

MARTIN MARIETTA MATERIALS INC

Form 424B5

April 25, 2007

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**Filed Pursuant to Rule 424(b)(5)
Registration No. 333-142343**

The information in this prospectus supplement is not complete and may be changed. This prospectus supplement and the accompanying prospectus are not an offer to sell these securities, and it is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

Subject to completion, dated April 25, 2007

Prospectus supplement

(To prospectus dated April 25, 2007)

Martin Marietta Materials, Inc.

\$ *Floating Rate Senior Notes due*

\$ *% Senior Notes due*

The floating rate senior notes will mature on _____, _____. Interest on the floating rate senior notes will be paid on _____, _____, and _____ of each year. The floating rate senior notes have an interest rate of three-month LIBOR plus ____%. The first interest payment will be _____, 2007.

The fixed rate senior notes will mature on _____, _____. Interest on the fixed rate senior notes will be paid on _____ and _____ of each year. The first interest payment will be _____, 2007.

We may not redeem the floating rate senior notes. We may redeem the fixed rate senior notes in whole or in part at any time prior to their maturity at the _____ make whole redemption price described in this prospectus supplement.

Upon a change of control repurchase event, we will be required to make an offer to repurchase all outstanding notes of such series at a price in cash equal to 101% of the principal amount of the notes, plus any accrued and unpaid interest to, but not including, the purchase date.

The floating rate senior notes due _____ and the fixed rate senior notes due _____, referred to collectively as the _____ notes, will each be unsecured and will rank equally with all our other unsecured unsubordinated indebtedness.

Investing in the notes involves risks. See **Risk factors beginning on page S-6 of this prospectus supplement.**

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the notes or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

	Proceeds, before expenses, to Martin
Public offering price	Underwriting discount Marietta Materials

Floating rate senior note		%	%	%
Total	\$	\$	\$	
Fixed rate senior note		%	%	%
Total	\$	\$	\$	

The notes will not be listed on any securities exchange. Currently there is no public market for the notes.

We expect to deliver the notes to investors in registered book-entry form through the facilities of The Depository Trust Company and its participants, including Clearstream, Luxembourg and the Euroclear System, on or about 2007.

Joint Book-Running Managers

JPMorgan

Banc of America Securities LLC

Citi

, 2007

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You should rely only on the information contained or incorporated by reference in this prospectus supplement and the accompanying prospectus. We have not authorized anyone to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. We are not making an offer of these securities in any state where the offer is not permitted. You should not assume that the information contained in or incorporated by reference in this prospectus supplement or the accompanying prospectus is accurate as of any date other than the date on the front of this prospectus supplement.

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Summary

This summary highlights information contained elsewhere or incorporated by reference in this prospectus supplement and the accompanying prospectus. This is not intended to be a complete description of the matters covered in this prospectus supplement and the accompanying prospectus and is subject, and qualified in its entirety by reference, to the more detailed information and financial statements (including the notes thereto) included or incorporated by reference in this prospectus supplement and the accompanying prospectus. Unless otherwise indicated, all references to Martin Marietta Materials, the Company, we, us and our refer to Martin Marietta Materials, Inc. and its consolidated subsidiaries.

See Risk factors in this prospectus supplement and in our annual report on Form 10-K for the year ended December 31, 2006 for factors that you should consider before investing in the notes and Information regarding forward-looking statements for information relating to statements contained in this prospectus supplement that are not historical facts.

The Company

We are the United States second largest producer of aggregates for the construction industry, including infrastructure, commercial and residential. We also have a specialty products segment that manufactures and markets magnesia-based chemical products used in industrial, agricultural, and environmental applications, and dolomitic lime sold primarily to the steel industry. For the year ended December 31, 2006, our aggregates business accounted for approximately 92% of our total net sales and our specialty products segment accounted for approximately 8% of our total net sales.

We were formed in 1993 as a North Carolina corporation to serve as successor to the operations of the materials group of the organization that is now Lockheed Martin Corporation. Our principal executive offices are located at 2710 Wycliff Road, Raleigh, North Carolina 27607-3033, and our telephone number is (919) 781-4550.

Our website is located at <http://www.martinmarietta.com>. We do not incorporate the information on our website into this prospectus supplement or the accompanying prospectus and you should not consider it a part of this prospectus supplement or the accompanying prospectus.

Recent developments

On April 19, 2007, we announced that we expect our earnings for the quarter ended March 31, 2007 to be above our prior guidance as a result of cost management, particularly labor and transportation costs, and strong pricing. Aggregates pricing was better than expected due to favorable product and geographic mix. Volumes were weaker than expected because of more severe winter weather conditions than anticipated. Demand from residential construction was down significantly, as expected.

On April 17, 2007, we entered into an amendment to our \$250,000,000 five-year credit agreement. The principal modification effected by the amendment to the credit agreement was to modify the leverage ratio covenant in the credit agreement. As modified, the covenant requires us not to permit the ratio of consolidated debt to consolidated EBITDA (each as defined in the amended credit agreement) to exceed 2.75 to 1.00 as of the end of any fiscal quarter. However, if the ratio were to exceed the limit as a result of the incurrence of additional debt in connection with an acquisition satisfying certain conditions (a qualifying acquisition) and our

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ratings have not been suspended, withdrawn or fallen below BBB by Standard & Poor's (a division of the McGraw-Hill Companies, Inc.) or Baa2 by Moody's Investors Service, Inc., the covenant permits us to exclude from the computation of the leverage ratio such additional debt for a period of 180 days but only if the leverage ratio computed without such exclusion does not exceed 3.25 to 1.00. An acquisition is a qualifying acquisition if (1) the acquisition is of an entity that is in the same line or lines of business as we are engaged in or in our judgment is related to such line or lines of business and (2) the target's board of directors has not objected to the acquisition.

In February of 2007, we announced that in light of a fundamental shift in the supply/demand dynamics of aggregates in the United States, we have been reviewing the capital structure of our business over the past year. In our evaluation, 2006 further established a new foundation for the performance of the aggregates business, with the impact of pricing increases outweighing the impact of volume declines through the construction cycle. Therefore, given continued supply/demand imbalance, modest economic growth and inflationary cost increases, we believe that our balance sheet can support additional leverage. Accordingly, our management team and our board of directors have focused on establishing prudent leverage targets that provide for value creation through strong operational performance, continued investment in internal growth opportunities, financial flexibility to support opportunistic and strategic acquisitions, and a return of cash to shareholders through sustainable dividends and share repurchase programs while maintaining a solid investment grade rating. Given these parameters, in the ordinary course of business, we would expect to manage our leverage within a range of 2.0 to 2.5 times consolidated debt to consolidated EBITDA (each as defined in the amended credit agreement).

During the quarter ended March 31, 2007, we repurchased approximately 2.335 million shares, or approximately 5%, of our outstanding common stock for approximately \$302 million. We financed these repurchases in part with borrowings under our existing commercial paper program and short-term loans. A portion of the net proceeds from the offering of the notes will be used to repay the indebtedness incurred in connection with these repurchases. As of December 31, 2006, we had an aggregate of approximately \$705.3 million of indebtedness, excluding intercompany liabilities. As of December 31, 2006, after giving pro forma effect to (i) the indebtedness incurred in connection with the repurchases of our common stock during the quarter ended March 31, 2007 and (ii) this offering and the application of the net proceeds therefrom to repay such indebtedness, we would have had an aggregate of approximately \$ million of indebtedness, excluding intercompany liabilities. During 2007, we expect to use available cash for additional share repurchases and/or for implementing other shareholder value creating activities, including a wide range of business development opportunities. See Use of proceeds. Our board of directors has authorized us to repurchase up to an additional 1.9 million shares of our common stock.

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The offering

Issuer	Martin Marietta Materials, Inc.
Notes offered	<p>\$ aggregate principal amount of floating rate senior notes due .</p> <p>\$ aggregate principal amount of % senior notes due .</p>
Issue price	<p>For the floating rate senior notes: % of principal amount, plus accrued interest, if any, from , 2007.</p> <p>For the fixed rate senior notes: % of principal amount, plus accrued interest, if any, from , 2007.</p>
Maturity	<p>For the floating rate senior notes: , .</p> <p>For the fixed rate senior notes: , .</p>
Interest	<p>Interest on the floating rate senior notes will accrue at the rate of three-month LIBOR plus % per year and will be payable quarterly in cash in arrears on , , and of each year, beginning on , 2007.</p> <p>Interest on the fixed rate senior notes will accrue at the rate of % per year on the principal amount and will be payable semi-annually in cash in arrears on each and of each year , beginning on , 2007.</p>
Ranking	<p>The notes will be our unsecured and unsubordinated obligations and will rank equal in right of payment to all of our other existing and future unsecured and unsubordinated indebtedness. The notes will be effectively junior to all of our existing and future secured debt to the extent of the value of the assets securing such debt and will be structurally subordinated to all existing and future indebtedness and other liabilities of our subsidiaries.</p> <p>As of December 31, 2006, we had an aggregate of approximately \$705.3 million of indebtedness, excluding intercompany liabilities, and after giving pro forma effect to (i) the indebtedness incurred in connection with the repurchases of our common stock during the quarter ended March 31, 2007 and (ii) this offering and the application of the net proceeds therefrom to repay such indebtedness, we would have had an aggregate of approximately \$ million of indebtedness, excluding intercompany liabilities. As of December 31, 2006, excluding intercompany liabilities, our subsidiaries had no indebtedness and, other than capital lease obligations, we had no secured indebtedness.</p> <p>The indentures governing the notes will not contain any restrictions on the incurrence of indebtedness other than as described under Description of the notes Certain covenants Limitations on liens.</p>
Additional notes	The indentures governing the notes will provide for unlimited issuances of additional notes of each series.

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Sinking fund	None.
Change of control repurchase event	Upon a change of control repurchase event, we will be required to make an offer to repurchase all outstanding notes of such series at a price in cash equal to 101% of the principal amount of the notes, plus any accrued and unpaid interest to, but not including the purchase date. See Description of the notes Change of control repurchase event.
Optional redemption	We may not redeem the floating rate senior notes. We may redeem the fixed rate senior notes in whole or in part at any time prior to their maturity at the make whole redemption price described herein. See Description of the notes Optional redemption; no sinking fund.
Use of proceeds	We estimate that the net proceeds from the offering will be approximately \$ after deducting underwriting discounts and commissions and other expenses of the offering. We intend to use a substantial portion of the net proceeds from this offering to repay indebtedness outstanding under our commercial paper program and certain other short-term loans. The remaining proceeds will be used for general corporate purposes, including the repayment and the refinancing of indebtedness and repurchases of our outstanding common stock. See Use of proceeds.
Trading	We do not intend to list either series of the notes on any national securities exchange. The notes will be new securities for which there is currently no public market. See Risk factors There is no public market for the notes, which could limit their market price or your ability to sell them.
Risk factors	Investing in the notes involves risks. See Risk factors and other information in this prospectus supplement and the accompanying prospectus for a discussion of factors you should consider carefully before deciding to invest in the notes.

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The selected financial data set forth below for the fiscal years ended December 31, 2006, 2005, 2004, 2003 and 2002 have been derived from our audited consolidated financial statements and the notes related thereto. The selected financial data should be read in conjunction with our consolidated financial statements and Management's Discussion and Analysis of Financial Condition and Results of Operations incorporated by reference into this prospectus supplement and accompanying prospectus.

(dollars in thousands, except per share amounts)	2006	2005	2004	Year ended December 31,	
				2003	2002
Consolidated operating results					
Net sales	\$ 1,942,897	\$ 1,745,671	\$ 1,515,889	\$ 1,419,931	\$ 1,346,453
Freight and delivery revenues	263,504	248,478	204,480	203,752	184,201
Total revenues	2,206,401	1,994,149	1,720,369	1,623,683	1,530,654
Cost of sales, other costs and expenses	1,567,834	1,452,645	1,297,530	1,227,092	1,171,211
Freight and delivery costs	263,504	248,478	204,480	203,752	184,201
Cost of operations	1,831,338	1,701,123	1,502,010	1,430,844	1,355,412
Other operating (income) and expenses, net	(12,923)	(16,028)	(11,723)	(6,618)	(4,760)
Earnings from operations	387,986	309,054	230,082	199,457	180,002
Interest expense	40,359	42,597	42,734	42,587	44,028
Other nonoperating (income) and expenses, net	(2,817)	(1,937)	(606)	429	11,476
Earnings from continuing operations before taxes on income and cumulative effect of change in accounting principle	350,444	268,394	187,954	156,441	124,498
Taxes on income	106,640	72,681	57,739	46,948	32,867
Earnings from continuing operations before cumulative effect of change in accounting principle	243,804	195,713	130,215	109,493	91,631
Discontinued operations, net of taxes	1,618	(3,047)	(1,052)	(8,996)	6,184
Earnings before cumulative effect of change in accounting principle	245,422	192,666	129,163	100,497	97,815
				(6,874)	

Cumulative effect of change in accounting for asset retirement obligations

Cumulative effect of change in accounting for intangible assets

(11,510)

Net earnings

\$ 245,422 \$ 192,666 \$ 129,163 \$ 93,623 \$ 86,305

Condensed consolidated balance sheet data

Current deferred income tax benefits \$ 25,317 \$ 14,989 \$ 5,750 \$ 21,603 \$ 21,387

Current assets other 567,037 587,052 618,503 589,048 511,782

Property, plant and equipment, net 1,295,491 1,166,351 1,065,215 1,042,432 1,067,576

Goodwill 570,538 569,263 567,495 577,586 577,449

Other intangibles, net 10,948 18,744 18,642 25,142 31,972

Other noncurrent assets 37,090 76,917 80,247 63,414 55,384

Total assets

\$ 2,506,421 \$ 2,433,316 \$ 2,355,852 \$ 2,319,225 \$ 2,265,550

Current liabilities other \$ 189,116 \$ 199,259 \$ 202,843 \$ 221,683 \$ 200,936

Current maturities of long-term debt and commercial paper 125,956 863 970 1,068 11,389

Long-term debt 579,308 709,159 713,661 717,073 733,471

Pension and postretirement benefits 106,413 98,714 88,241 76,917 101,796

Noncurrent deferred income taxes 159,094 149,972 139,179 116,647 101,018

Other noncurrent liabilities 92,562 101,664 57,531 55,990 33,930

Shareholders' equity 1,253,972 1,173,685 1,153,427 1,129,847 1,083,010

Total liabilities and shareholders' equity

\$ 2,506,421 \$ 2,433,316 \$ 2,355,852 \$ 2,319,225 \$ 2,265,550

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Risk factors

Before you invest in either series of notes, you should carefully consider the following risks. The risks described below are not the only ones facing us. Additional risks not presently known to us or that we currently deem immaterial may also impair our business operations. Our business, financial condition or results of operations could be materially adversely affected by any of these risks. You should also review the other risks contained in our annual report on Form 10-K for the year ended December 31, 2006, which is incorporated by reference into this prospectus supplement and accompanying prospectus.

This prospectus supplement, the accompanying prospectus and the information included or incorporated by reference also contain forward looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward looking statements as a result of certain factors, including the risks faced by us described below and elsewhere in this prospectus supplement, the accompanying prospectus and the information included or incorporated by reference.

Risks Related to our Business

Our aggregates business is cyclical and depends on activity within the construction industry.

We sell most of our aggregate products to the construction industry, so our results depend on the strength of the construction industry. Since our business depends on construction spending, which can be cyclical, our profits are sensitive to national, regional, and local economic conditions. Construction spending is affected by economic conditions, changes in interest rates, demographic and population shifts, and changes in construction spending by federal, state, and local governments. If economic conditions change, a recession in the construction industry may occur and affect the demand for our aggregate products. Construction spending can also be disrupted by terrorist activity and armed conflicts.

While our aggregate operations cover a wide geographic area, our earnings depend on the strength of the local economies in which we operate because of the high cost to transport our products relative to their price. If economic conditions and construction spending decline significantly in one or more areas, particularly in our top five revenue-generating states of North Carolina, Texas, Georgia, Iowa and South Carolina, our profitability will decrease.

Within the construction industry, we sell our aggregate products for use in both commercial construction and residential construction. While the outlook for commercial construction is positive in many markets, residential construction declined in 2006 and is expected to decline further in 2007. Approximately 20% of our aggregates shipments in 2006 were to the residential construction market. While we believe the downturn in residential construction will moderate during the latter part of 2007, we cannot be sure of the existence or timing of any moderation.

Our aggregate products are used in public infrastructure projects, which include the construction, maintenance, and improvement of highways, bridges, schools, prisons, and similar projects. So our business is dependent on the level of federal, state, and local spending on these projects. We cannot be assured of the existence, amount, and timing of appropriations for spending on these projects. For example, while the current federal highway law passed in 2005 provides funding of \$286.4 billion for highway, transit, and highway safety programs through September 30, 2009, Congress must pass an appropriations bill each year to approve spending these funds. We cannot be assured that Congress will pass an appropriations bill each year to approve

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funding at the level authorized in the federal highway law. Similarly, each state funds its infrastructure spending from specially allocated amounts collected from various taxes, typically gasoline taxes and vehicle fees, along with voter-approved bond programs. Shortages in state tax revenues can reduce the amounts spent on state infrastructure projects, even below amounts awarded under legislative bills. Delays in state infrastructure spending can hurt our business. For example, we expect delays in infrastructure spending in North Carolina and South Carolina will continue in 2007, which will limit our business growth in those states until the level and timing of spending improves.

Our aggregates business is seasonal and subject to the weather.

Since the construction aggregates business is conducted outdoors, seasonal changes and other weather conditions affect our business. Adverse weather conditions, including hurricanes and tropical storms, cold weather, snow, and heavy or sustained rainfall, reduce construction activity and the demand for our products. Adverse weather conditions also increase our costs and reduce our production output as a result of power loss, needed plant and equipment repairs, time required to remove water from flooded operations, and similar events. The construction aggregates business production and shipment levels follow activity in the construction industry, which typically occur in the spring, summer and fall. Because of the weather's effect on the construction industry's activity, the aggregates business production and shipment levels vary by quarter. The second and third quarters are generally the most profitable and the first quarter is generally the least profitable.

Our aggregates business depends on the availability of aggregate reserves or deposits and our ability to mine them economically.

Our challenge is to find aggregate deposits that we can mine economically, with appropriate permits, near either growing markets or long-haul transportation corridors that economically serve growing markets. As communities have grown, they have taken up attractive quarrying locations and have imposed restrictions on mining. We try to meet this challenge by identifying and permitting sites prior to economic expansion, buying more land around our existing quarries to increase our mineral reserves, developing underground mines, and developing a distribution network that transports aggregates products by various transportation methods, including rail and water, that allows us to transport our products longer distances than would normally be considered economical, but we can give no assurances that we will be successful.

Our aggregates business is a capital-intensive business.

The property and machinery needed to produce our products are very expensive. Therefore, we must have access to large amounts of cash to operate our businesses. We believe we have adequate cash to run our businesses. Because significant portions of our operating costs are fixed in nature, our financial results are sensitive to production volume changes.

Our businesses face many competitors.

Our businesses have many competitors, some of whom are bigger and have more resources than we do. Some of our competitors also operate on a worldwide basis. Our results are affected by the number of competitors in a market, the production capacity that a particular market can accommodate, the pricing practices of other competitors, and the entry of new competitors in a market. We also face competition for some of our products from alternative products. For example, our magnesia specialties business may compete with other chemical products that could be used instead of our magnesia-based products.

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Our future growth may depend in part on acquiring other businesses in our industry.

We expect to continue to grow, in part, by buying other businesses. While the pace of acquisitions has slowed considerably over the last few years, we will continue to look for strategic businesses to acquire. In the past, we have made acquisitions to strengthen our existing locations, expand our operations, and enter new geographic markets. We will continue to make selective acquisitions, joint ventures, or other business arrangements we believe will help our company. However, the continued success of our acquisition program will depend on our ability to find and buy other attractive businesses at a reasonable price and our ability to integrate acquired businesses into our existing operations. We cannot assume there will continue to be attractive acquisition opportunities for sale at reasonable prices that we can successfully integrate into our operations.

We may decide to pay all or part of the purchase price of any future acquisition with shares of our common stock. We may also use our stock to make strategic investments in other companies to complement and expand our operations. If we use our common stock in this way, the ownership interests of our shareholders will be diluted and the price of our stock could fall.

We acquired 62 companies from 1995 through 2002. Some of these acquisitions were more easily integrated into our existing operations and have performed as well or better than we expected, while others have not. We have sold underperforming and other non-strategic assets, particularly lower margin businesses like our asphalt plants in Houston, Texas, and our road paving businesses in Shreveport, Louisiana, and Texarkana, Arkansas. Short supplies and high costs of fuel and energy affect our businesses.

Our businesses require a continued supply of diesel fuel, natural gas, coal, petroleum coke and other energy. The financial results of these businesses have been affected at times by the short supply or high costs of these fuels and energy. While we can contract for some fuels and sources of energy, significant increases in costs or reduced availability of these items have and may in the future reduce our financial results.

Changes in legal requirements and governmental policies concerning zoning, land use, the environment, and other areas of the law, and litigation relating to these matters, affect our businesses. Our operations expose us to the risk of material environmental liabilities.

Many federal, state, and local laws and regulations relating to zoning, land use, the environment, health, safety, and other regulatory matters govern our operations. Despite our compliance efforts, risk of liabilities, particularly environmental liabilities, is inherent in the operation of our businesses, as it is with our competitors. We cannot assume that these liabilities will not negatively affect us in the future.

We are also subject to future events, including changes in existing laws or regulations or enforcement policies, or further investigation or evaluation of the potential health hazards of some of our products or business activities, which may result in additional compliance and other costs. We could be forced to invest in preventive or remedial action, like pollution control facilities, which could be substantial.

Our operations are subject to manufacturing, operating, and handling risks associated with the products we produce and the products we use in our operations, including the related storage and transportation of raw materials, products, hazardous substances, and wastes. We are exposed to hazards including storage tank leaks, explosions, discharges or releases of hazardous

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substances, exposure to dust, and the operation of mobile equipment and manufacturing machinery.

These risks can subject us to potentially significant liabilities relating to personal injury or death, or property damage, and may result in civil or criminal penalties, which could hurt our productivity or profitability. For example, from time to time we investigate and remediate environmental contamination relating to our prior or current operations, as well as operations we have acquired from others, and in some cases we have been or could be named as a defendant in litigation brought by governmental agencies or private parties.

We are involved from time to time in litigation and claims arising from our operations. While we do not believe the outcome of pending or threatened litigation will have a material adverse effect on our operations or our financial condition, we cannot assume that an adverse outcome in a pending or future legal action would not negatively affect us.

Labor disputes could disrupt operations of our businesses.

Labor unions represent 13.7% of the hourly employees of our aggregates business and 99% of the hourly employees of our specialty products business. Our collective bargaining agreements for employees of our magnesia specialties business at the Woodville, Ohio lime plant and the Manistee, Michigan magnesia chemicals plant expire in June 2010 and August 2007, respectively. While we do not expect any significant issues in renewing the Manistee labor union agreement, we cannot be sure a new agreement will be reached at the Manistee location this year. Disputes with our trade unions, or the inability to renew our labor agreements, could lead to strikes or other actions that could disrupt our businesses, raise costs, and reduce revenues and earnings from the affected locations.

Delays or interruptions in shipping products of our businesses could affect our operations.

Transportation logistics play an important role in allowing us to supply products to our customers, whether by truck, rail, barge, or ship. Any significant delays, disruptions, or the non-availability of our transportation support system could negatively affect our operations. For example, in 2005 and partially in 2006, we experienced rail transportation shortages in Texas and parts of the southeastern region of the United States. In 2005, following Hurricanes Katrina and Rita, we experienced significant barge transportation problems along the Mississippi River system. In 2006, we experienced delays in shipping our materials through Lock 52 on the Ohio River while scheduled repair and maintenance activities were performed. While the delays have ended, and normal water traffic has resumed, another two-week planned outage is currently scheduled for August 2007.

Water levels can also affect our ability to transport our products. High water levels limit the number of barges we can transport and can require that we use additional horsepower to tow barges. Low water levels can reduce the amount of material we can transport in each barge.

The availability of rail cars and barges can also affect our ability to transport our products. Rail cars and barges can be used to transport many different types of products. If owners sell or lease rail cars and barges for use in other industries, we may not have enough rail cars and barges to transport our products. Barges have become particularly scarce, since barges are being retired faster than new barges are being built. Shipyards that build barges are operating at capacity, so the lead time to buy or lease a new barge can extend many months. In 2005, we

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leased 780 additional rail cars. In 2006, we contracted