Vulcan
Materials Company

2019 AGGREGATES DAY

Disclaimer

Safe Harbor

This presentation 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 presentation. 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; 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 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; 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, including the impact of climate change; 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; 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 presentation 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 presentation 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.

Tom Hill, Chairman and CEO

Vulcan Materials Company

MAKING THE BEST BETTER

Our Company

Aggregates-focused building materials business

16.3	Billion tons (~80 years) Aggregates reserves
>350	Aggregates operations Serving attractive U.S. markets across 20 states
$4.4	Billion Revenues in 2018
$1.1	Billion Adjusted EBITDA* in 2018
201	Million Tons of aggregates shipped in 2018
62	Years As a public company focused on aggregates

Vulcan Materials Company

* Adjusted EBITDA is a non-GAAP measure. See Appendix for reconciliation.

The Vulcan Way

Our culture is at the core of our success

Vulcan's Value Proposition

What we offer investors

Industry Leader with Unique Aggregates Focus

Well Positioned to Benefit from Demand Growth and Operational Excellence

Strong Balance Sheet Supports Future Growth

Making the Best Better To Deliver Even Stronger Results

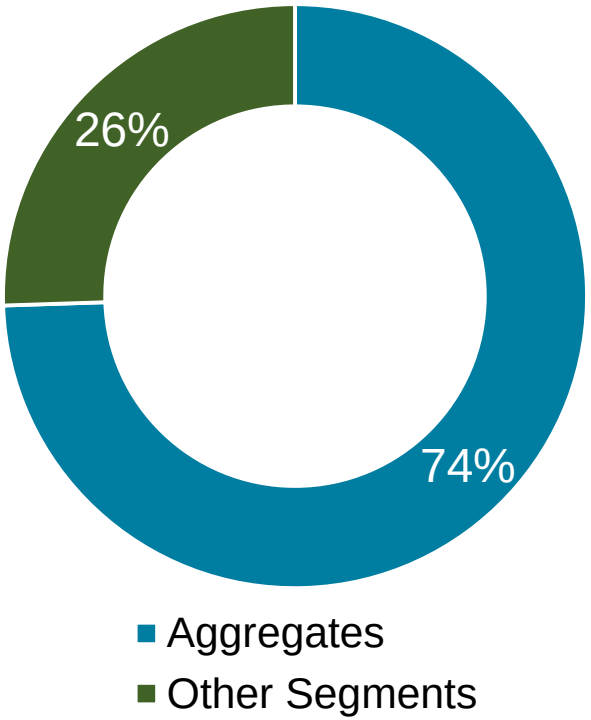
A market leader focused on enhancing profitability and driving sustainable, long-term shareholder value

Uniquely Positioned With Aggregates Focus

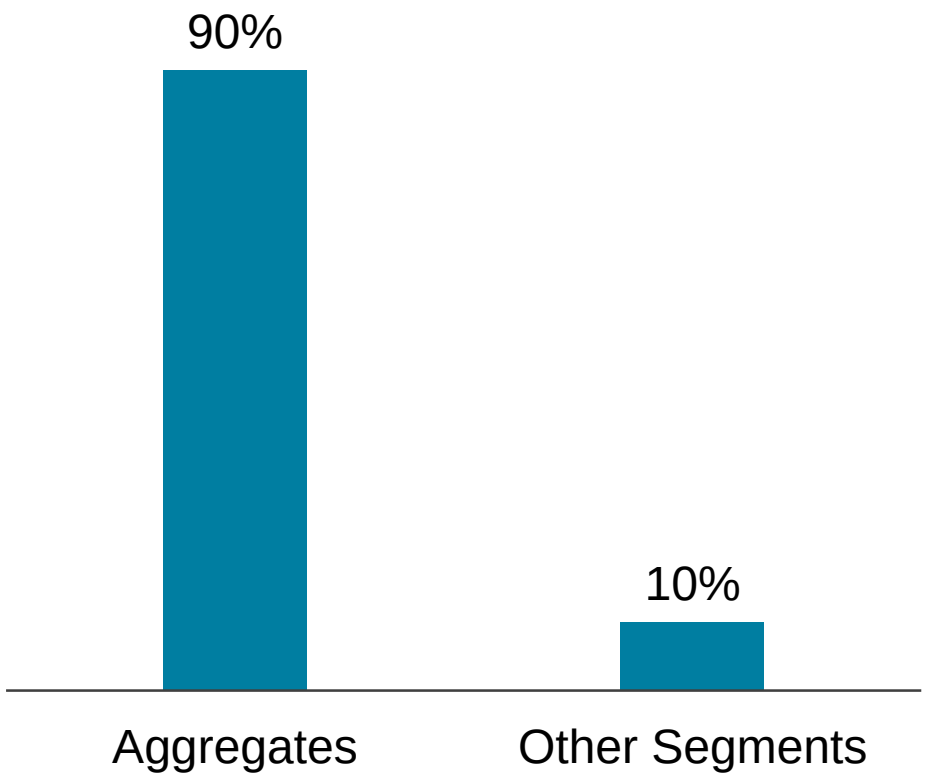
Right Product

2018 Product Mix

Revenue (% of total)



Gross Profit (% of total)

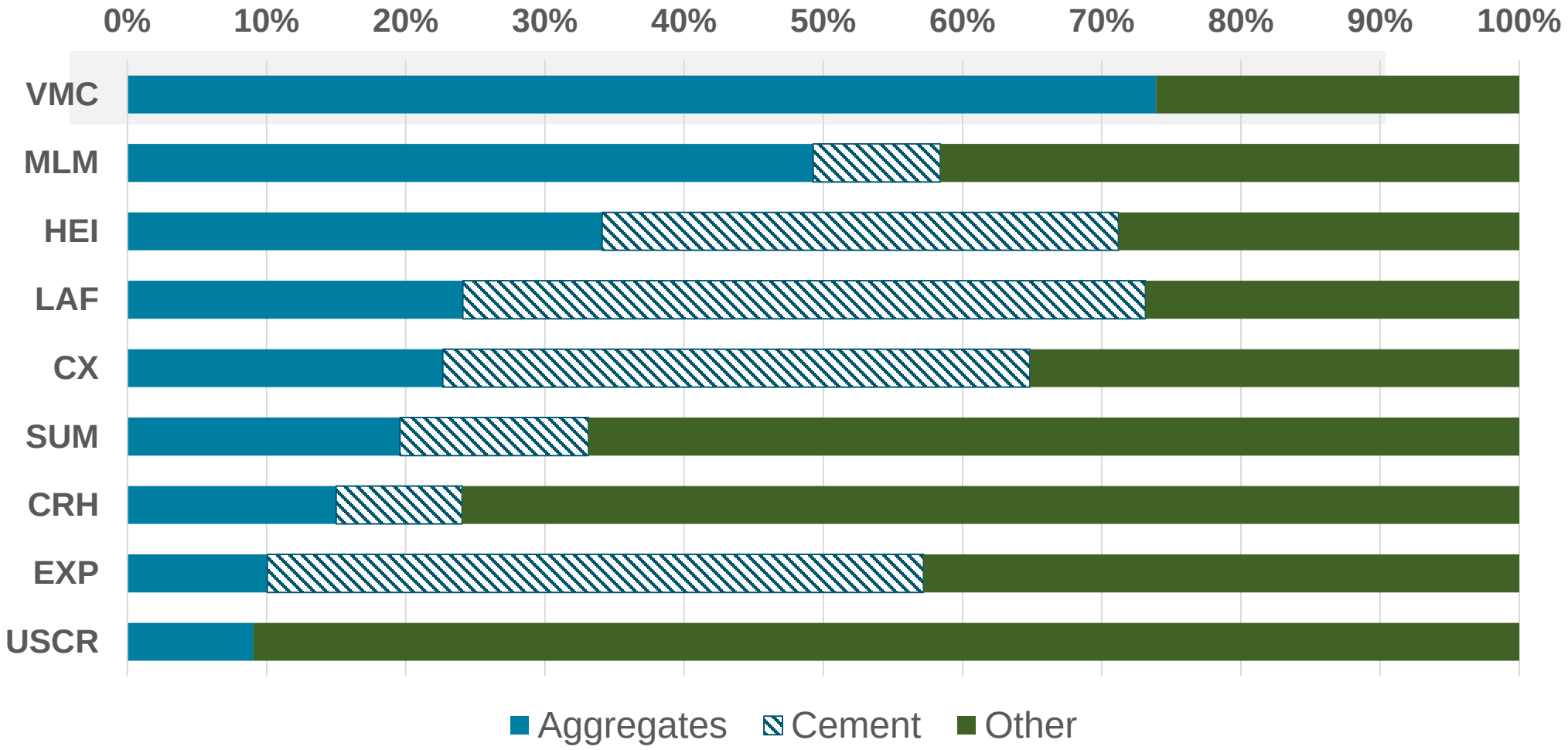


Uniquely Positioned With Aggregates Focus

Right Product

Vulcan stands alone as the largest and most aggregates-focused public company

Public Company Revenue Mix Among Largest U.S. Aggregates Producers

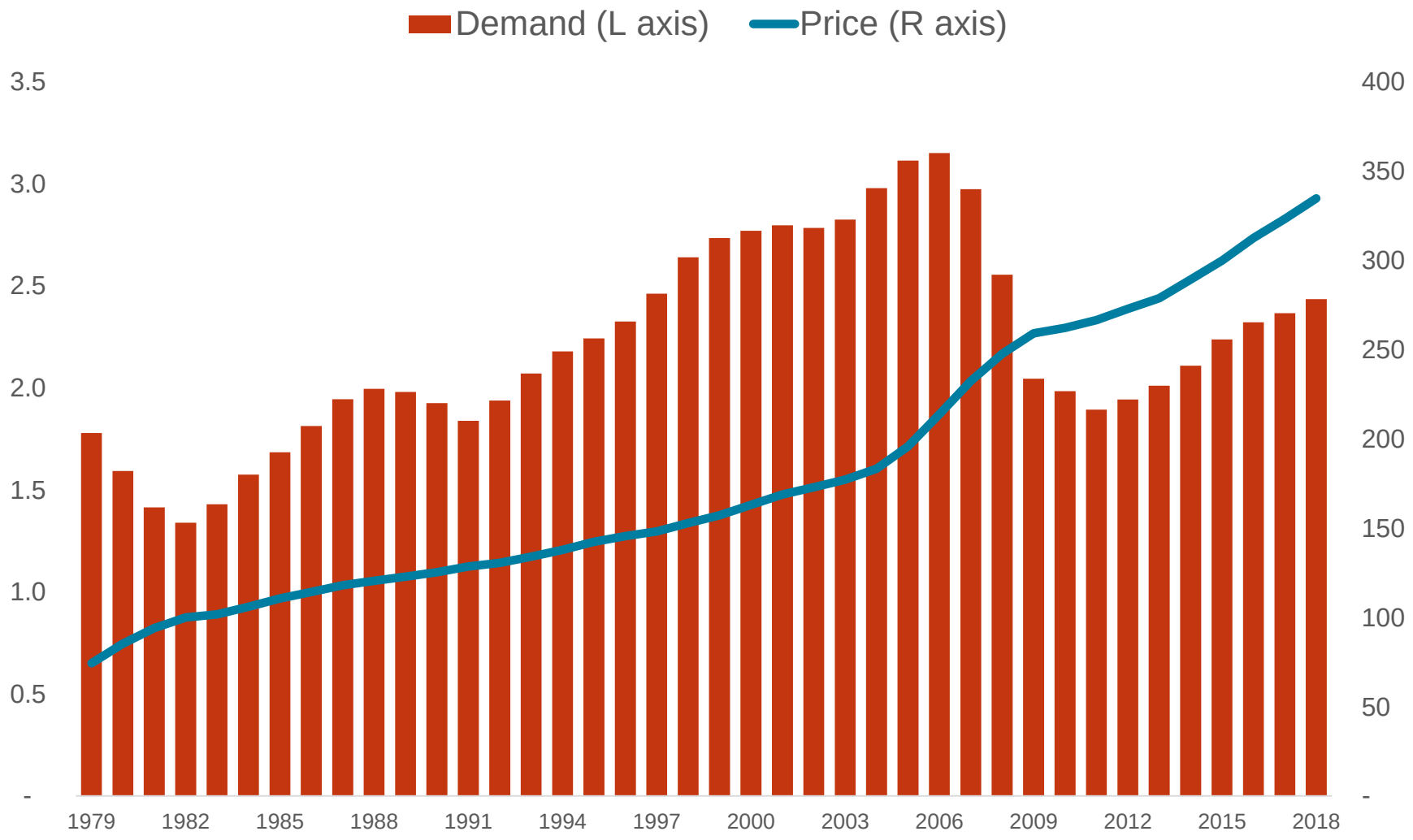


Source: 2018 reported financial information and Company estimates.

Attractive Fundamentals Lead To Compounding Results

Right Product

Price growth in Aggregates through all parts of a cycle

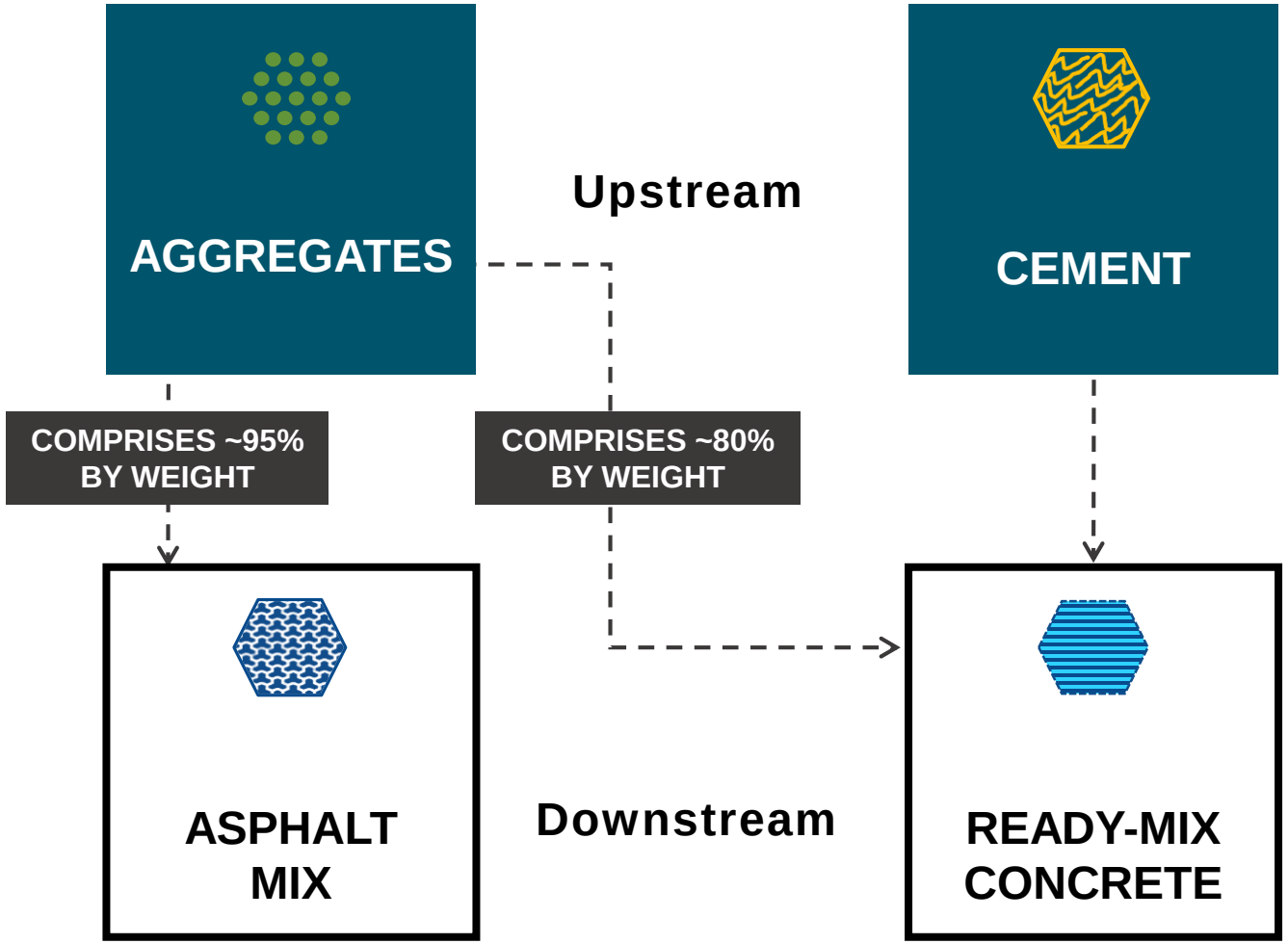


Source: BLS and Company estimates. Demand in billions of tons. Price is indexed (1982 = 100)

Why Aggregates?

The heavy materials supply chain

Right Product



Source: Company estimates.

Why Aggregates?

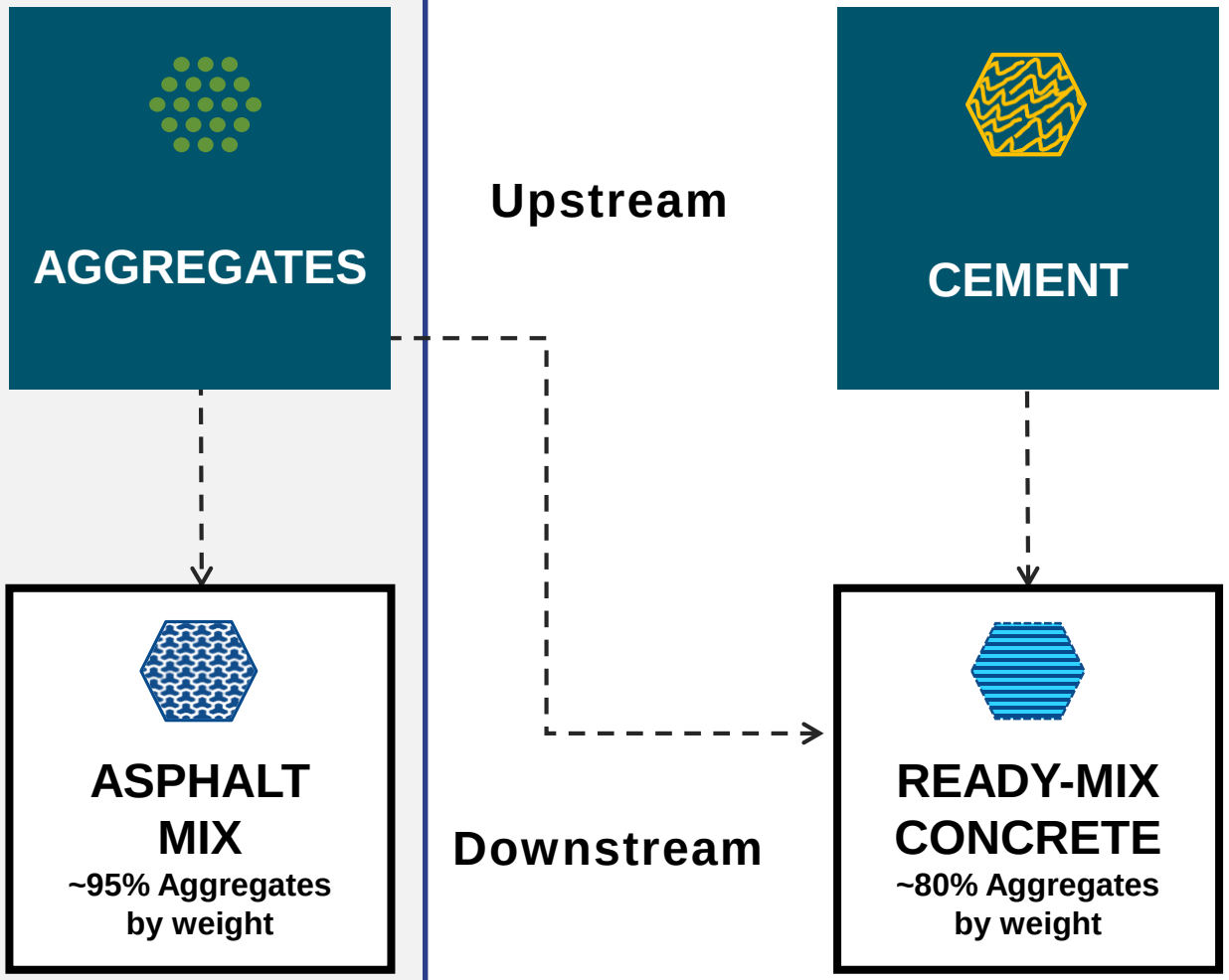
Right Product

The heavy materials supply chain

Stronger fundamentals, lower risk through the cycle

- ✓ Flexible production capacity
- ✓ Wide logistical moats
- ✓ Barriers to entry
- ✓ Limited substitute products
- ✓ Estimated U.S. market size 2.4 billion tons, or $24 billion

- ✓ Production economics of aggregates does not create downstream pressure on price
- ✓ Can mirror aggregates structure
- ✓ Large public demand exposure
- ✓ Estimated U.S. market size 400 million tons, or $21 billion



Source: Company estimates.

Why Aggregates?

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AGGREGATES

Upstream

ASPHALT MIX
~95% Aggregates by weight

Downstream

CEMENT

READY-MIX CONCRETE
~80% Aggregates by weight

Weaker fundamentals, higher risk through the cycle

- ✓ Inflexible production capacity, high start-up/shut-down costs
- ✓ Weight-to-price ratio limits logistical moat
- ✓ Energy cost is significant
- ✓ Estimated U.S. market size 96 million tons, or $12 billion

- ✓ Flexible production capacity, but often economics driven by cement
- ✓ Specialized delivery equipment
- ✓ Low barriers to entry
- ✓ Estimated U.S. market size 350 million cubic yards, or $41 billion

Source: Company estimates.

Broad End Market Demand For Aggregates

Right Product

Highways are most aggregates intensive

Private ~50%	Public ~50%
Residential	Highways
Nonresidential Buildings	Buildings and Non highway infrastructure

← Aggregates Intensity →

Less ▲ More

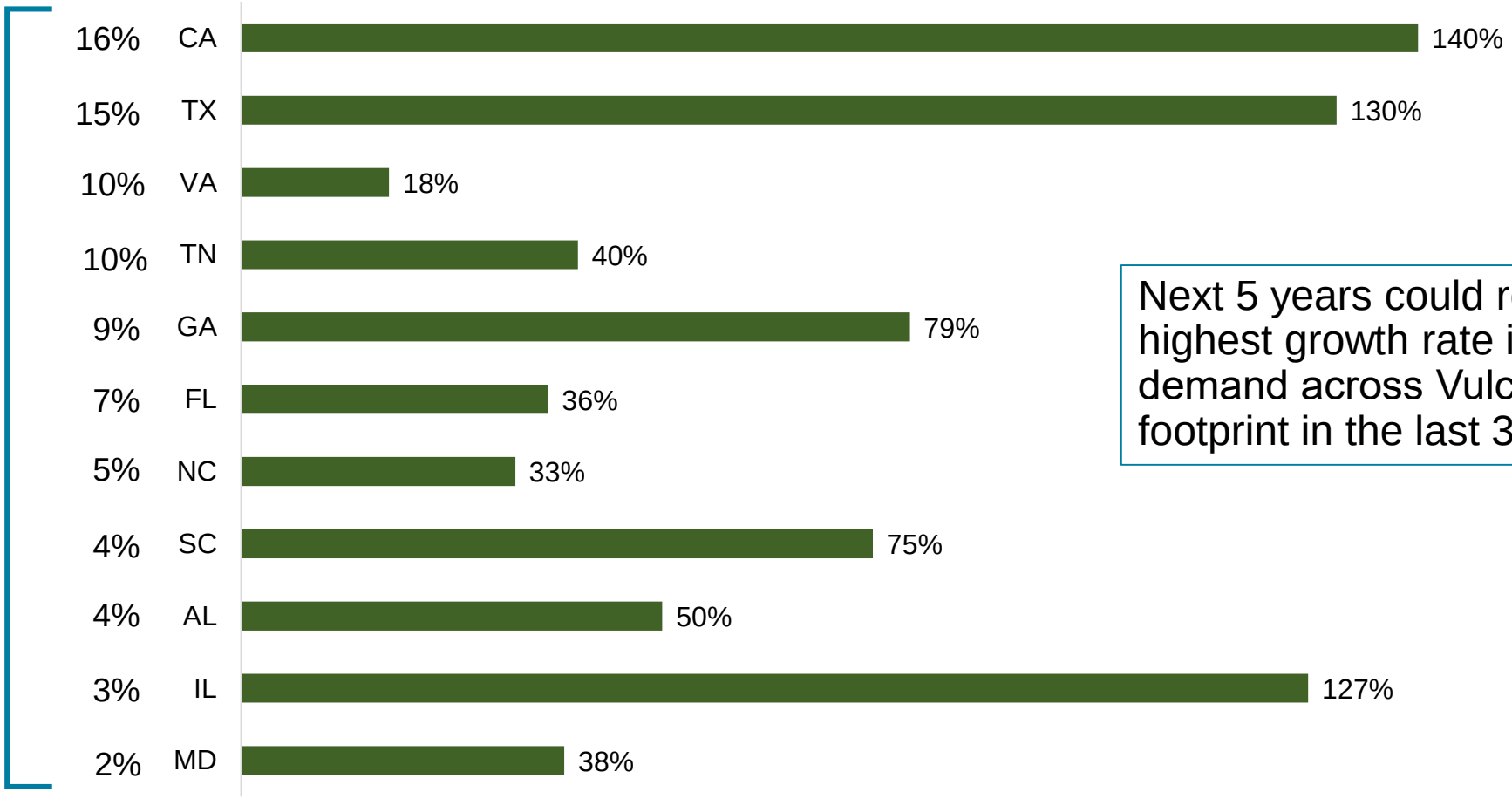
Strong State Transportation Funding

Right Product

Vulcan is well-positioned to capitalize on an average 60% increase in revenue for highways

85%

of VMC Revenues are produced in these states



Next 5 years could result in the highest growth rate in highway demand across Vulcan's footprint in the last 30 years

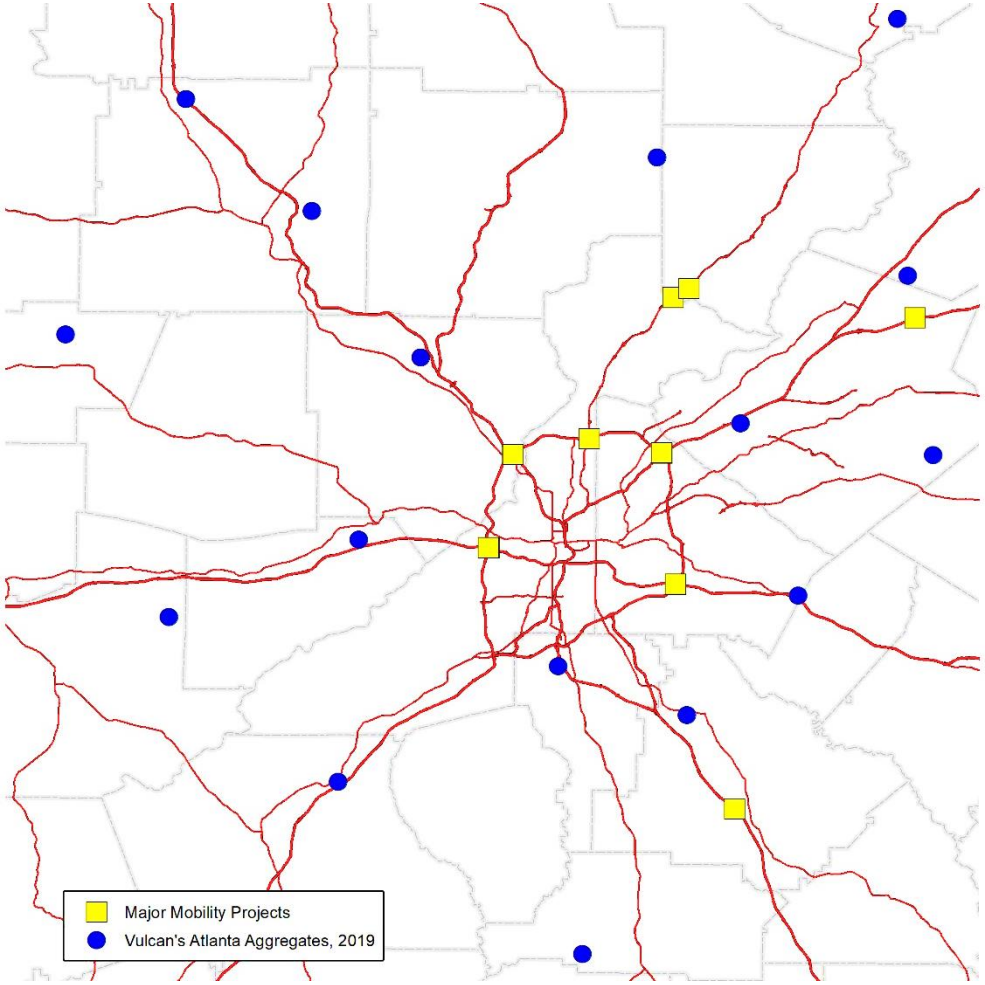
Note: Percent increase is calculated as the change in funding from the base year (year signed into law) to the year of full implementation of new revenue collections. Project spending may not align with revenue collections.

Well Positioned to Benefit In Georgia

Right Product

Metro Atlanta

More than $11 billion in transportation investment planned over the next 10 years

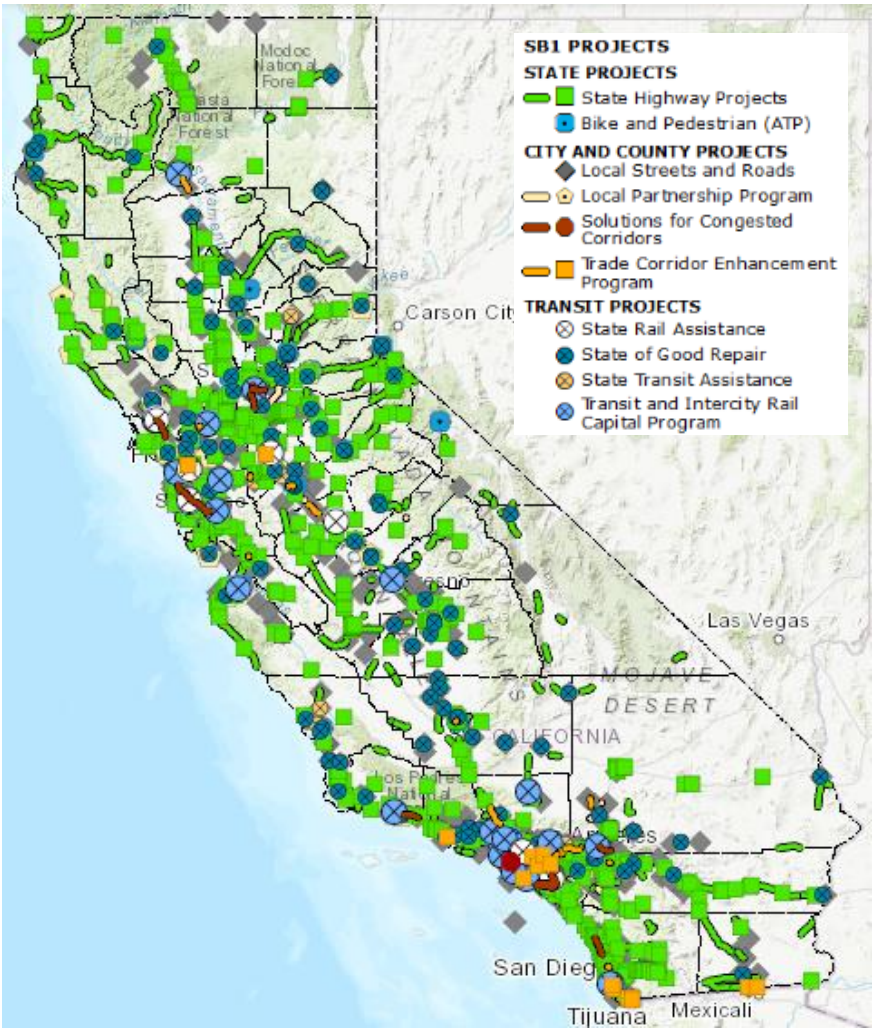


Well Positioned to Benefit in California

Right Product

Strong pipeline of projects supported by state and local funding increases

More than $52 billion in transportation investment planned over the next 10 years



Strategic Asphalt is a Natural Extension of Aggregates

Right Product

What makes our asphalt business strategic?

- ✓ Earns attractive through-the-cycle returns on capital
- ✓ Participation where market structure mirrors aggregates
- ✓ Serves same customer base
- ✓ Benefits from strong public demand
- ✓ Leverages logistics capabilities – 80% delivered

17% of 2018 total revenues

Operate in selective markets in Alabama, Arizona, California, New Mexico, Tennessee and Texas

Selective Concrete Positions Complement Aggregates

Right Product

When is a concrete business strategic?

- ✓ Earns attractive through-the-cycle returns on capital
- ✓ Participation where market structure mirrors aggregates
- ✓ Very selective markets with barriers to entry

9% of 2018 total revenues

Operate principally in San Antonio, Napa Valley and Washington D.C. metro area

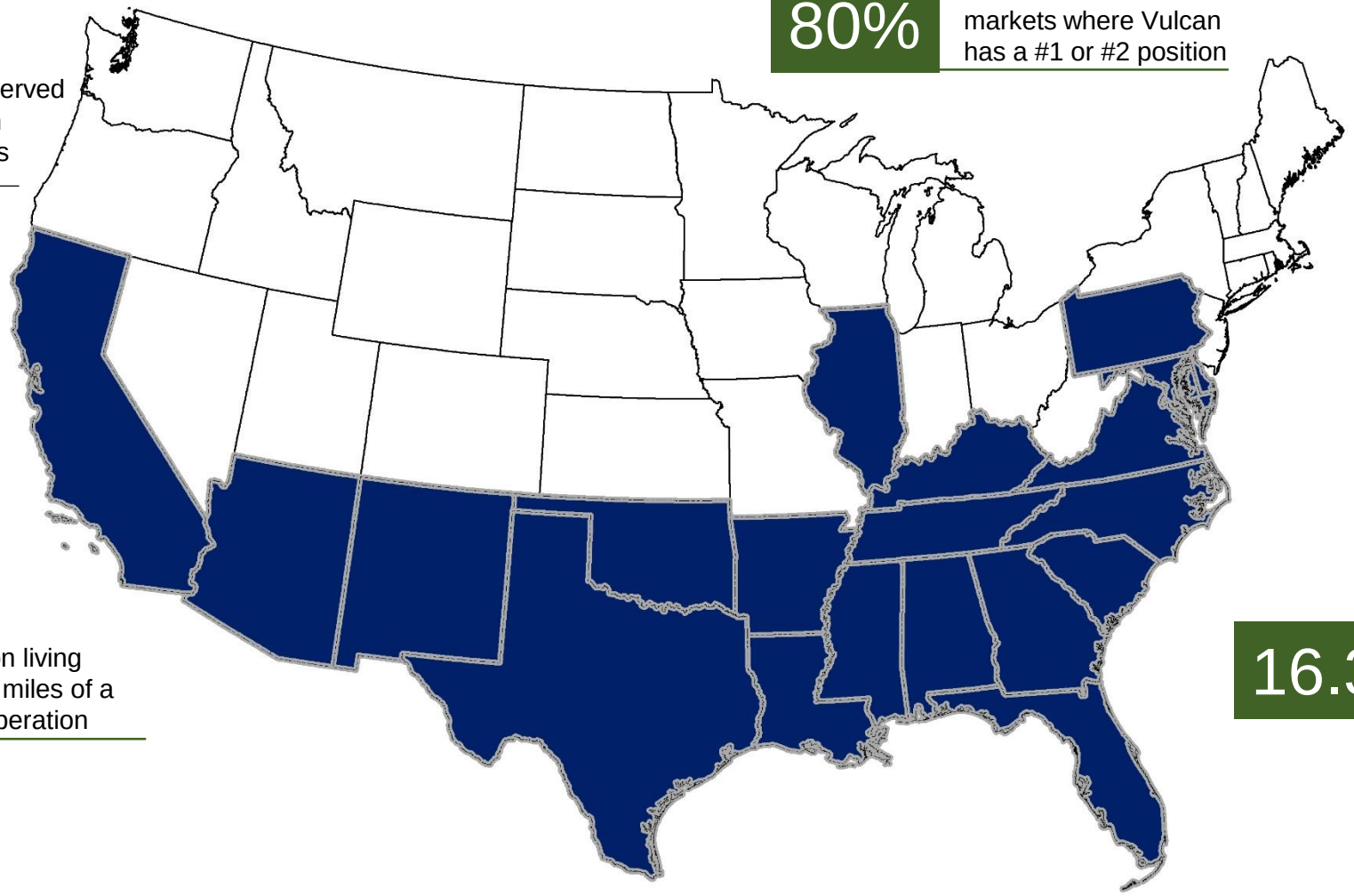
Vulcan's Unique And Irreplaceable Asset Base…

Right Markets

More than 60 years of steady, strategic growth creates a franchise of enduring value

19 of 25 Fastest growing markets served by Vulcan operations

80% Revenues tied to markets where Vulcan has a #1 or #2 position



50% Population living within 50 miles of a Vulcan operation

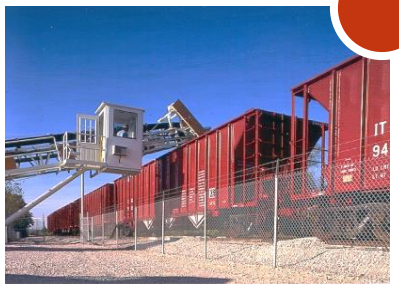
16.3 Billions of tons of aggregates reserves

Vulcan Materials Company

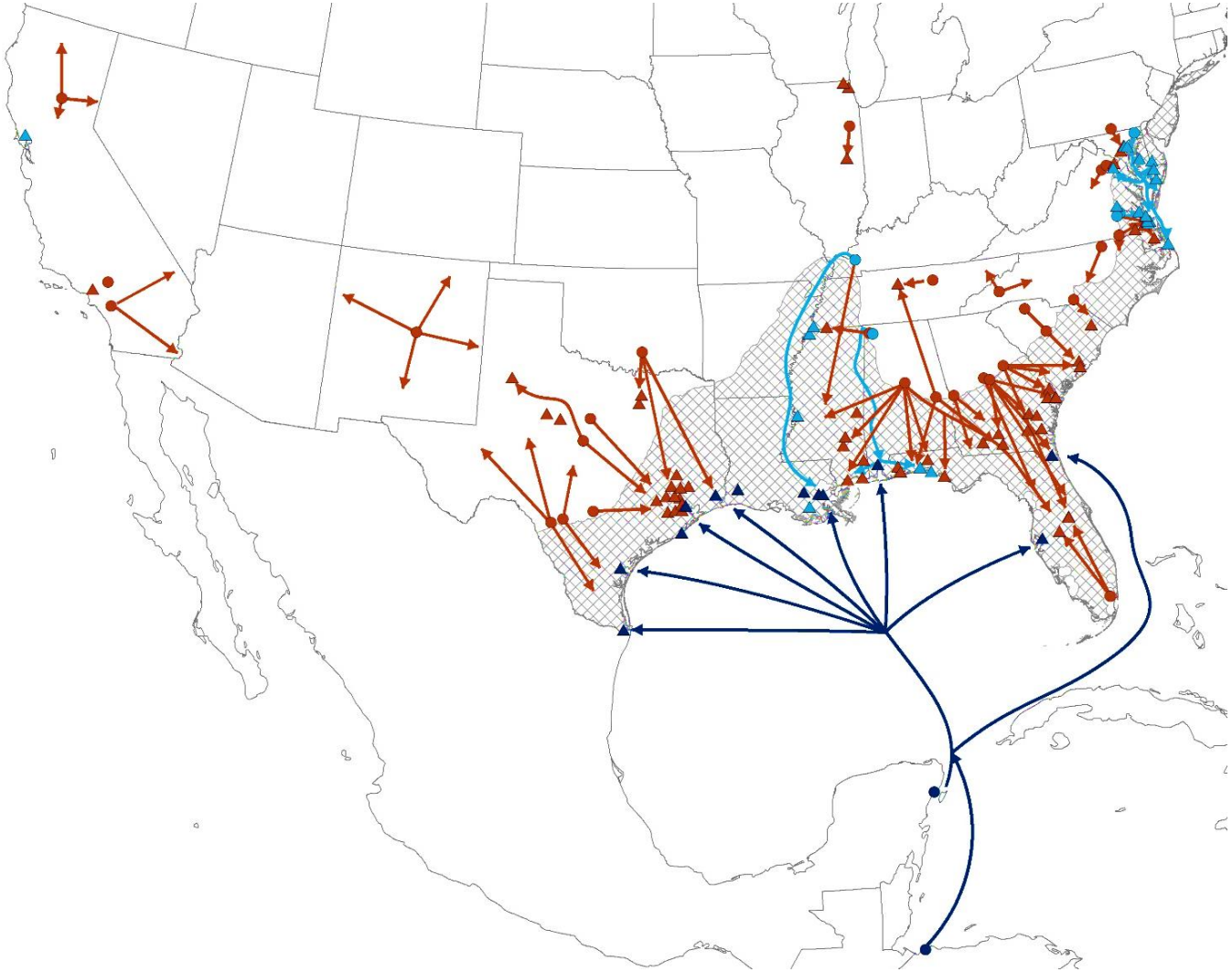
…Also Includes Valuable Logistics Network

Right Markets

Shipping by Truck
20-25 tons per truck
$0.15-0.35 per ton mile



Shipping by Rail
4-5 truckloads per rail car
$0.04-0.12 per ton mile



SHIPPING BY BARGE
~65 truckloads per barge
$0.02-0.03 per ton mile

SHIPPING BY OCEAN VESSEL
~2,500 truckloads per ship
Less **than** $0.01 per ton mile

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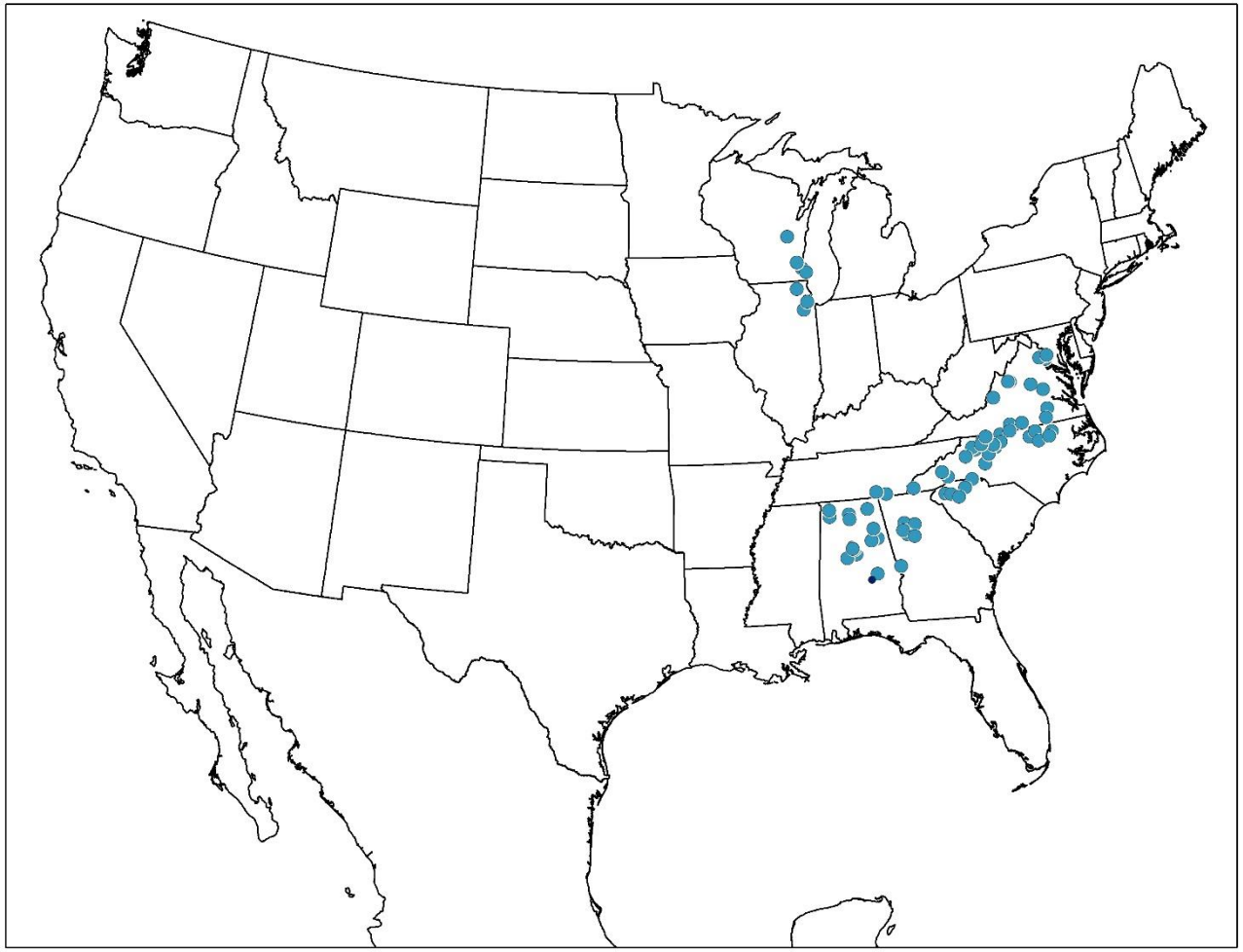
Per ton mile cost excludes loading and unloading

Market Positions Are Built Over Decades

Right Markets

Balanced approach to growth investments through both greenfields and acquisitions



1970

- Aggregates
- Asphalt
- Ready-mix Concrete

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Market Positions Are Built Over Decades

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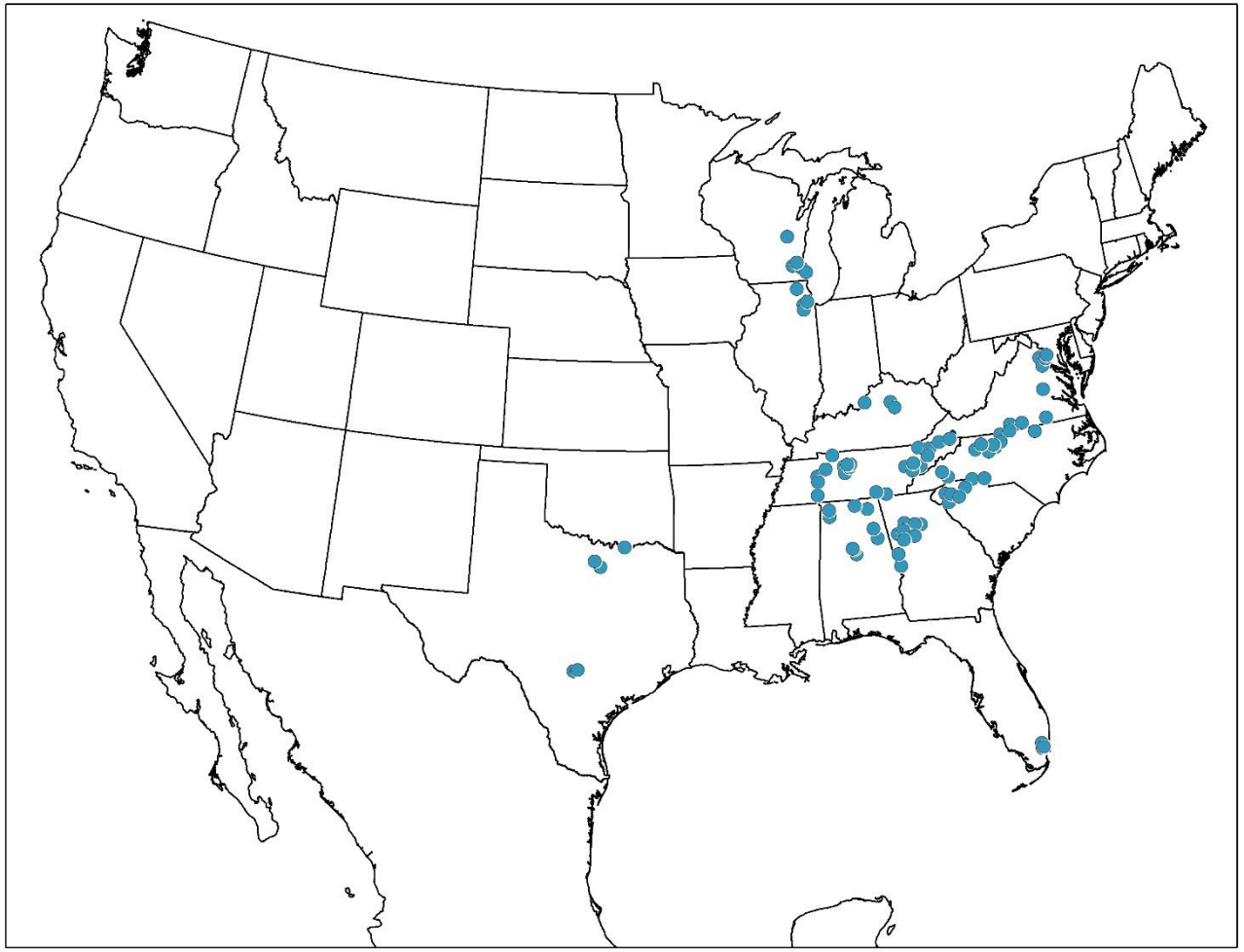
Balanced approach to growth investments through both greenfields and acquisitions



1980

- Aggregates
- Asphalt
- Ready-mix Concrete

Vulcan Materials Company

Market Positions Are Built Over Decades

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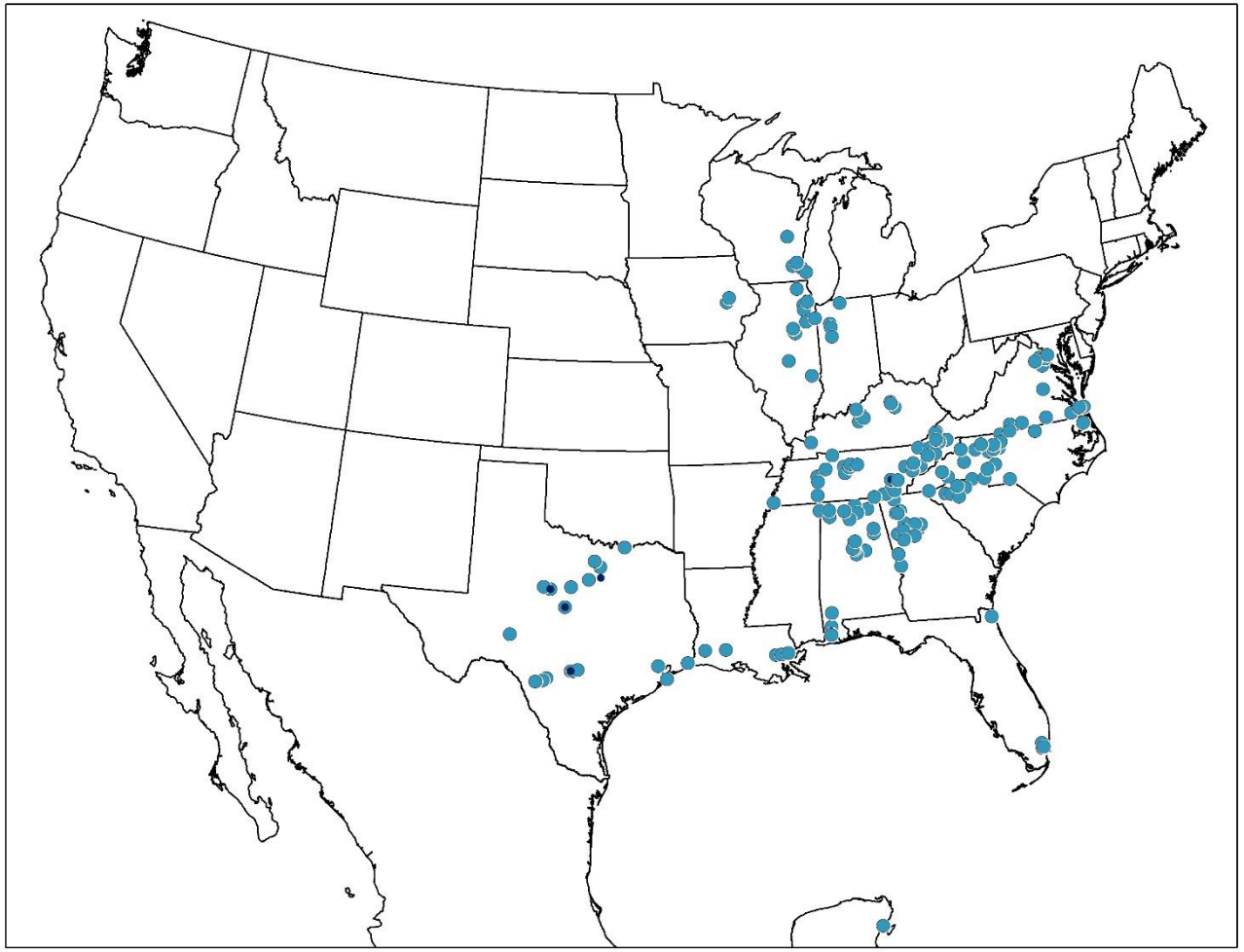

1990

- Aggregates
- Asphalt
- Ready-mix Concrete

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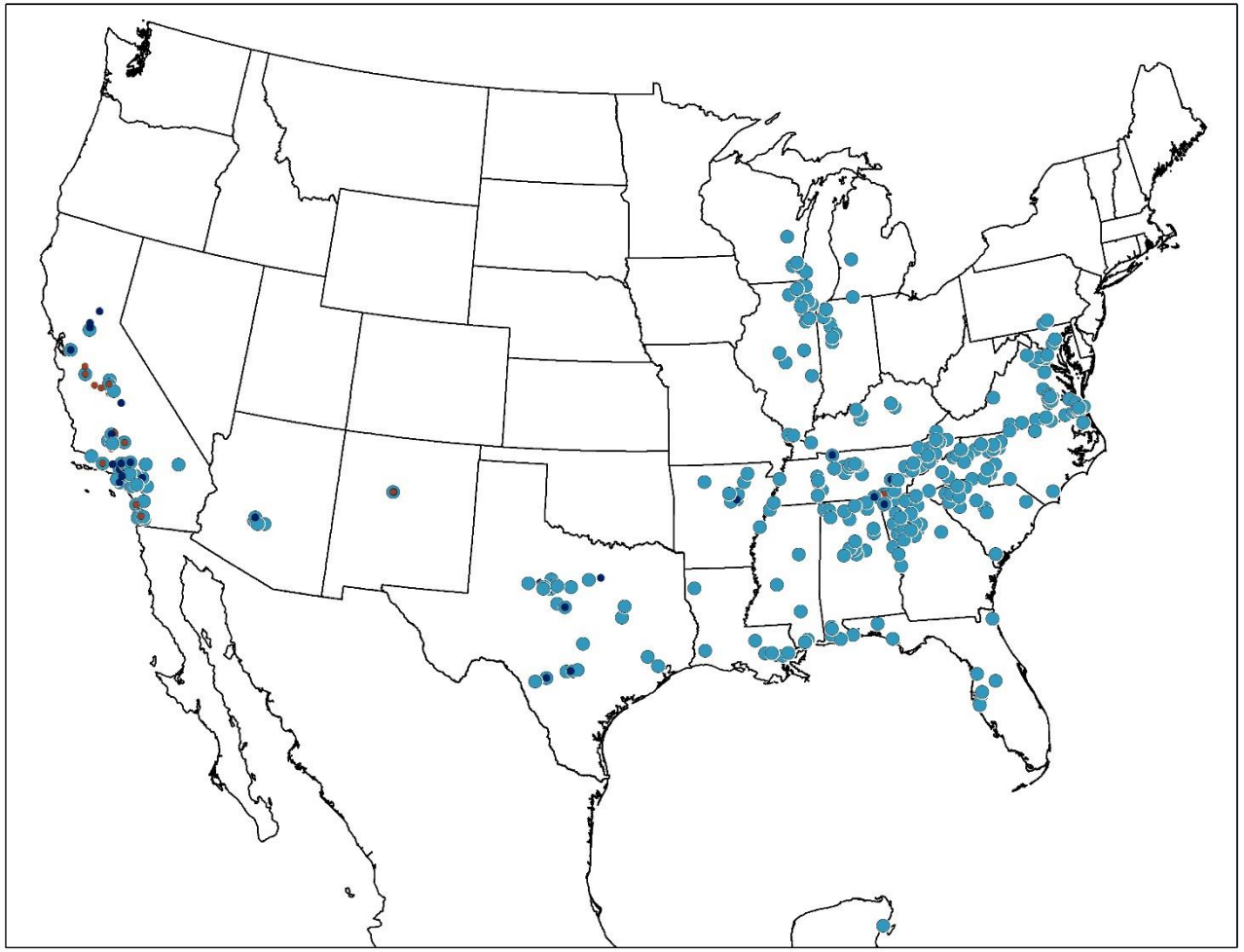
Market Positions Are Built Over Decades

Right Markets

Balanced approach to growth investments through both greenfields and acquisitions



2000

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- Asphalt
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Vulcan Materials Company

Market Positions Are Built Over Decades

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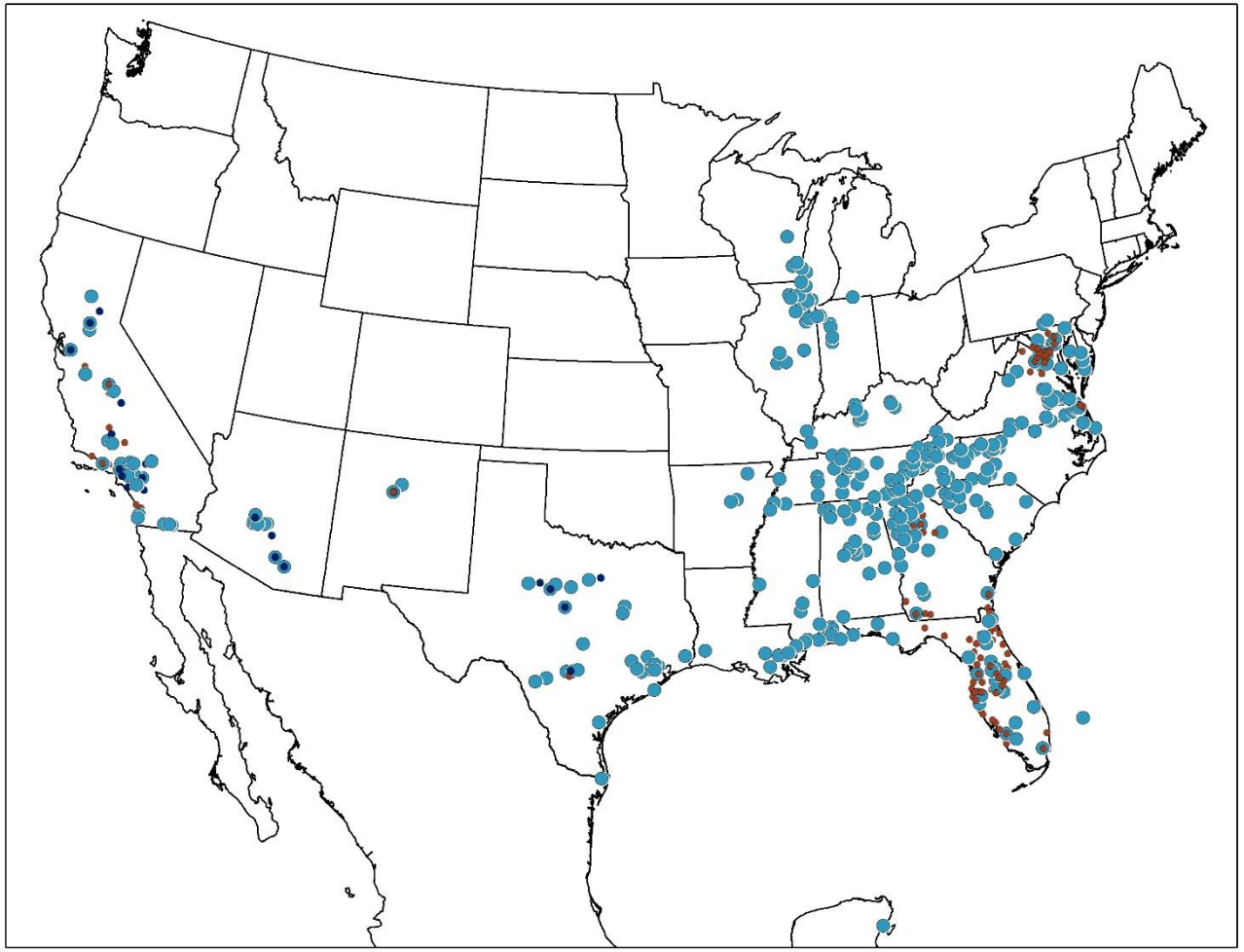
Balanced approach to growth investments through both greenfields and acquisitions



2010

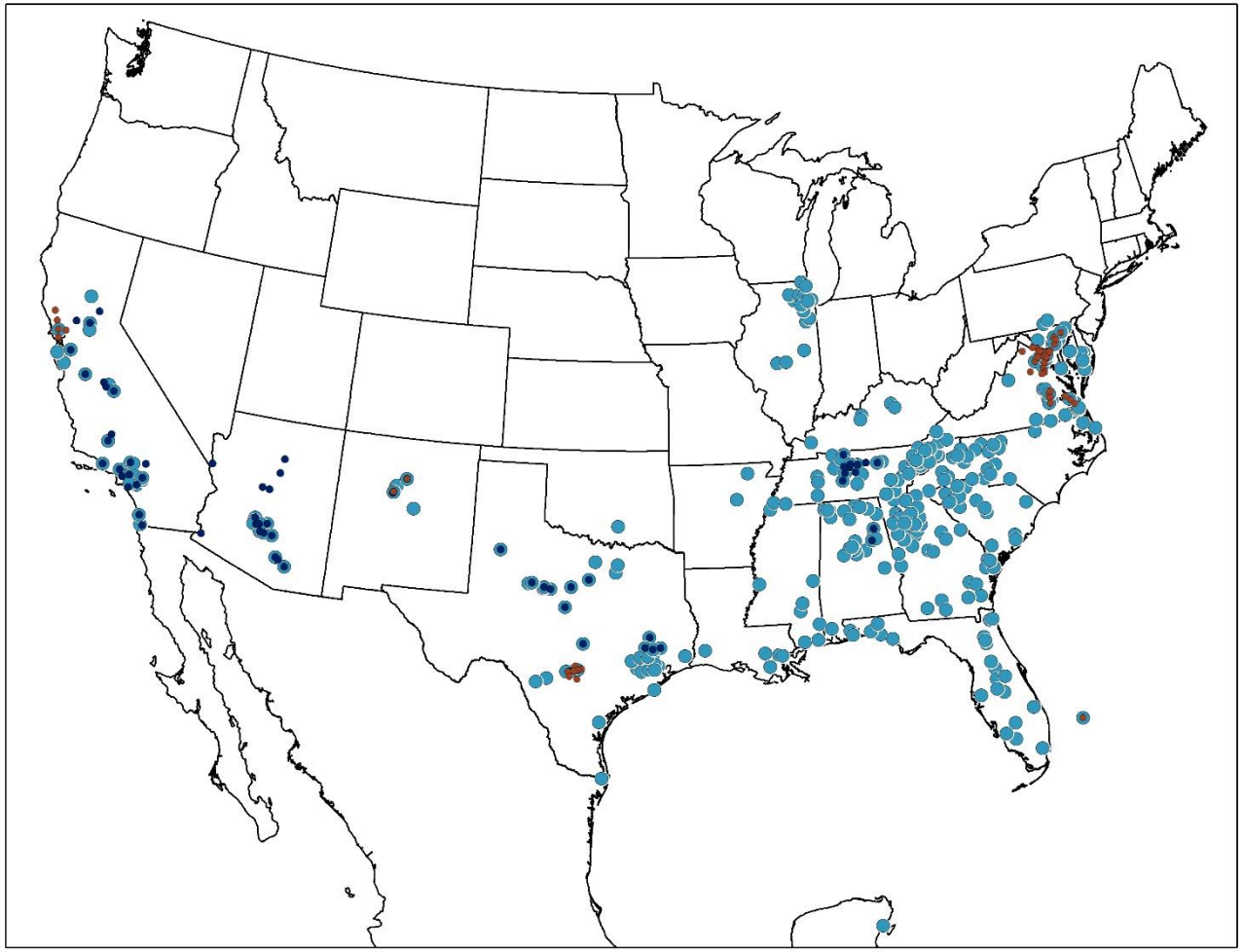
- Aggregates
- Asphalt
- Ready-mix Concrete

Vulcan Materials Company

Market Positions Are Built Over Decades

Right Markets

Balanced approach to growth investments through both greenfields and acquisitions



2019

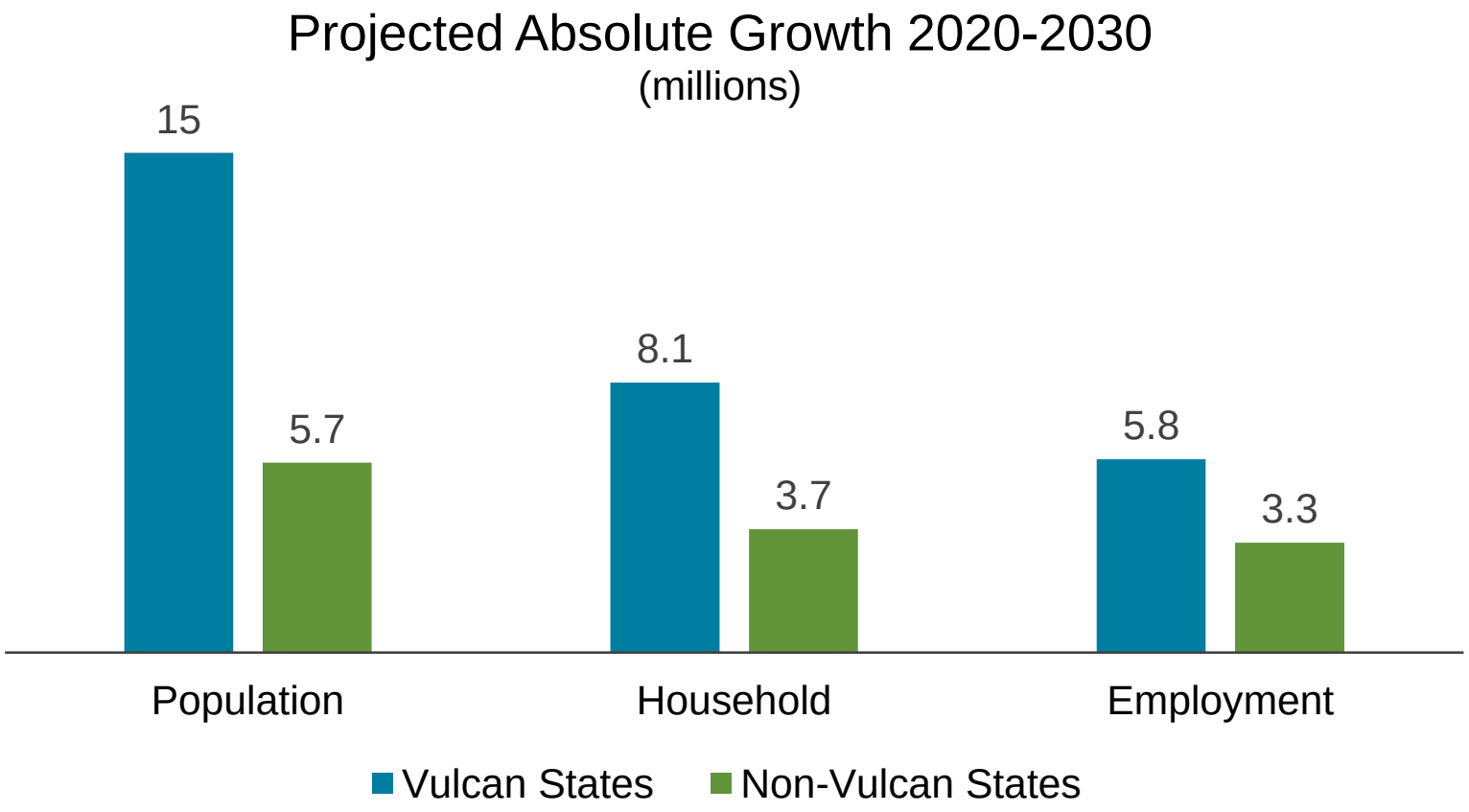
- Aggregates
- Asphalt
- Ready-mix Concrete

Vulcan Materials Company

Positioned For Growth

Right Markets

The proximity of our operations and reserves creates opportunities for continued growth



Moody's Analytics, August 2019

Our People Are Our Greatest Resource

Right People

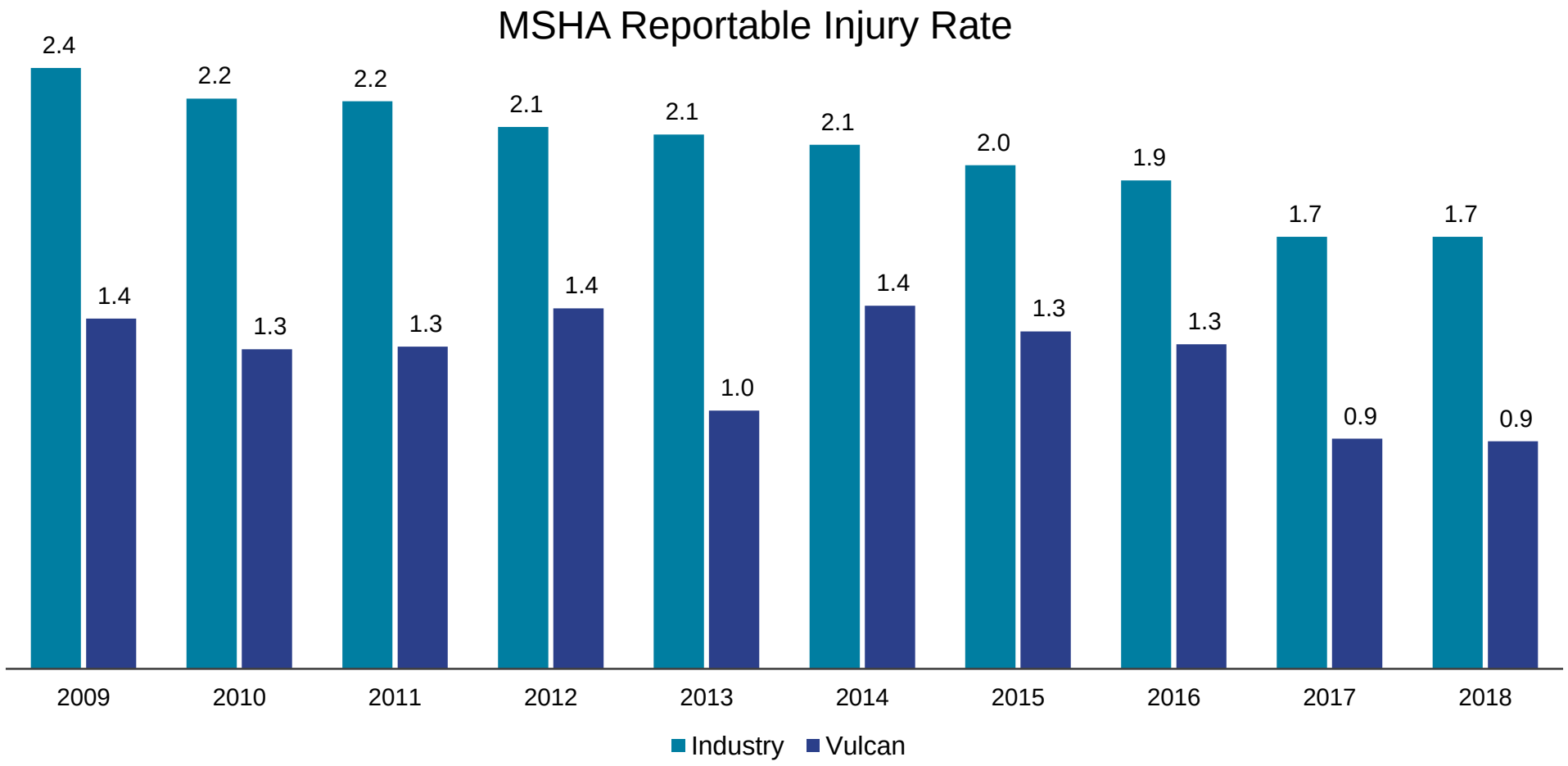
We take care of them and our communities

Vulcan Materials Company

Safety – Industry Leader

Right People

Commitment to our people



MSHA = Mine Safety and Health Administration. Injuries per 200,000 hours

Protecting Employee Health

Right People

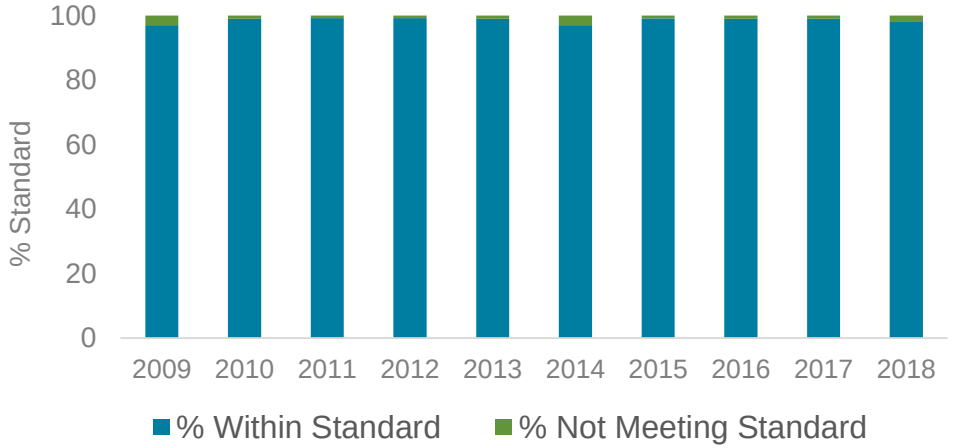
First in industry to launch comprehensive occupational health program – continually innovating to achieve more

Consistently Near 100% Participation

Employee Participation in Voluntary Occupational Health Screening

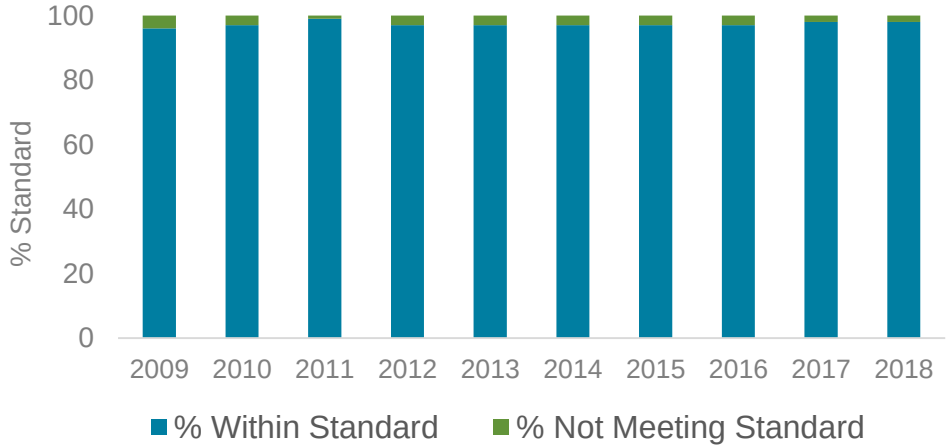
10-Year Average: 98.7% Within Standard

MSHA Respirable Dust/Silica Exposure Sampling



10-Year Average 97.3% Within Standard

MSHA Noise Exposure Sampling



Environmental Stewardship

Right People

We take care of the communities in which our people and our stakeholders live and work

- Committed to responsible, sustainable operations
  - Significant reduction in Greenhouse Gas Emissions
  - Retire-and-replace mobile equipment program to meet higher engine emission standards
  - Innovative technologies that improve energy efficiencies of blue-water fleet
  - Utilize closed-loop water systems in production process to minimize water usage
  - Comprehensive land and water management programs
  - >40 certified Wildlife Habitats

Making the Best Better To Deliver Even Stronger Results

A market leader focused on enhancing profitability and driving sustainable, long-term shareholder value

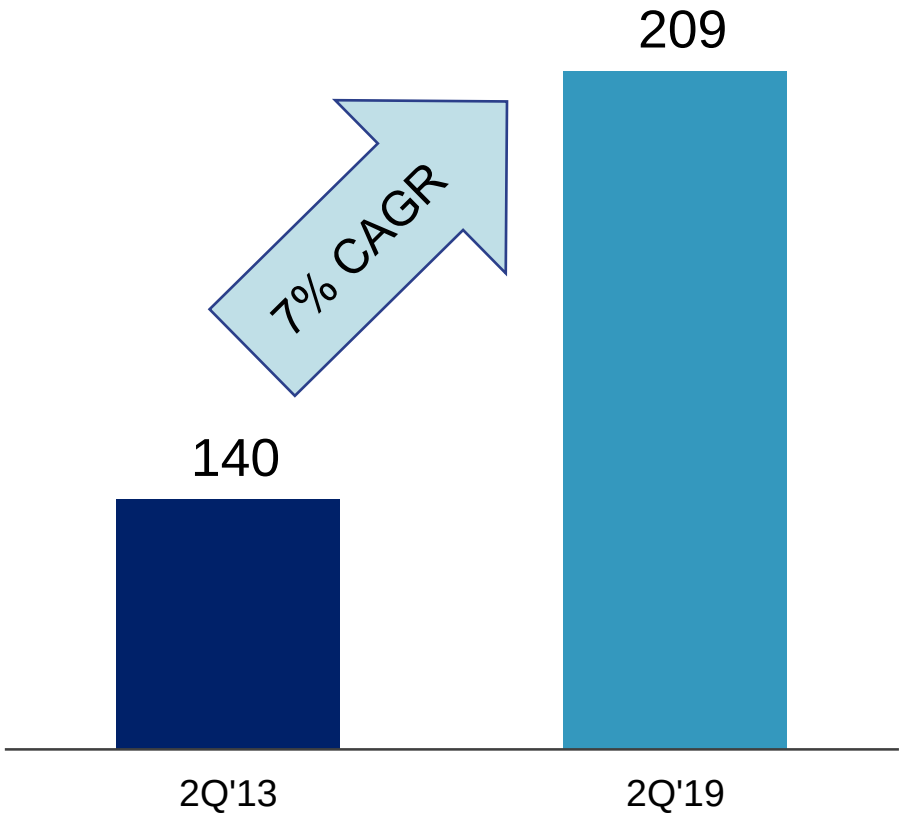
Suzanne Wood, Senior Vice President and CFO

COMPETITIVE STRENGTHS DRIVING FINANCIAL RESULTS

Vulcan Materials Company

Solid Shipment Growth In Aggregates

Unique positions in many of the fastest growing U.S. markets

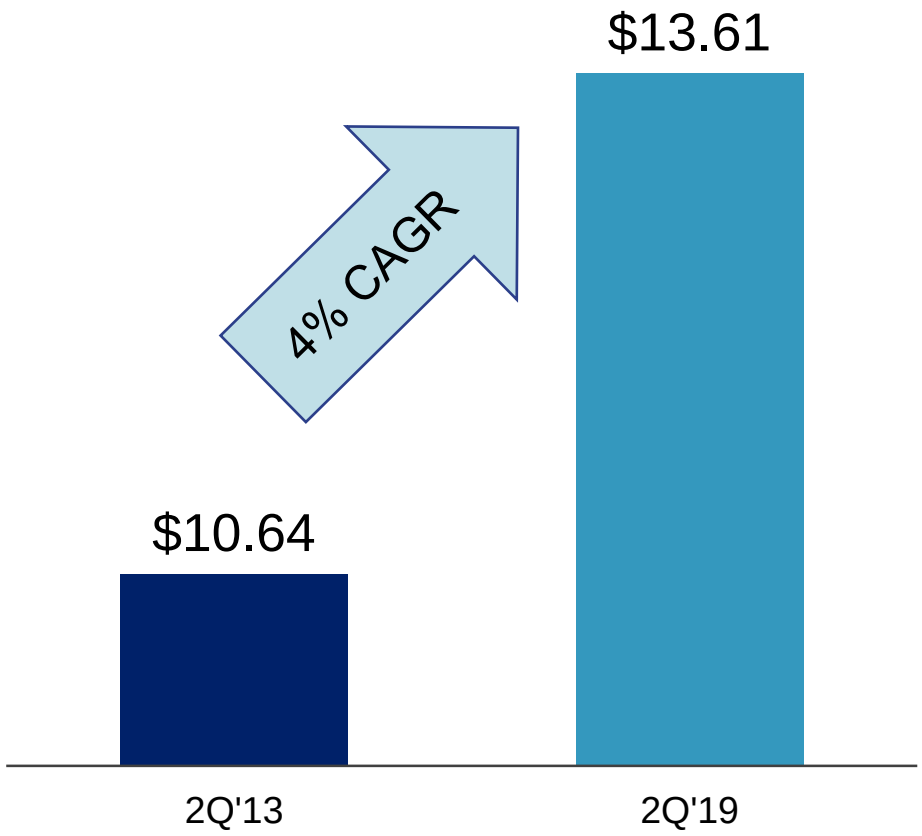


- Broad based growth in shipments across our footprint
- Growth since 2013 generally driven by private
- Increased public funding led by highways beginning to contribute to shipment growth

Millions of tons. Figures shown on a trailing 12 month basis (TTM).
TTM 2Q'13 represents the cyclical low in aggregates volumes.

Compounding Price Improvements In Aggregates

Relatively inelastic pricing with growth through the cycle

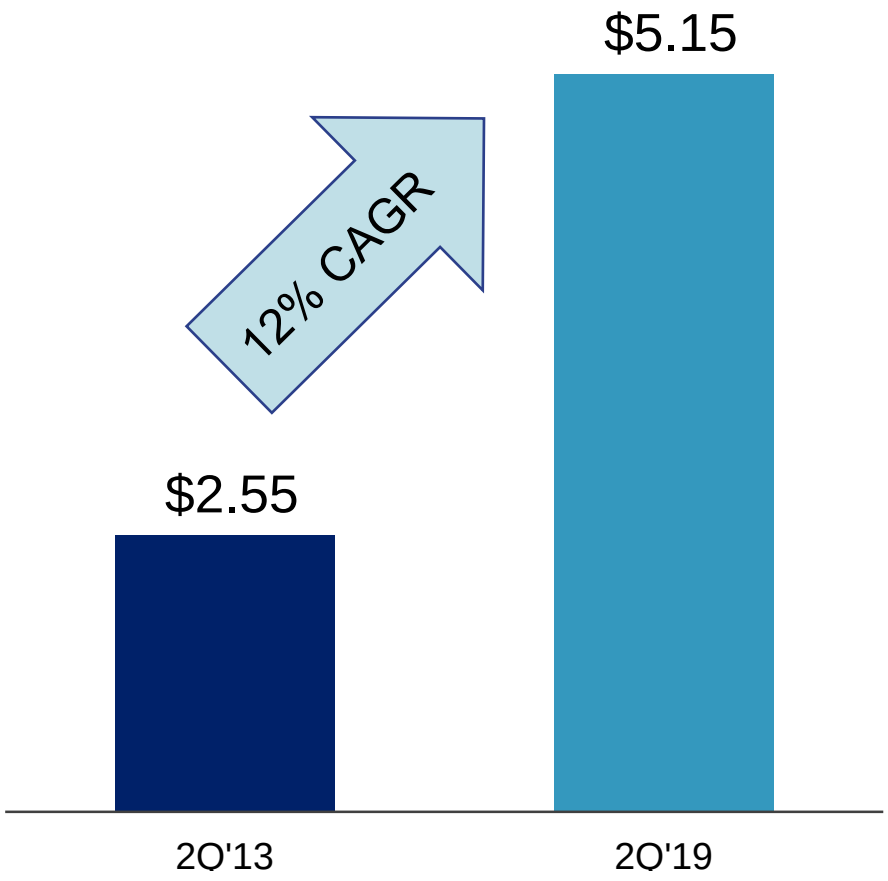


- Overall pricing climate remains positive
- Momentum continues across all geographies
- Increasing visibility to public demand underpins pricing outlook

Unit price in $ / Ton. Figures shown on a trailing 12 month basis (TTM).
TTM 2Q'13 represents the cyclical low in aggregates volumes.

Expansion In Aggregates Gross Profit Per Ton

Strong local leadership focused on execution

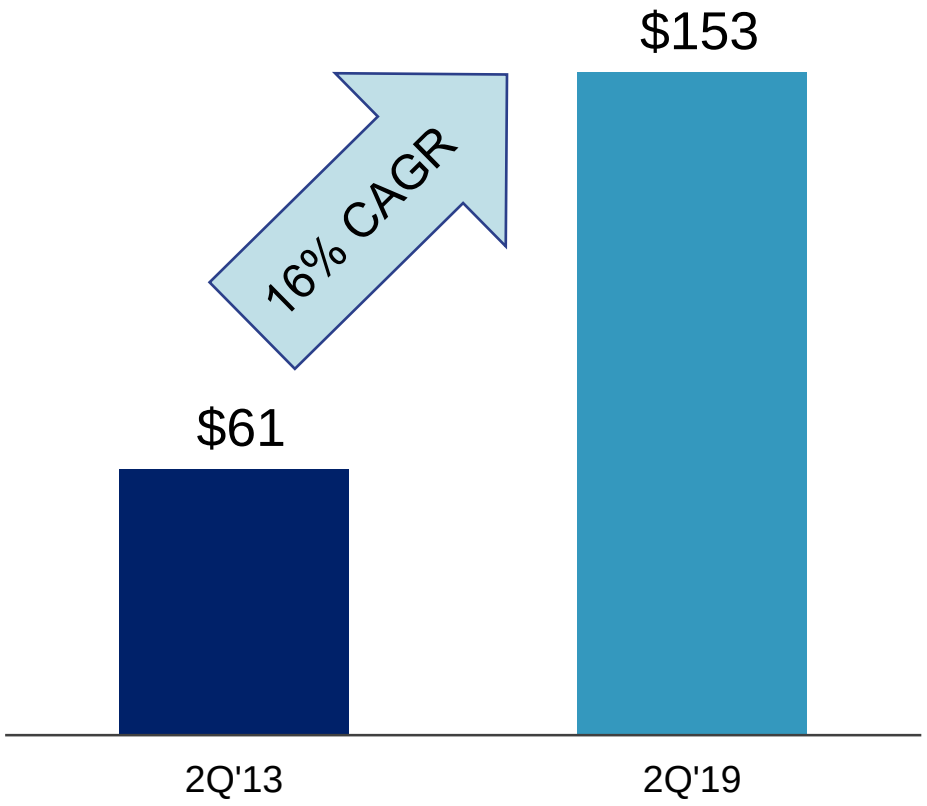


- Disciplined cost control and operational efficiencies resulted in total unit cost of sales growing at only 1% annually
- Flow-through conversion in line with longer-term target
- Profitability improvements across our footprint

Figures shown on a trailing 12 month basis (TTM).
TTM 2Q'13 represents the cyclical low in aggregates volumes.

Steady Improvement In Non-aggregates Cash Gross Profit*

Selective downstream investments that complement our aggregates franchise

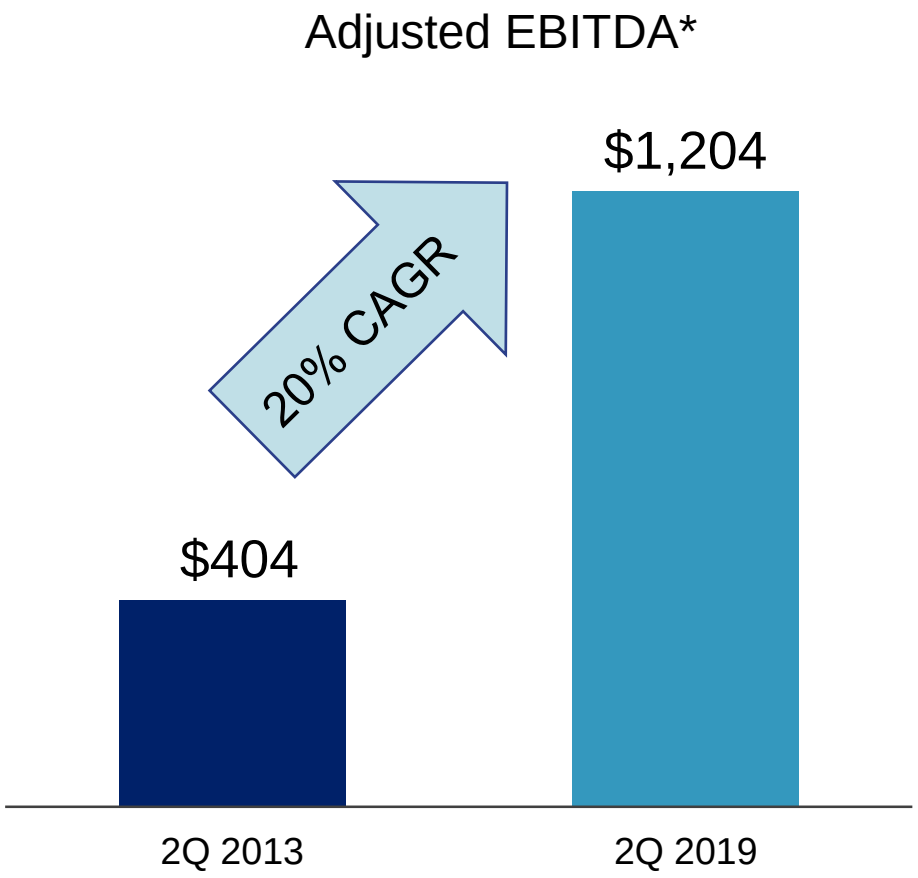


- Divested Southern California and Georgia concrete businesses to rationalize portfolio
- Recent asphalt acquisitions add attractive earnings and strengthen core aggregates business
- Downstream profit improvement impacted by liquid asphalt headwinds

Amounts in millions. Figures shown on a trailing 12 month basis (TTM).
TTM 2Q'13 represents the cyclical low in aggregates volumes.
* Cash gross profit is a non-GAAP measure. See Appendix for reconciliation.

Strong Conversion Of Revenue To Earnings

Earnings growth driven by strong aggregates results

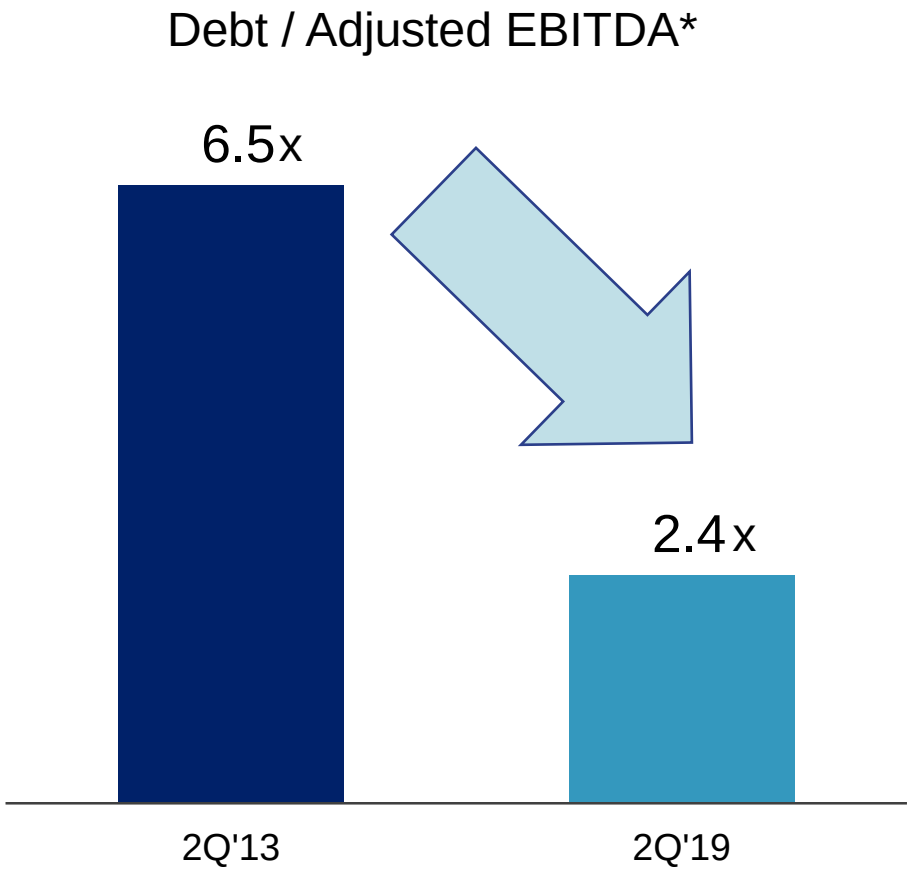


- Top line annual growth rate of 9% converted to 20% annual growth rate in EBITDA
- Revenue and earnings growth across aggregates and non-aggregates product lines
- Improved SAG leverage 240 basis points

Amounts in millions. Figures shown on a trailing 12 month basis (TTM).
TTM 2Q'13 represents the cyclical low in aggregates volumes.
* Adjusted EBITDA is a non-GAAP measure. See Appendix for reconciliation.

Investment Grade Balance Sheet Supports Future Growth

Leverage reduced to within target range

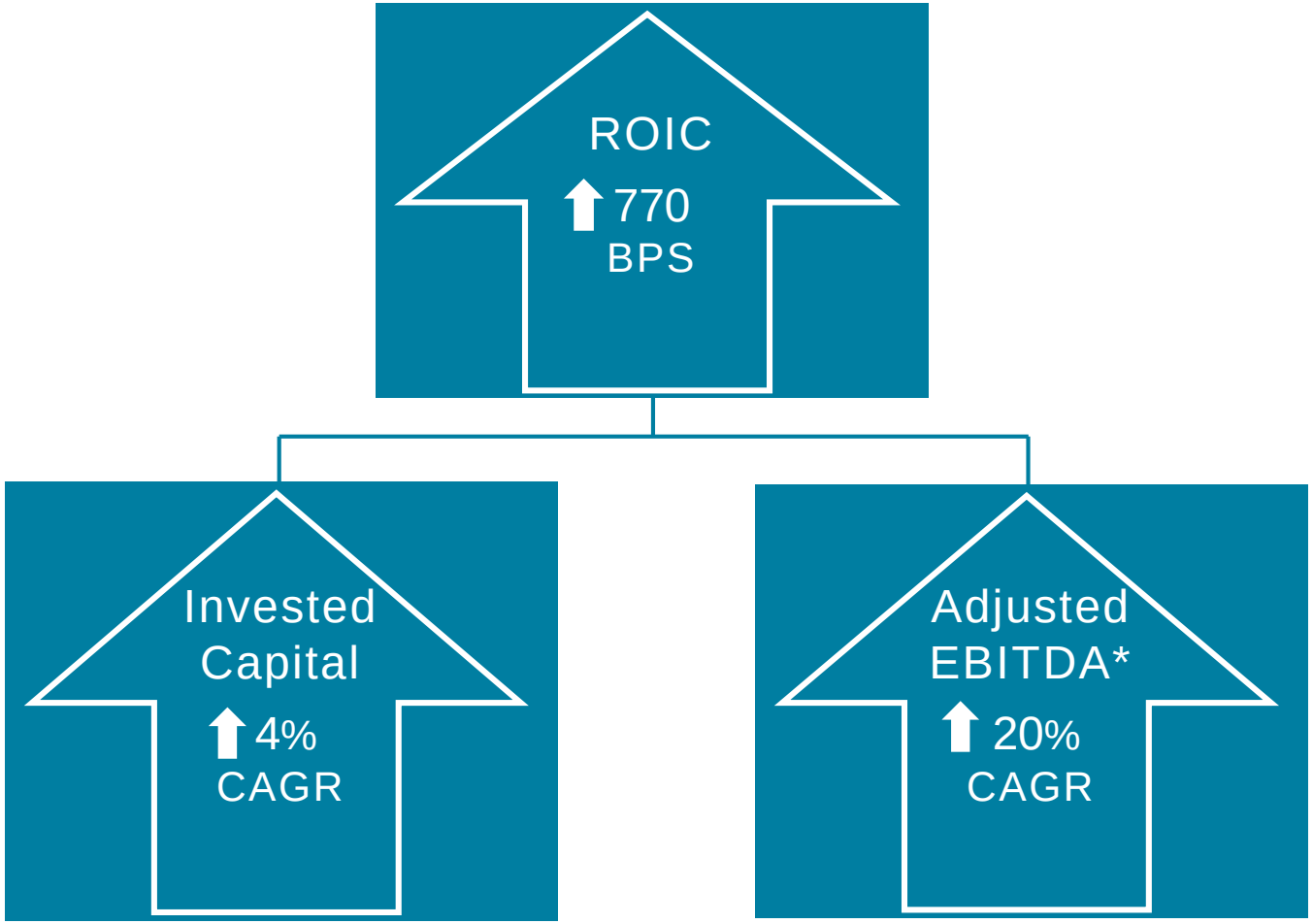


- Improved financial strength and flexibility
- Debt amount and structure appropriate to the asset base and through the cycle
- Target leverage range of 2.0 to 2.5x
- Capacity to fund growth and return capital

Figures shown on a trailing 12 month basis (TTM). TTM 2Q'13 represents the cyclical low in aggregates volumes.
* Adjusted EBITDA is a non-GAAP measure. See Appendix for reconciliation.

Leveraging Our Capital Base To Drive Shareholder Value

Improvement in Return on Invested Capital
2Q 2013 versus 2Q 2019



TTM 2Q'13 represents the cyclical low in aggregates volumes.
*Adjusted EBITDA is a non-GAAP measure. See Appendix for reconciliation.

Making the Best Better – Our Strategic Initiatives

Each effort supports both near-term performance and longer-term competitiveness

OPERATIONAL EXCELLENCE

STRATEGIC SOURCING

COMMERCIAL EXCELLENCE

LOGISTICS INNOVATIONS

CONTROLLING WHAT WE CAN CONTROL

The Right Focus: People, Process and Execution

Making the Best Better – Our Strategic Initiatives

Each effort supports both near-term performance and longer-term competitiveness

David Clement
Senior Vice President

OPERATIONAL EXCELLENCE

Focus on Operating Disciplines

STRATEGIC SOURCING

COMMERCIAL EXCELLENCE

LOGISTICS INNOVATIONS

CONTROLLING WHAT WE CAN CONTROL

The Vulcan Way Of Operating – Sustaining Improvement

Focused on safety, serving our customers and production

Enabling Our Great People

PROTECTING OUR PEOPLE AND COMMUNITIES	WINNING WITH CUSTOMERS	UTILIZING OUR ASSETS

Operating Disciplines – Context For Discussion

To remain the best and reach our potential requires self reflection and asking the hard questions

How can we improve productivity safely?

How can we adjust our training to meet the workforce of the future?

How can we turn data into useful dashboards of information?

How can we better serve our customers?

How can our operations managers better develop their teams?

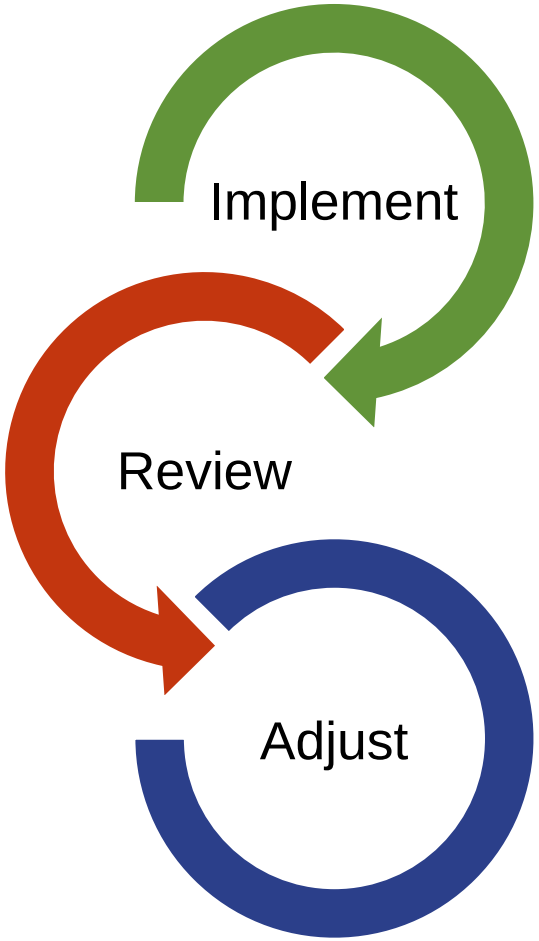
Five Tenets Of Effective Production Performance

Focused on executing the fundamentals well and sustaining continuous improvement

- People – Safety, Health, Performance Management and Coaching
- Production Planning and Customer Service
- Plant Availability
- Plant Throughput
- Inspection and Preventative Maintenance

Defining Success – Where Are We?

Capturing and sustaining improvements in operations



- ✓ Enterprise-wide operational support team
- ✓ Standardized key disciplines and operating parameters
- ✓ Best practices in performance management and coaching
- ✓ Utilizing opportunity searches
- ✓ Regular rhythms for coordination between our sales and operating teams
- ✓ Exploring digital technologies for production, maintenance and training

Defining Success – What Will It Look Like?

Continuous and sustainable improvements across the operational footprint

Continuous improvement, learning and sharing

Right materials at the right time, safely

+

Our people have the right focus and the right tools

▶ Effective Cost Control

- ✓ Continuous improvement in our industry-leading safety performance
- ✓ Continuous improvement in our operating disciplines
- ✓ Better asset utilization through improved availability and throughput
- ✓ Support for our Commercial Excellence initiatives to improve customer experiences
- ✓ Digital tools supporting our production, maintenance and training activities

Making the Best Better – Our Strategic Initiatives

Each effort supports both near-term performance and longer-term competitiveness

Jason Teter
President – Southeast Division

OPERATIONAL EXCELLENCE	**STRATEGIC SOURCING** Serve and Save	COMMERCIAL EXCELLENCE	LOGISTICS INNOVATIONS

CONTROLLING WHAT WE CAN CONTROL

Strategic Sourcing – What Is It For Vulcan?

Leveraging common practices to better serve and save across a distributed business model

SERVE

Vulcan's front line operating teams

SAVE

With a total cost of ownership approach

Strategic Sourcing – Innovation Starts With Self-assessment

Vulcan embraced innovation in sourcing by taking a hard look at its practices

Are our teams properly trained to drive saving and serving?

Can we shift the focus to Total Cost of Ownership?

How do we better serve and save across our vast footprint?

How can we free up our front line operations teams to run their operations and also ensure they have what they need when they need it?

How can we better partner with our suppliers across more sourcing categories?

Vulcan Materials Company

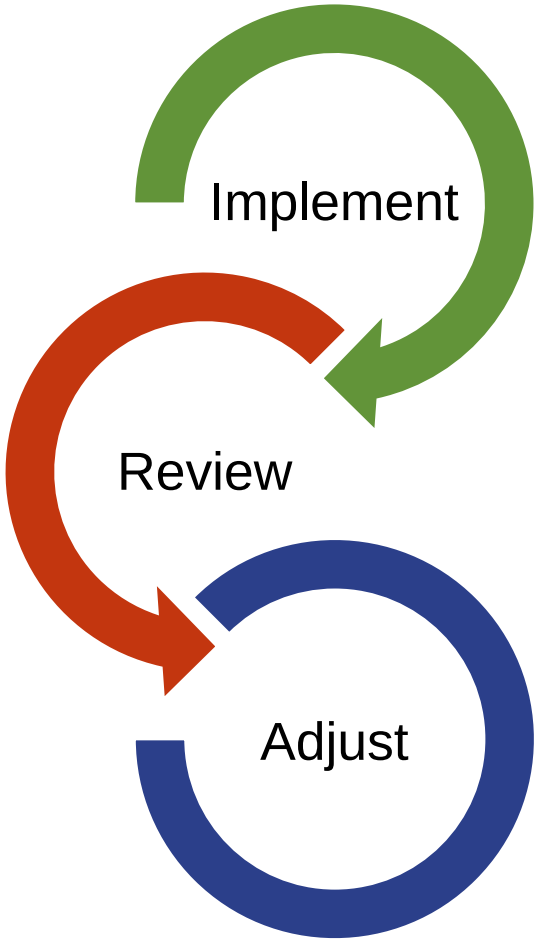
Where Are We?

Over the last 2 years, have made investments in our people, systems and processes

SERVE

- ✓ Technology/System implementation w/mobile enablement
- ✓ Process improvement
- ✓ Training and role clarity

VCOMMERCE
Source. Buy. Pay. The Easy Way.



SAVE

- ✓ Redefining our sourcing process
- ✓ Training our teams in category management
- ✓ Operations, procurement and supplier partnerships

Results So Far?

We have made real progress with significant opportunity for the future

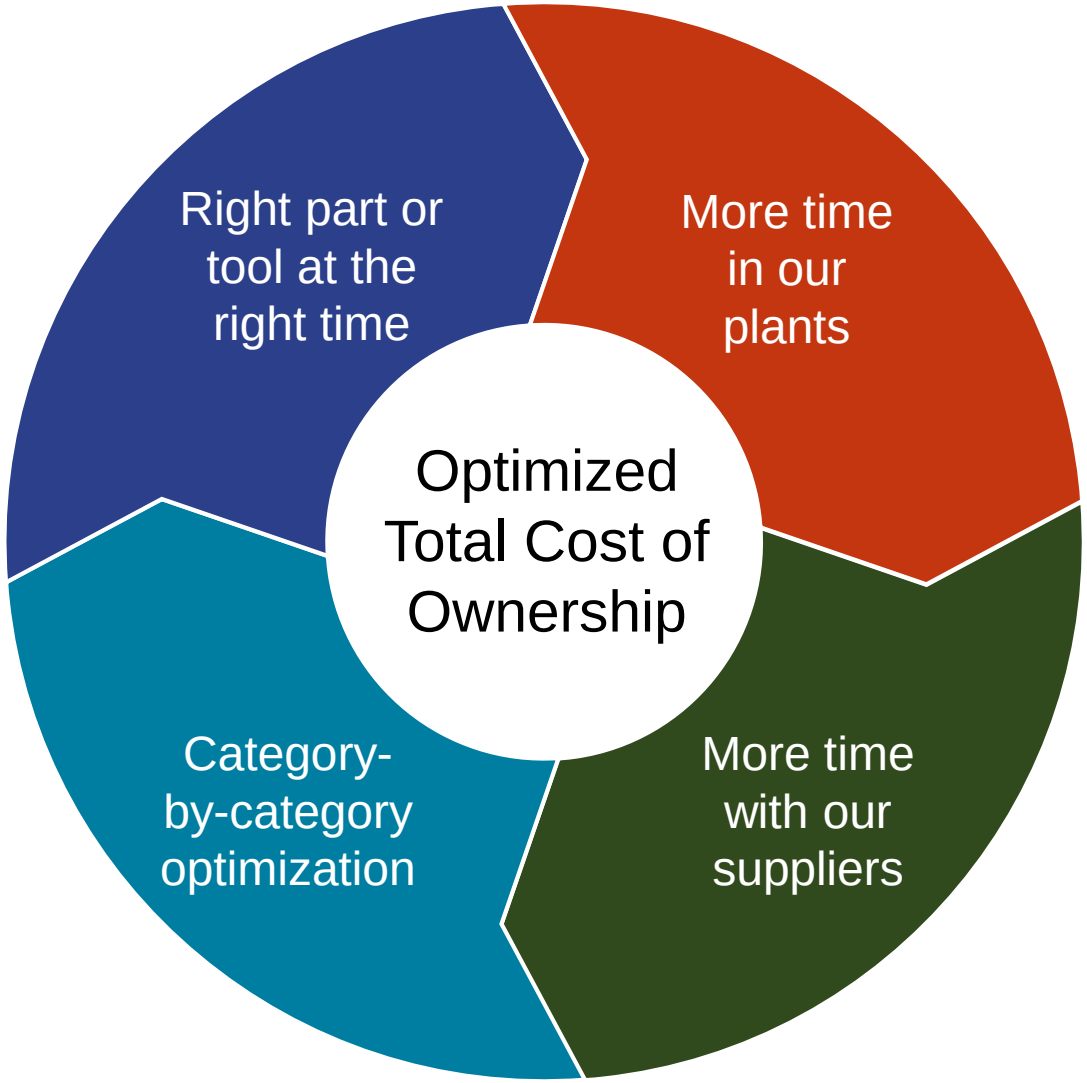
- ✓ Reduction in order time by over 50%
- ✓ Mobile enablement of our field teams resulting in less time in front of a computer
- ✓ Real time freed up to focus on what is important
- ✓ Real savings on the initial categories

Vulcan Materials Company

Defining Success – What Does It Look Like?

Strategic Sourcing – Locking in and sustaining the process of what great looks like

SERVE



SAVE

Making the Best Better – Our Strategic Initiatives

Each effort supports both near-term performance and longer-term competitiveness

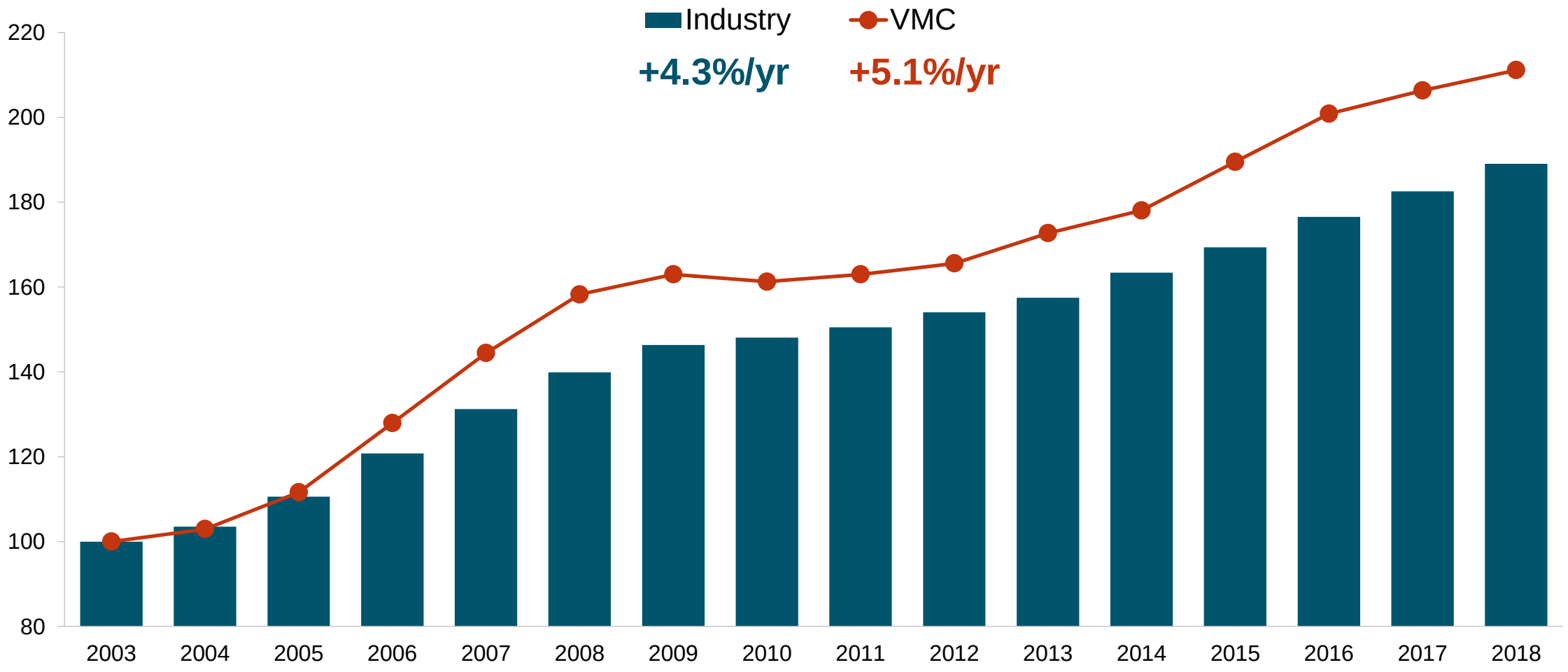
Brock Lodge
President – Western Division

OPERATIONAL EXCELLENCE	STRATEGIC SOURCING	COMMERCIAL EXCELLENCE Spend Time Where it Counts	LOGISTICS INNOVATIONS

CONTROLLING WHAT WE CAN CONTROL

Commercial Excellence – Context For Discussion

Long history of above-average price performance



Commercial Excellence – Context For Discussion

To remain the best and reach our potential requires self reflection and asking the hard questions

How can we spend less time on non-selling activities?

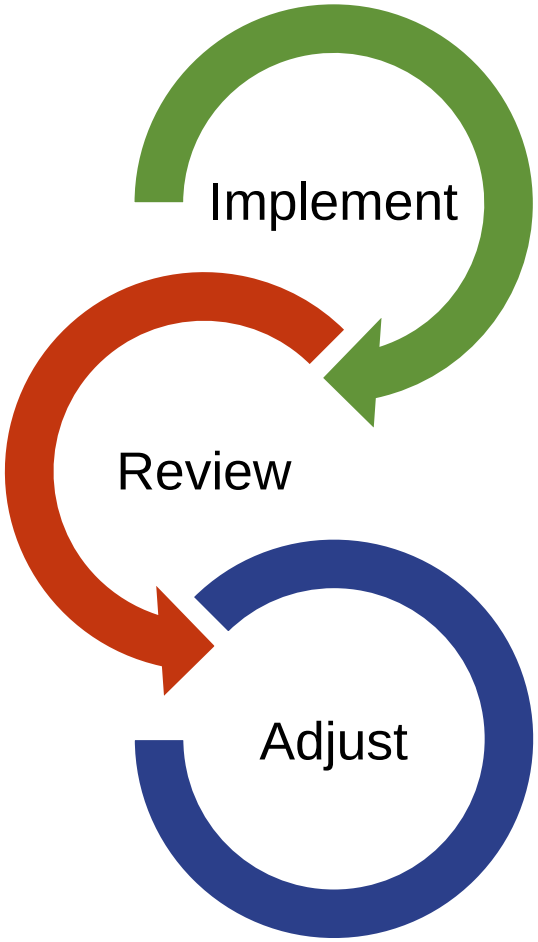
How can our Sales Managers better develop their sales teams?

How can we be more responsive to customer needs?

How can we better leverage our strong customer relationships?

How can we shift more towards a solutions mindset?

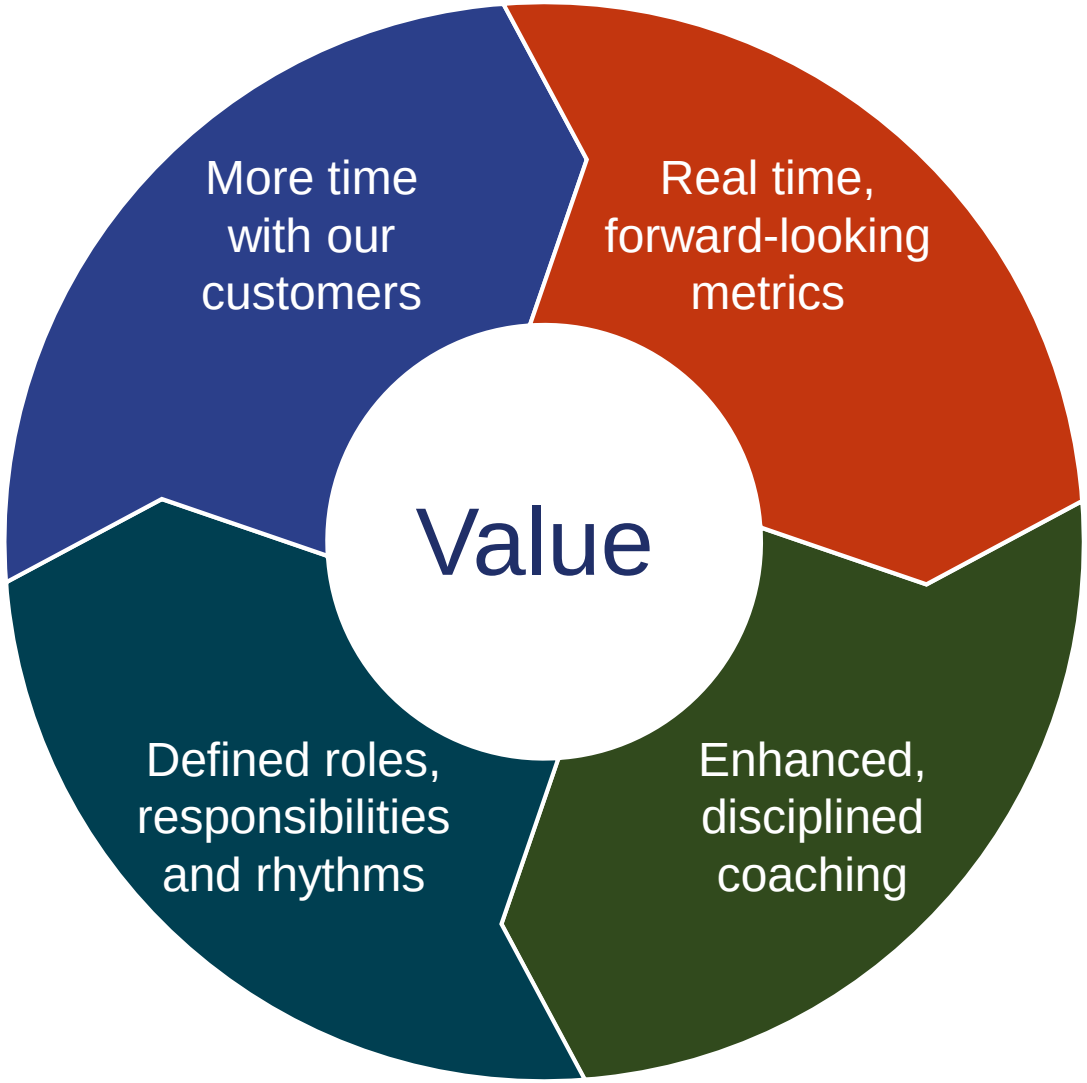
Defining Success – Where Are We?



- ✓ More effective at planning to win
- ✓ Forward-looking information to be more agile
- ✓ Spending more time where it counts
- ✓ More focus on coaching
- ✓ Measurements of success: real-time metrics

Defining Success – What Does It Look Like?

The Vulcan Way of Selling – Spending time where it counts creates value



Making the Best Better – Our Strategic Initiatives

Each effort supports both near-term performance and longer-term competitiveness

Bert O'Neal
Vice President, Logistics & Commercial Excellence

OPERATIONAL EXCELLENCE	STRATEGIC SOURCING	COMMERCIAL EXCELLENCE	**LOGISTICS INNOVATIONS** The Last Mile Matters

CONTROLLING WHAT WE CAN CONTROL

Aggregates Modes Of Transportation

Approximately 60% of aggregates shipments are moved via these four modes of transportation

Modes of Transportation		% of 2018 Volume
	**Trucking (managed)**	36%
	**Rail**	12%
	**Blue water**	6%
	**Brown water**	5%

- ✓ **Vulcan customers spend >$1 billion on truck freight for Vulcan product**
- ✓ **Big opportunity to innovate**

Last Mile Logistics Can Be A Bottleneck For Shipments

2016 Aggregates Day Slide

Core demand drivers

Pre- construction project pipeline:

- $ Value of backlog
- Pace of additions
- End-use mix, geographic mix, and size/ complexity of projects

Stronger growth; clear signal

Conversion of pipeline to starts:

- Macro-confidence/ uncertainty
- Complexity of project design, permitting, etc.
- Developer discipline (e.g. homebuilders deliberate in adding new supply)
- Views regarding available construction capacity

Starts fluctuation normal

Construction sector capacity and bottlenecks:

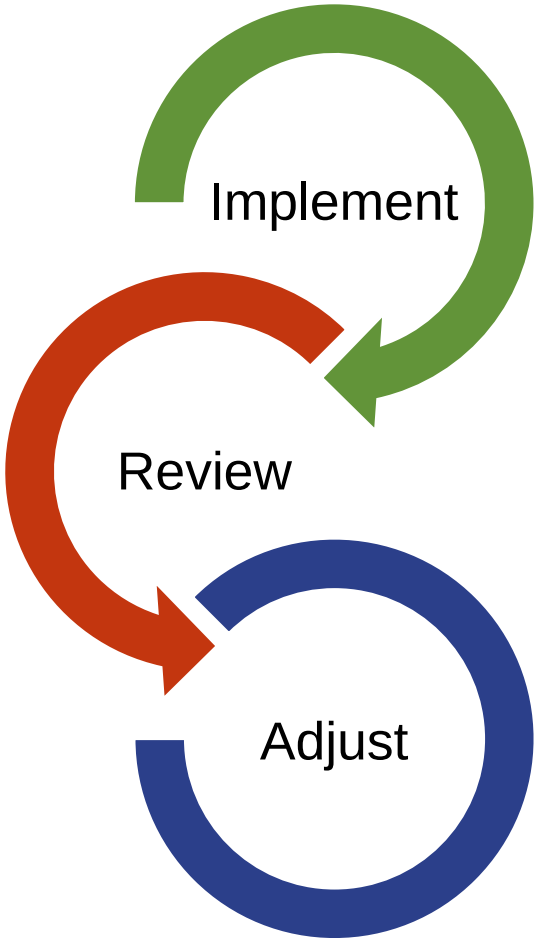
- Project specific factors
- Construction labor
- Equipment/ capital investments
- Logistics (a controllable constraint in most markets)
- Weather/ ground conditions (short-term)

Some markets supply-constrained short term

Rate of shipment recovery

Defining Success – Where Are We?

To release the bottleneck, Vulcan has implemented logistics capabilities



- ✓ **Logistics Service Centers:** Implemented in every major market
- ✓ **People:** Professional logistics team-members manage delivery on behalf of the customer
- ✓ **Process:** Teams execute a standard order fulfillment process, from order to schedule to delivery
- ✓ **Systems:** Digital tools that automate processes and help users make better, faster decisions

Vulcan Has Two Customers For Every Order

CONTRACTORS

- Customer expectations on deliveries are increasing (i.e. the Amazon effect)
- On-time performance is getting more difficult; >90% of infrastructure projects are late or over-budget

HEIGHTENED EXPECTATIONS

DRIVERS

- Driver shortages are projected to reach ~200,000 in 3-4 years
- The “war for drivers” is on … in a cross-industry battle

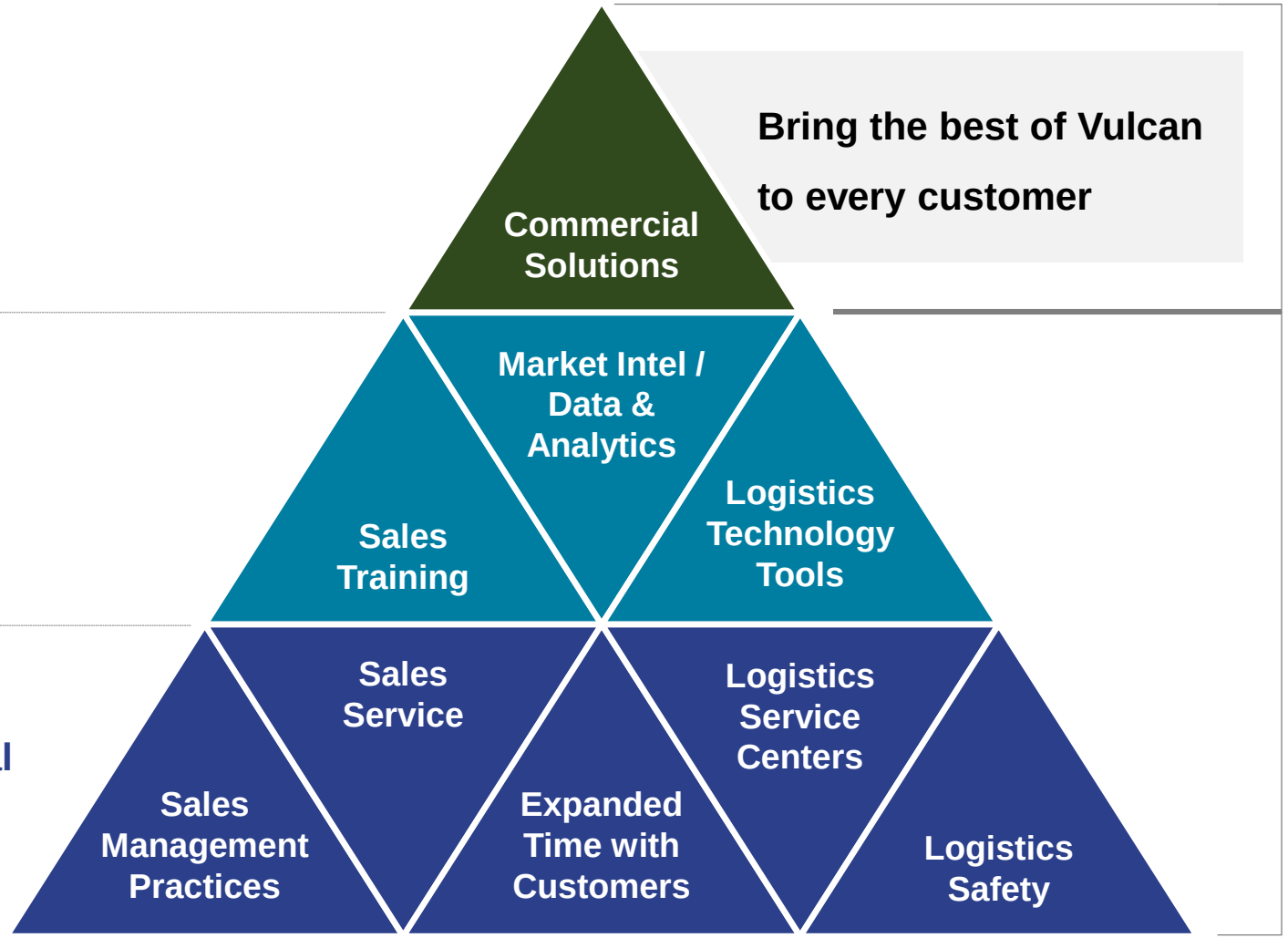
CONSTRAINED SUPPLY

Building Our Capabilities…Starting With a Strong Foundation

Competitive Advantage

Advanced Tools

Foundational Processes



Bring the best of Vulcan to every customer

External focus on performance

Internal focus on capabilities

Bringing It All Together…Providing Solutions For The Customer

CUSTOMER CHALLENGE	VULCAN SOLUTION
Difficulty locating trucking capacity and operating efficiently	**Bundled logistics solution**
Difficulty administering the job, managing the paper trail and getting paid	**Digital shipment records**
Difficulty having visibility into shipment schedules	**On-site, mobile visibility**

BRINGING THE BEST OF VULCAN TO OUR CUSTOMERS

Bringing It All Together…Providing Solutions For The Customer

“Scheduling, **speed** and **accuracy** of delivery, invoice reconciliation and **process controls** have all been greatly streamlined by our **partnership** with Vulcan Materials. I believe much of this improvement is due to the **technology** and **transparency** that Vulcan provides to their **clients**.”

CONTRACTOR PROJECT MANAGER

Making the Best Better – Our Strategic Initiatives

Each effort supports both near-term performance and longer-term competitiveness

OPERATIONAL EXCELLENCE

Focus on Operating Disciplines

STRATEGIC SOURCING

Serve and Save

COMMERCIAL EXCELLENCE

Spend Time Where it Counts

LOGISTICS INNOVATIONS

The Last Mile Matters

CONTROLLING WHAT WE CAN CONTROL

The Right Focus: People, Process and Execution

Knowledge, Experience & Passion

×

Harness Information

=

Making the Best Better

Suzanne Wood, Senior Vice President and CFO

OUR FOCUS NOW AND MOVING FORWARD

Vulcan Materials Company

Context For Discussion Of Long-term Financial Goals

- Refer to Safe Harbor Disclaimer
- The figures in the section reflect Vulcan's current long-range goals
- Actual future results will depend on many factors, including the ultimate pace of recovery in demand for construction aggregates
- The Company believes a full recovery in aggregates demand may take several years
- The Company is not laying out a specific timetable for recovery to normal demand

Five Core Disciplines We Concentrate On Every Day

Sales and Marketing Excellence	Operational Excellence	SAG Productivity	Capital Productivity	Portfolio Management
Grow shipments and revenues faster than the markets as a whole	Achieve 60% flow through of incremental revenue	Drive SAG expenses to 6% of sales	Increase capital turnover while enhancing the efficiency of our operations	Improve both long-term growth and returns on capital already in place

LEVERAGE FOUR COMPANY-WIDE AREAS OF FOCUS

- COMMERCIAL EXCELLENCE
- OPERATING DISCIPLINES
- STRATEGIC SOURCING
- LOGISTICS INNOVATIONS

Where Do We Stand On Outlook From 2015?

Solid execution despite slower than expected public growth; poised to benefit from stronger highway spending and additional operational upside

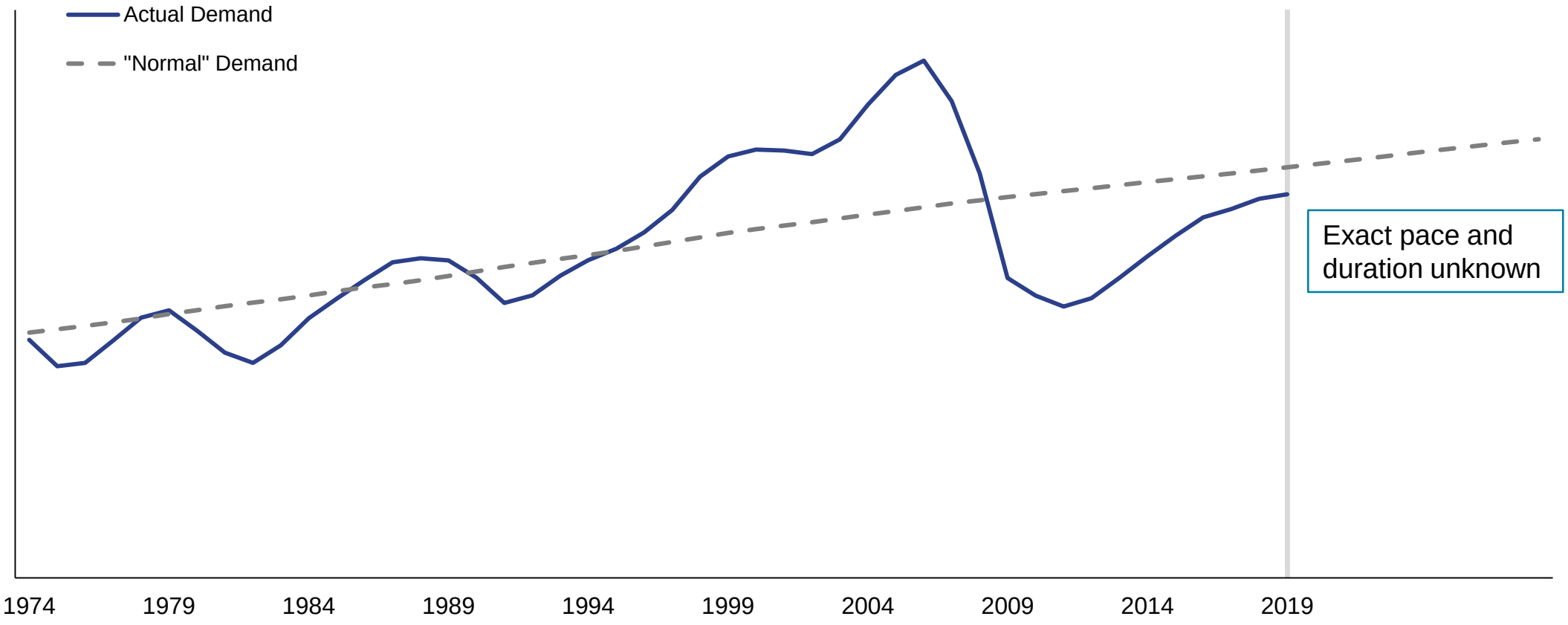
	Volume	Unit Profitability
THEN[1]	• Shipments at normal demand ~ 250 million tons	• Unit profitability at normal demand ~ $8.25
Progress to Date	• Slower return to normal demand due to delay in public demand joining the private recovery; current volumes remain below normal demand	• Cash gross profit of $6.56 per ton, ahead of original expectation at current volume levels
NOW	• Bigger impact of public highway demand than original expectation	• Opportunity for additional improvement with execution on our current areas of focus
	Largely outside of our control	**Largely within our control**

No specific timetable for recovery to normal demand. The company believes a full recovery in aggregates demand may take several years. Actual future results will depend on many factors, including the ultimate pace of recovery in demand for aggregates. Unit profitability is measured using Cash Gross Profit per Ton in Aggregates and is a non-GAAP measure. See Appendix for reconciliation. [1] As outlined at 2015 Investor Day.

Returning to Normalized Demand

Dramatic increases in highway funding in Vulcan's key states are converting to shipments

Normal Demand = Long-term average of demand



No specific timetable for recovery to normal demand. The company believes a full recovery in aggregates demand may take several years.
Actual future results will depend on many factors, including the ultimate pace of recovery in demand for aggregates.
Sources: USGS and Company estimates.

Underlying Demand Drivers Remain Firmly In Place

Slower but bigger public demand with advantage to Vulcan given our market positions

Private Demand

- ✓ Current imbalance of housing stock and housing demand
- ✓ Current interest rate environment
- ✓ Household income and wage gains
- ✓ Population growth
- ✓ Total employment
- ✓ Household formations

Public Demand

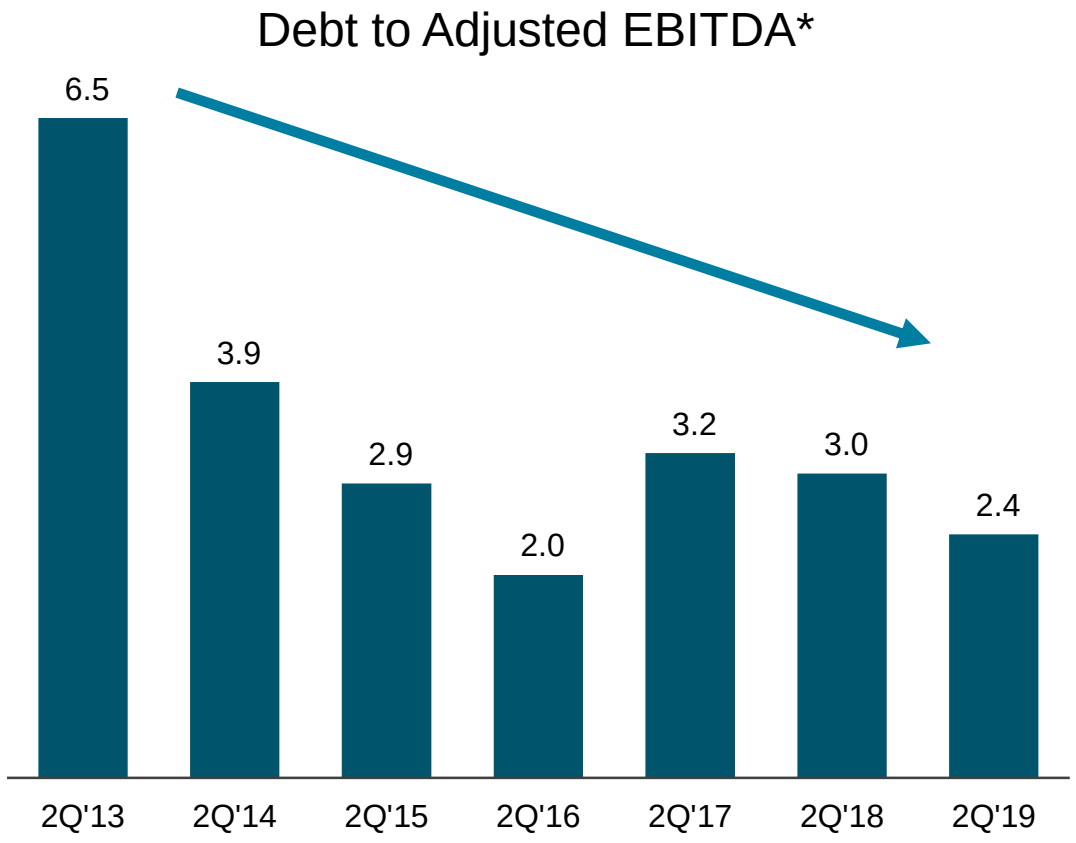
- ✓ Sea-change in state and local funding
- ✓ Growth in public construction just beginning to contribute to this recovery
- ✓ Multi-year federal transportation bill
- ✓ Record state and local tax receipts
- ✓ Population growth
- ✓ Public investment 20% below 45-year average; unsustainable under-investment
- ✓ Increasing political awareness and acceptance of need to invest in infrastructure

$2 Billion EBITDA: Higher Unit Margins and Fewer Tons

	Outlook Then[1]	Outlook Now
Aggregates Volume	~250 MM tons	~230-240 MM tons
Aggregates Cash Gross Profit*	$8.25 / ton	$9.00 / ton
EBITDA*	$2 Billion	$2 Billion

[1] As outlined at 2015 Investor Day. *Cash Gross Profit and EBITDA are non-GAAP measures. See Appendix for reconciliation.

Strong Financial Platform



- Investment grade rating will be maintained
- Average maturity of debt is 15 years
- Weighted average interest rate of 4.5%
- Stated leverage target 2.0 to 2.5x

*Adjusted EBITDA is a non-GAAP measure. See Appendix for reconciliation.

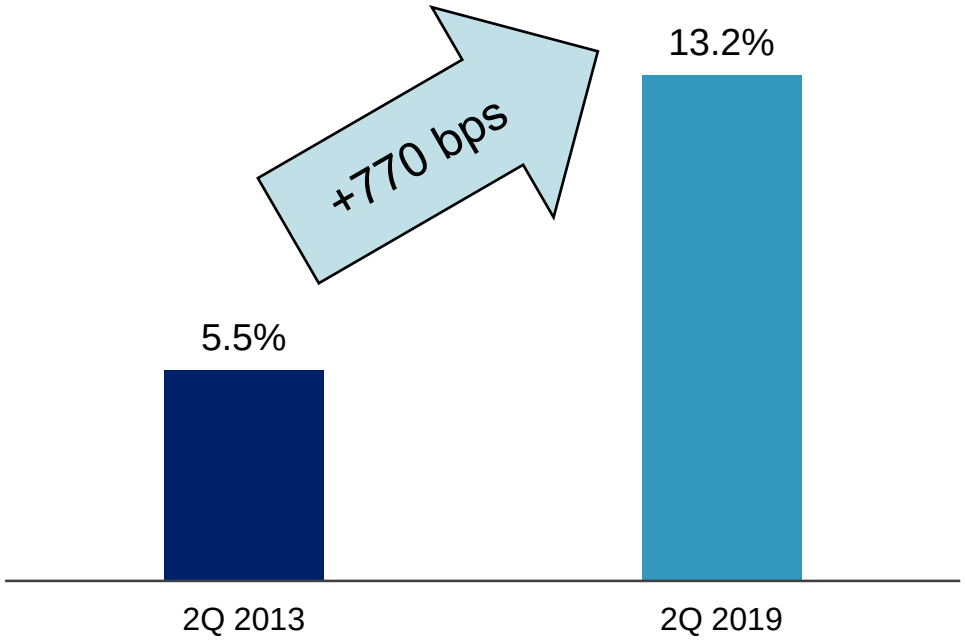
Capital Allocation Priorities

- Unchanged priorities that drive shareholder value

1. Operating Capital
   (maintain and grow value of franchise)
2. Growth Capital
   (including greenfields and bolt-on acquisitions)
3. Dividend Growth with Earnings
   (with a keen focus on sustainability)
4. Return Excess Cash to Shareholders
   (primarily via share repurchase)

Leveraging Our Capital Base To Drive Shareholder Value

Improving Return On Invested Capital



- Strategic investments to drive EBITDA are yielding results
- Continued improvement will remain an area of focus going forward

TTM 2Q'13 represents the cyclical low in aggregates volumes.
Return on Invested Capital using Adjusted EBITDA. Adjusted EBITDA is a non-GAAP measure. See Appendix for reconciliation.

Tom Hill, Chairman and CEO

SUMMARY

Vulcan
Materials Company

Summary: Making The Best Better

A market leader focused on enhancing profitability and driving sustainable, long-term shareholder value

- ✓ Our mission is to build and sustain leading and lasting market positions in attractive long-term growth markets
- ✓ We have a clear and compelling strategy that benefits us in every demand environment
- ✓ We are uniquely positioned with the best product mix and best geographic footprint
- ✓ Our high-performance culture and commitment to our people can allow us to reach higher
- ✓ Our execution focus will help drive quality of earnings and reliable cash flows regardless of the demand environment

Vulcan's Value Proposition

What we offer investors

Leading Building Materials Business Uniquely Positioned with an Aggregates Focus

- Largest U.S. aggregates producer with better geographic diversity
- #1 or #2 aggregates position in markets accounting for 80% of revenues
- Operational expertise and pricing performance provide attractive unit profitability growth potential
- 72% of the U.S. population growth from 2020 to 2030 is projected to occur in Vulcan-served states.[1]

Well Positioned to Benefit from Demand Growth and Operational Excellence

- 12% CAGR in Aggregates unit profitability over the last 6 years
- Well positioned to further leverage fixed costs to sales as we move forward (current production at ~70% of prior peak in demand)
- Sea-change in state and local transportation funding in Vulcan states accounting for 85% of revenues
- Fundamentals remain favorable in our markets for continued growth in private construction

Strong Balance Sheet To Support Future Growth and Higher Returns on Capital

- Capacity to sustain capital reinvestment in our current asset base and fund growth
- Maintain an investment-grade credit position
- Continue to leverage current capital base to grow earnings and maximize cash generation
- Prudently pursue attractive bolt-on acquisitions and greenfields

[1] Moody's Analytics, August 2019

Vulcan
Materials Company

MAKING THE BEST BETTER

Appendix

Reconciliation of Non-GAAP Financial 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.

Adjusted EBITDA (in millions)	TTM Q2 2019	TTM Q2 2013	TTM Q4 2018
Net earnings	$ 564.0	$ (8.2)	$ 515.8
Income tax expense (benefit)	128.6	(43.0)	105.4
Interest expense, net	132.4	209.6	137.4
(Earnings) Loss on discontinued operations, net of tax	2.0	(3.0)	2.0
EBIT	$827.0	$155.4	$760.7
Depreciation, depletion, accretion and amortization	361.9	315.0	346.2
EBITDA	$1,188.8	$470.4	$1,107.0
Gain on sale of businesses	(4.1)	(73.0)	(2.9)
Business interruption claims recovery	(0.6)	-	(2.3)
Charges associated with divested operations	18.5	1.2	18.5
Business development	0.2	-	5.2
Restructuring charges	0.8	5.0	6.2
Adjusted EBITDA	$1,203.8	$403.6	$1,131.7

Appendix

Reconciliation of Non-GAAP Financial Measures

Cash Gross Profit

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

	Aggregates Segment		Non-Aggregates	
	TTM	TTM	TTM	TTM
(in millions)	Q2 2019	Q2 2013	Q2 2019	Q2 2013
Gross profit	$1,075.1	$358.1	$105.5	$20.3
DDA&A	294.2	229.2	47.0	40.3
Segment cash gross profit	$ 1,369.3	$ 587.3	$ 152.6	$ 60.6
Units shipments - tons	208.8	140.2		
Aggregates segment cash gross profit per ton	$ 6.56	$ 4.19		