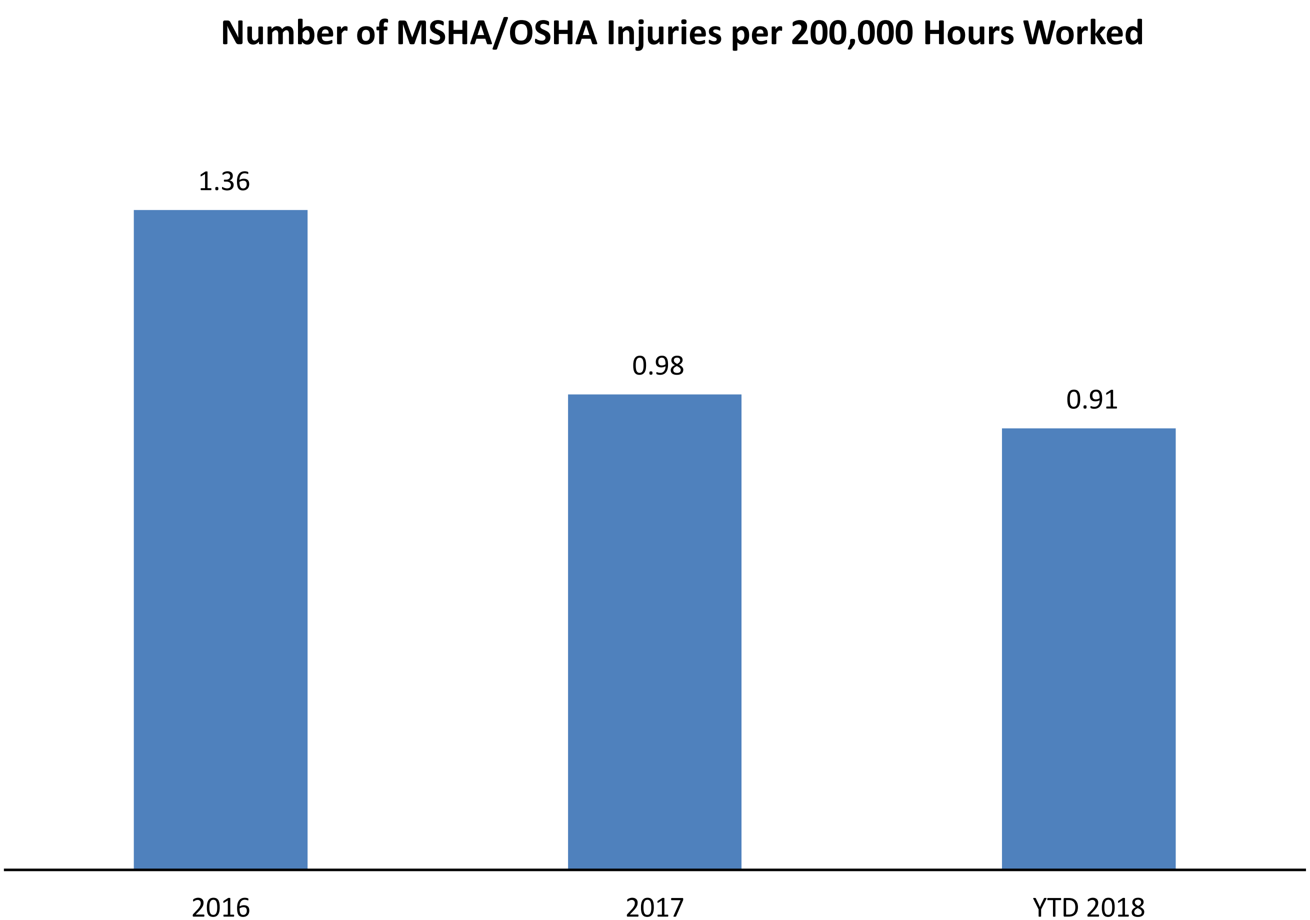
2018 FULL YEAR OUTLOOK

Midpoint of Adjusted EBITDA Guidance of $1,130 million



SAFETY PERFORMANCE REMAINS WORLD CLASS

Safety: Less than 1 injury per 200,000 hours worked



RECONCILIATION OF NON-GAAP MEASURES

Projected EBITDA And After-Tax Cash Flow from Earnings

The following reconciliation to the mid-point of the range of 2018 Projected EBITDA excludes adjustments, which are difficult to forecast (timing or amount). Due to the difficulty in forecasting such adjustments, we are unable to estimate their significance. Additionally, we present the metric After-Tax Cash Flow from Earnings to assess the operating performance of our business and as a basis for strategic planning and forecasting. These metrics are not defined by GAAP and should not be considered as alternatives to earnings measures defined by GAAP.

2018 Projected EBITDA	**2018**
(in millions)	**Mid Point**
Net earnings	$530
Income tax expense	125
Interest expense, net	135
Discontinued operations, net of tax	-
Depreciation, depletion, accretion and amortization	340
EBITDA	$1,130
Less	
Working capital change	50
Operating & maintenance capital expenditures	225
Cash taxes before impact of certain non-recurring benefits	45
Projected after-tax cash flow from earnings	$810

Aggregates Segment Gross Profit Margin Excluding Freight & Delivery (Flow Through Margin)

We present this metric as it is consistent with the basis by which we review our operating results. We believe that this presentation is consistent with our competitors and meaningful to our investors as it excludes revenues associated with freight & delivery, which are pass-through activities (we do not generate a profit associated with the transportation component of the selling price of the product). Incremental gross profit as a percentage of segment sales excluding freight & delivery represents the year-over-year change in gross profit divided by the year-over-year change in segment sales excluding freight & delivery.

Aggregates GP Margin Excluding Freight & Delivery		
(in millions)	**Q3 2018**	**Q3 2017**
Gross profit	$303.8	$257.8
Contribution from acquisitions (same-store)	(8.4)	(0.0)
Same-store gross profit	$295.3	$257.7
Segment sales	$983.7	$858.7
Freight and delivery revenues	(221.0)	(181.3)
Segment sales excluding freight & delivery	$762.7	$677.4
Contribution from acquisitions (same-store)	(27.6)	(0.0)
Same-store segment sales excluding freight & delivery	$735.1	$677.4
Incremental gross profit margin (GAAP)	37%	
Flow through margin (Non-GAAP)	54%	
Same-store flow through margin (Non-GAAP)	65%	

Aggregates Segment Cash Gross Profit

Aggregates segment cash gross profit adds back noncash charges for depreciation, depletion, accretion and amortization (DDA&A) to Aggregates segment gross profit. Aggregates segment cash gross profit per ton is computed by dividing Aggregates segment cash gross profit by tons shipped. We present this metric as we believe it closely correlates to long-term shareholder value and we and the investment community use this metric to assess the operating performance of our business.

Aggregates Segment	**Same-Store**		**TTM**	**TTM**
(in millions)	**Q3 2018**	**Q3 2017**	**Q3 2018**	**Q2 2013**
Gross profit	$295.3	$257.7	$942.0	$358.1
DDA&A	65.9	64.1	271.0	229.2
Aggregates segment cash gross profit	$ 361.3	$ 321.8	$1,213.1	$ 587.3
Units shipments - tons	54.2	50.9	197.7	140.2
Aggregates segment cash gross profit per ton	$ 6.67	$ 6.32	$ 6.14	$ 4.19