Vulcan Materials Company

2Q 2020 SUPPLEMENTAL INFORMATION FOR EARNINGS CONFERENCE CALL

August 4, 2020

Disclaimer

Safe Harbor

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: general economic and business conditions; a pandemic, epidemic or other public health emergency, such as the recent outbreak of COVID-19; Vulcan’s dependence on the construction industry, which is subject to economic cycles; the timing and amount of federal, state and local funding for infrastructure; changes in the level of spending for private residential and private nonresidential construction; changes in Vulcan’s effective tax rate; the increasing reliance on information technology infrastructure, including the risks 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; the highly competitive nature of the construction 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, including the impact of climate change and availability of water; 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; the impact of a discontinuation of the London Interbank Offered Rate (LIBOR); 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; 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 Vulcan does business and how Vulcan’s 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.

Non-GAAP Financial Terms

This presentation contains certain non-GAAP financial terms which are defined in the Appendix. Reconciliations of non-GAAP terms to the closest GAAP terms are also provided in the Appendix.

Second Quarter Highlights

Earnings growth and margin expansion lead to strong cash generation

- Total Revenues $1.323 billion, unchanged year-over-year
- Gross profit margin +210 basis points
- EPS Continuing Operations $1.58 per diluted share, +7%
- Adjusted EBITDA* $408 million, +10%
- Return on Invested Capital* +100 basis points
- YTD Net cash provided by operating activities +41%

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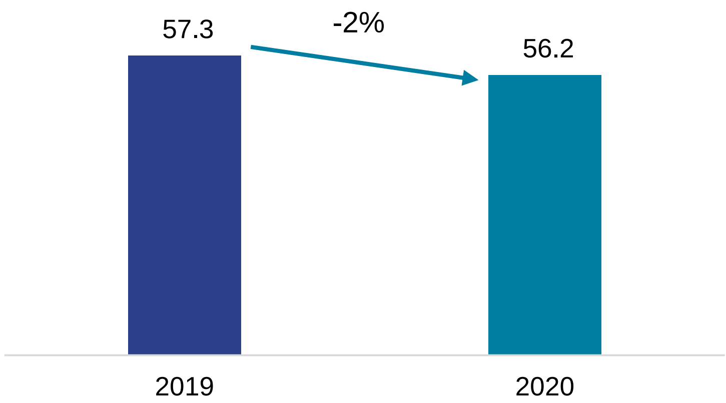
* Non-GAAP measure. See Appendix for reconciliation.

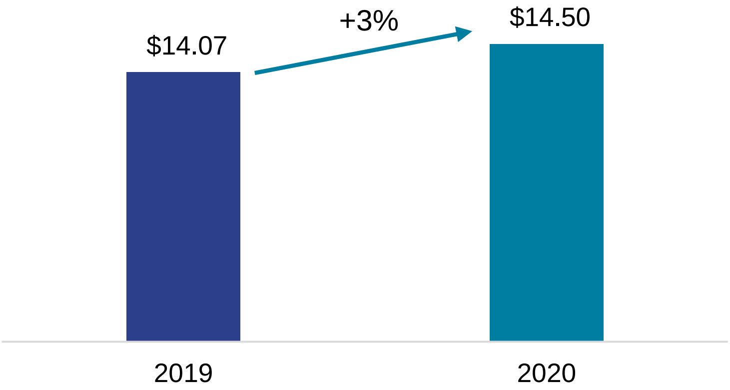
Second Quarter Key Performance Indicators – Aggregates

Cost control and price growth lead to unit margin expansion

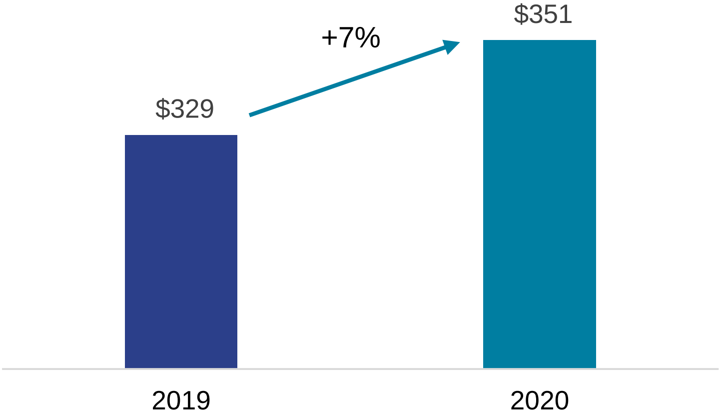
Volume
(millions of tons)



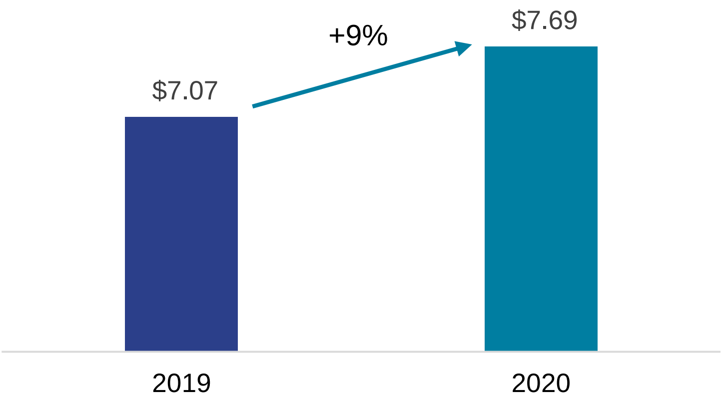
Freight-Adjusted Price
($/ton)



Gross Profit
($ in millions)



Cash Gross Profit*
($/ton)



- Shipment patterns varied widely due to economic uncertainty resulting from the pandemic and wet weather in May
- On a mix-adjusted basis, all key markets reported year-over-year price growth
- Cash costs decreased 3 percent
- Unit profitability improvements were widespread

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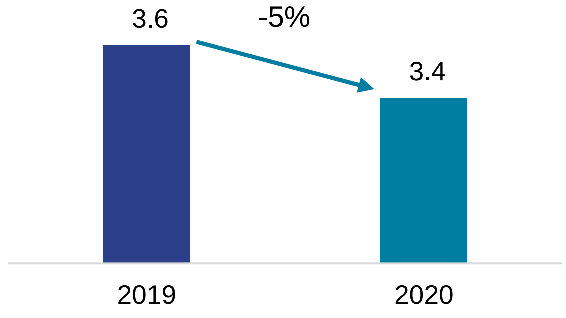
* Non-GAAP measure. See Appendix for reconciliation.

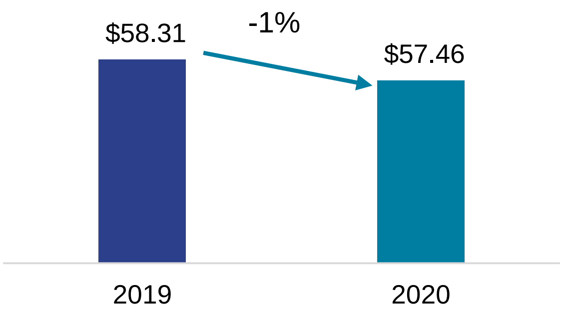
Second Quarter Key Performance Indicators – Asphalt and Concrete

Earnings improvement despite lower volumes

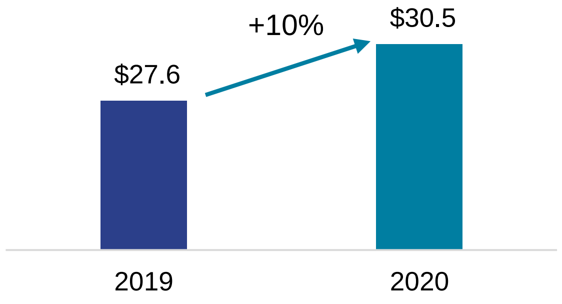
Asphalt Volume
(millions of tons)



Asphalt Price
($/ton)

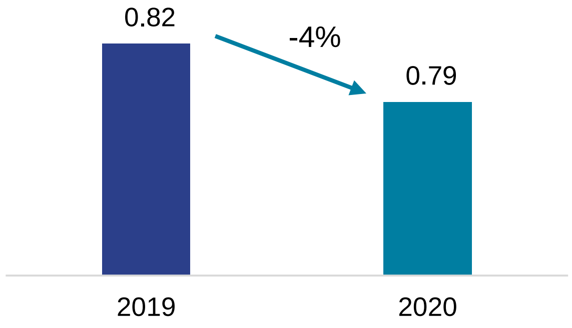


Asphalt Gross Profit
($ in millions)

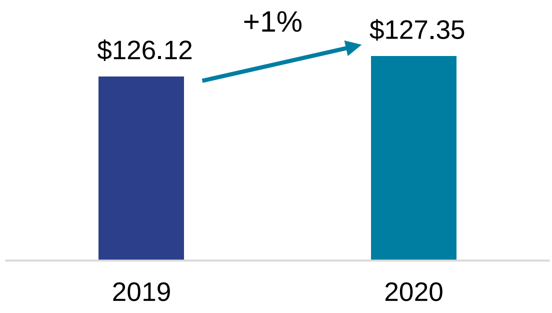


- Lower liquid asphalt unit cost versus the prior year 2Q
- The Company's largest asphalt market, California, realized earnings growth despite lower volumes

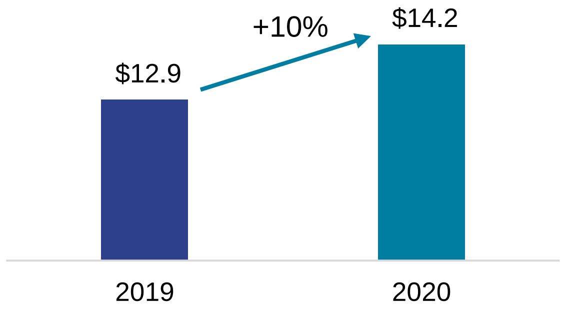
Concrete Volume
(millions of cubic yards)



Concrete Price
($/cyd)



Concrete Gross Profit
($ in millions)



- Price growth in Northern Virginia and Northern California, the Company's two largest concrete markets

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Capital Allocation and Financial Position

Leveraging our capital base to drive shareholder value

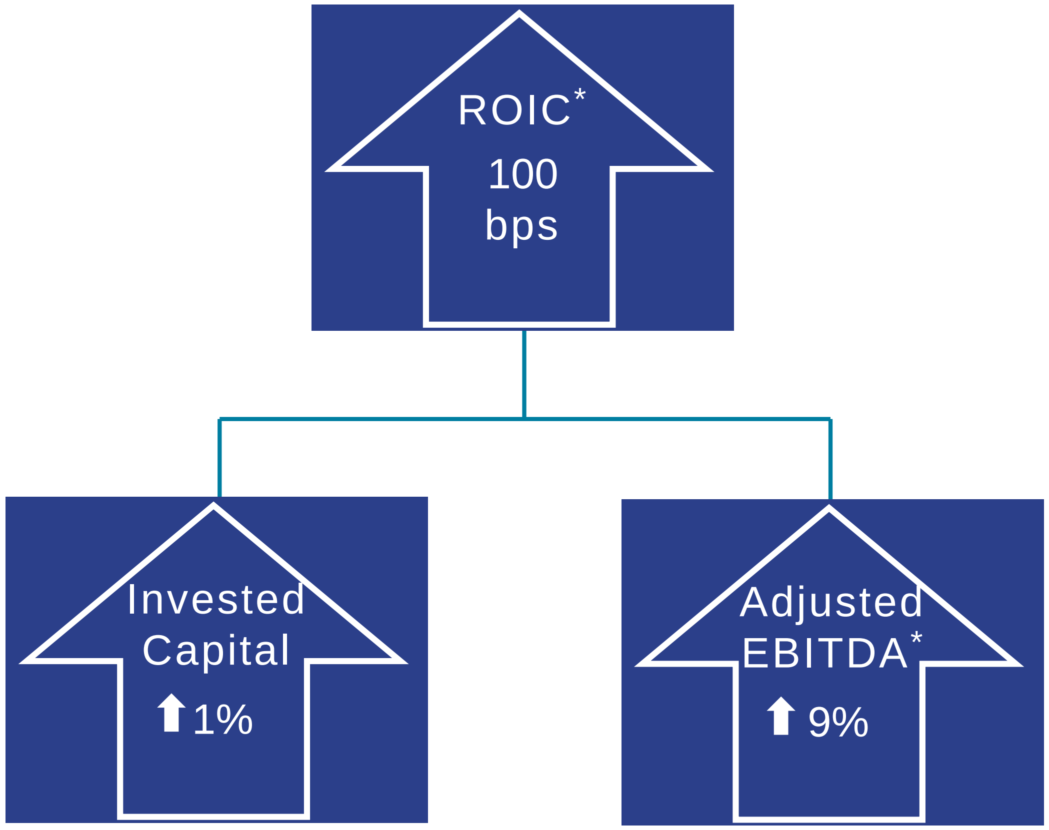
2.5x Total Debt to TTM Adjusted EBITDA*

1.9x Net Debt to TTM Adjusted EBITDA*

14 Years
Weighted-Average Maturity of Debt

4.1 Percent
Weighted-Average Interest Rate

YoY Improvement in Return on Invested Capital



* Non-GAAP measure. See Appendix for reconciliation.

Leading Indicators of Demand

Vulcan markets showing resiliency during pandemic uncertainty. Fundamentals for LT growth remain positive

- ✓ Since mid-March sales activity (e.g. quotes and orders) remains at healthy levels
- ✓ Housing permits have returned to growth with Vulcan states leading the way
- ✓ Levels of private construction activity were below long-term averages prior to the pandemic
- ✓ All but two Vulcan-served states were below estimated long-term trends at the beginning of 2020
  - ✓ Texas 105%, Florida 100%

Leading Indicator	Vulcan Served	Other Markets
Construction employment	(3%)	(6%)
Single-family starts (T6M)	+4%	(1%)
Single-family permits (T6M)	+5%	+2%
Highway awards (T3M)	+13%	+12%

Sources: Census Bureau, Dodge Contract Awards and Company estimates.

Position of Strength in a Challenging Operating Environment

- Unique industry position – Aggregates focus with no cement
- Broad operational footprint provides diversification to geographic responsiveness
- Experienced management team
- Healthy balance sheet and strong liquidity
- 4 strategic disciplines support execution capabilities to grow unit margins

OPERATIONAL EXCELLENCE

STRATEGIC SOURCING

COMMERCIAL EXCELLENCE

LOGISTICS INNOVATIONS

Reconciliation of Non-GAAP Measures

EBITDA

EBITDA is an acronym for Earnings Before Interest, Taxes, Depreciation and Amortization and excludes discontinued operations. GAAP does not define EBITDA and it should not be considered as an alternative to earnings measures defined by GAAP. We adjust EBITDA for certain items to provide a more consistent comparison of earnings performance from period to period. We use this metric to assess the operating performance of our business and for a basis of strategic planning and forecasting as we believe it closely correlates to long-term shareholder value.

EBITDA *(in millions)*	**Q2 2020**	**Q2 2019**	**TTM Q2 2020**	**TTM Q2 2019**
Net earnings	$ 209.9	$ 197.6	$ 627.0	$ 564.0
Income tax expense	61.4	47.6	150.5	128.6
Interest expense, net	34.0	33.0	127.8	132.4
Loss on discontinued operations, net of tax	1.0	0.3	4.6	2.0
EBIT	$ 306.3	$ 278.5	$ 909.8	$ 827.0
Depreciation, depletion, accretion and amortization	99.5	93.5	386.9	361.9
EBITDA	$ 405.7	$ 372.0	$ 1,296.7	$ 1,188.8
Gain on sale of businesses	-	-	(9.3)	(4.1)
Property donation	-	-	10.8	-
Business interruption claims recovery	-	-	-	(0.6)
Charges associated with divested operations	0.8	-	3.8	18.5
Business development	(3.5)	-	(0.7)	0.2
COVID-19 direct incremental costs	4.4	-	5.0	-
Restructuring charges	0.5	-	7.8	0.8
Adjusted EBITDA	$ 407.8	$ 372.0	$ 1,314.2	$ 1,203.8

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 *(in millions, except per ton data)*	**Q2 2020**	**Q2 2019**
Gross profit	$ 351.2	$ 329.2
DDA&A	80.7	75.8
Aggregates segment cash gross profit	$ 431.9	$ 405.0
Units shipments - tons	56.2	57.3
Aggregates segment gross profit per ton	$ 6.25	$ 5.74
Aggregates segment cash gross profit per ton	$ 7.69	$ 7.07

Reconciliation of Non-GAAP Measures

Return on Invested Capital

We define Return on Invested Capital (ROIC) as Adjusted EBITDA for the trailing-twelve months divided by average invested capital (as illustrated below) during the trailing 5-quarters. Our calculation of ROIC is considered a non-GAAP financial measure because we calculate ROIC using the non-GAAP metric EBITDA. We believe that our ROIC metric is meaningful because it helps investors assess how effectively we are deploying our assets. Although ROIC is a standard financial metric, numerous methods exist for calculating a company's ROIC. As a reuslt, the method we use to calculate our ROIC may differ from the methods used by other companies.

Return on Invested Capital

(in millions)	Q2 2020	Q2 2019
Trailing-twelve months Adjusted EBITDA	$ 1,314.2	$ 1,203.8
Average trailing 5-quarters:		
Property, plant & equipment	4,335.6	4,219.7
Goodwill	3,168.1	3,165.6
Other intangible assets	1,087.6	1,102.8
Fixed and intangible assets	$ 8,591.3	$ 8,488.1
Current assets	1,453.1	1,155.4
Less: Cash and cash equivalents	265.9	41.2
Less: Deferred taxe	19.3	6.0
Adjusted current assets	1,167.9	1,108.2
Current Liabilities	649.8	685.6
Less: Current maturities of long-term debt	100.0	0.0
Less: Short-term debt	27.4	201.7
Adjusted current liabilities	522.3	483.9
Adjusted net working capital	$ 645.5	$ 624.3
Average invested capital	$ 9,236.8	$ 9,112.4
Return on Invested Capital	14.2%	13.2%