

# Third Quarter Fiscal Year 2011

## Earnings Release and Conference Call



# Forward-Looking Statements

Forward-Looking Statements. This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, Section 21E of the Securities Exchange Act of 1934 and the Private Securities Litigation Reform Act of 1995. Forward-looking statements may be identified by the context of the statement and generally arise when the Company is discussing its beliefs, estimates or expectations. These statements are not historical facts or guarantees of future performance but instead represent only the Company's belief at the time the statements were made regarding future events which are subject to certain risks, uncertainties and other factors many of which are outside the Company's control. Actual results and outcomes may differ materially from what is expressed or forecast in such forward-looking statements. The principal risks and uncertainties that may affect the Company's actual performance include the following: the cyclical and seasonal nature of the Company's business; public infrastructure expenditures; adverse weather conditions; availability of raw materials; changes in energy costs including, without limitation, natural gas and oil; changes in the cost and availability of transportation; unexpected operational difficulties; inability to timely execute announced capacity expansions; governmental regulation and changes in governmental and public policy (including, without limitation, climate change regulation); changes in economic conditions specific to any one or more of the Company's markets; competition; announced increases in capacity in the gypsum wallboard and cement industries; changes in the demand for residential housing construction or commercial construction; general economic conditions; and interest rates. For example, increases in interest rates, decreases in demand for construction materials or increases in the cost of energy (including, without limitation, natural gas and oil) could affect the revenues and operating earnings of our operations. In addition, changes in national or regional economic conditions and levels of infrastructure and construction spending could also adversely affect the Company's result of operations. These and other factors are described in the Company's Annual Report on Form 10-K for the fiscal year ended March 31, 2010 and in its Quarterly Report on Form 10-Q for the fiscal quarter ended September 30, 2010. These reports are filed with the Securities and Exchange Commission. All forward-looking statements made herein are made as of the date hereof, and the risk that actual results will differ materially from expectations expressed herein will increase with the passage of time. The Company undertakes no duty to update any forward-looking statement to reflect future events or changes in the Company's expectations.

# Eagle Materials Results

\$ millions, except per share data

	Third Quarter		Change
	<u>FY 2010</u>	<u>FY 2011</u>	
Revenues	\$104.5	\$103.9	- 1%
Operating Earnings	\$ 14.3	\$ 15.2	+ 6 %
Earnings Per Share			
Basic	\$0.11	\$0.13	+ 18%
Diluted	\$0.11	\$0.12	+ 9%

# Cement, Concrete and Aggregates

\$ in Millions

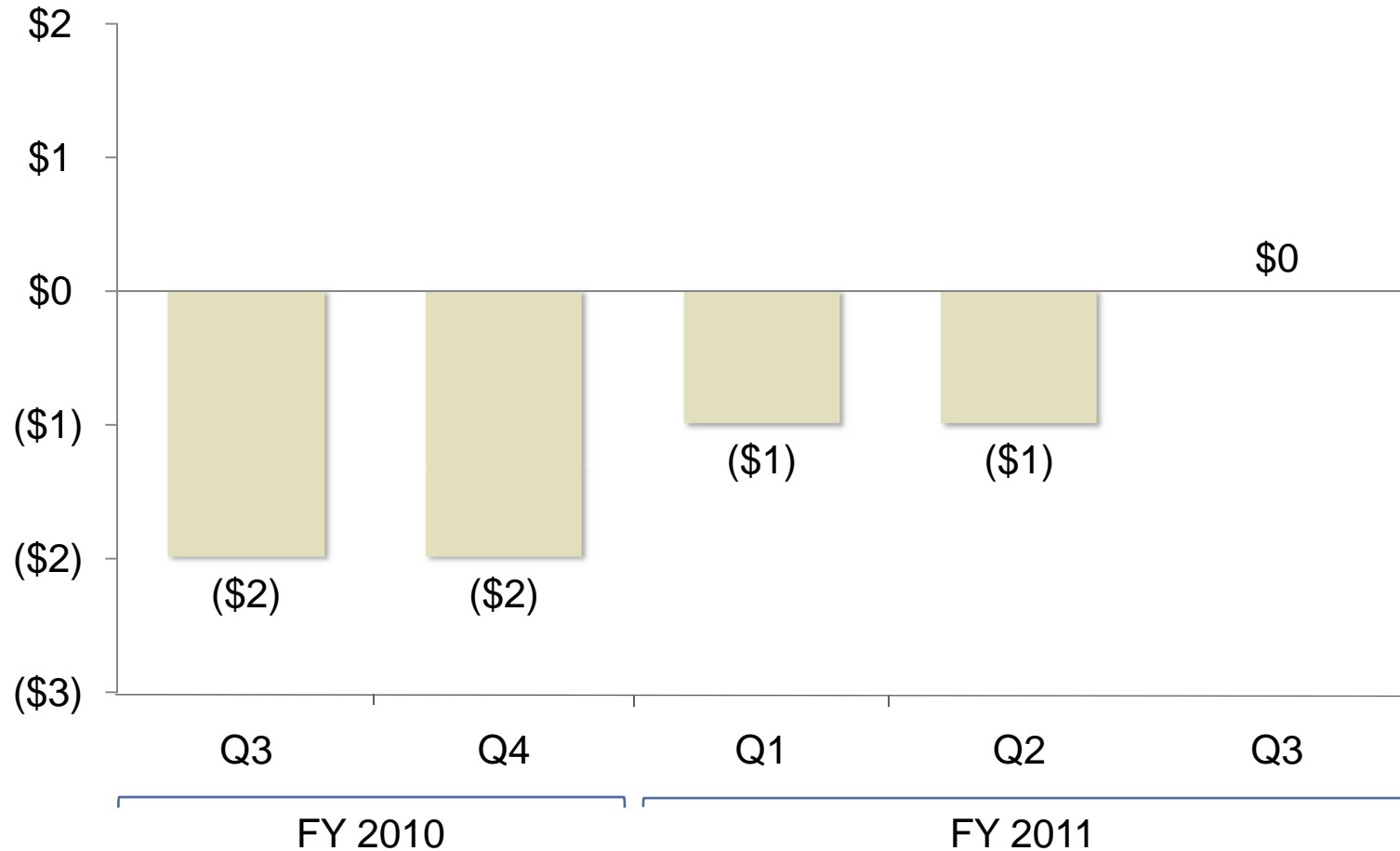
	<u>Q3 2011</u>	<u>Last Quarter Q2 2011</u>	<u>Year Ago Q3 2010</u>
Revenues*	\$ 65.3	\$ 80.8	\$ 62.7
Segment Operating Income	\$ 15.4	\$ 12.6	\$ 13.3

## Highlights

- Third quarter revenues increased 4% from prior year
- Third quarter operating earnings increased 16% from prior year
- Cement price stabilization
- Quarterly sales volumes increased in three of our four cement markets

# Cement, Concrete and Aggregates

Quarter-to-Quarter Change in Average Cement Price  
\$ per ton



# Wallboard and Paperboard

\$ in Millions

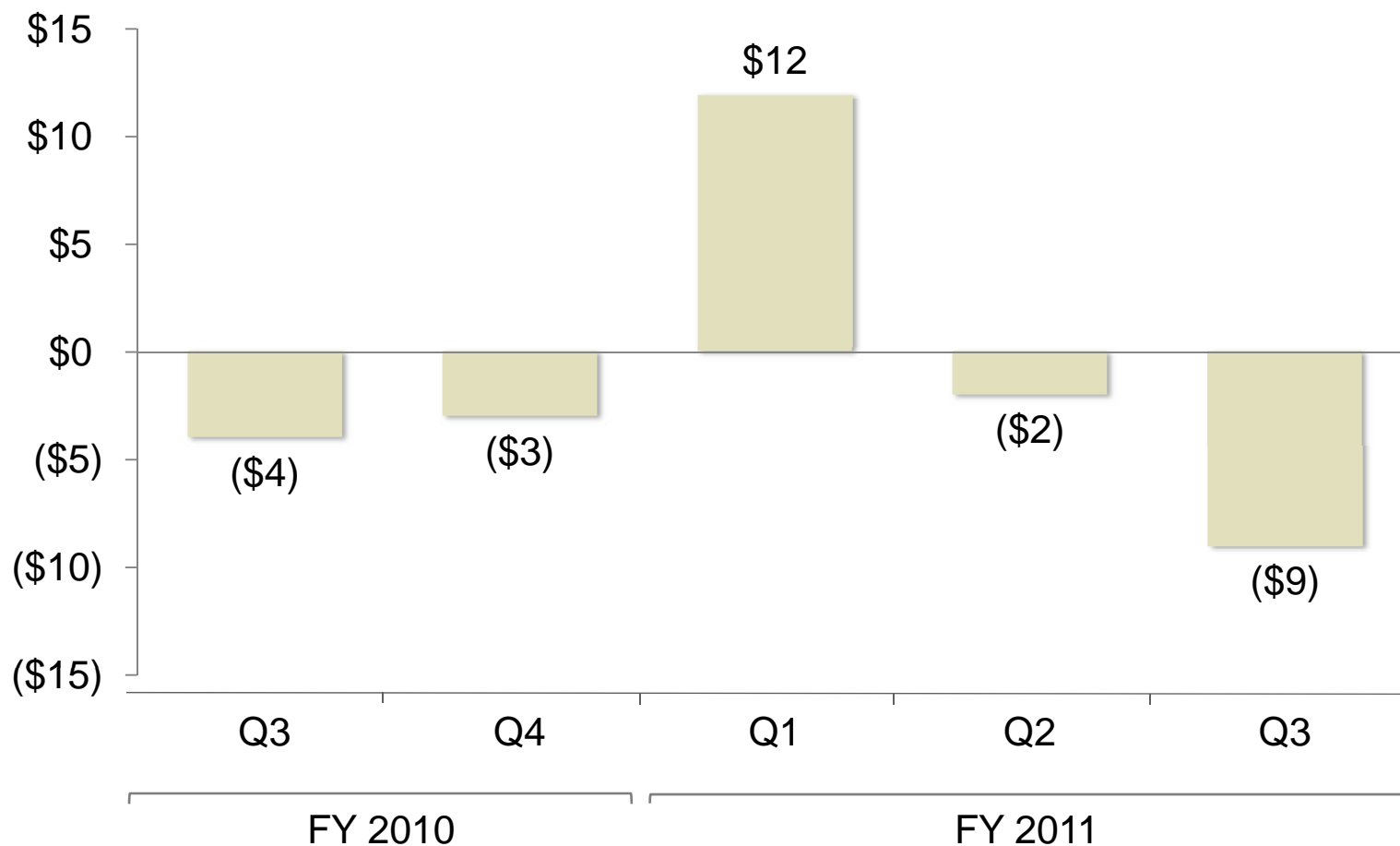
	<u>Q3 2011</u>	<u>Last Quarter Q2 2011</u>	<u>Year Ago Q3 2010</u>
Revenues	\$ 59.3	\$ 70.7	\$ 58.3
Segment Operating Income	\$ (0.4)	\$ 5.1	\$ 0.9

## Highlights

- Lower wallboard sales prices
- Wallboard sales volumes nearly flat year-over-year
- Wallboard price increase announced for March 20%
- Paperboard sales volumes down 6% year-over-year

# Wallboard and Paperboard

Quarter-to-Quarter Change in Average Gypsum Wallboard Price  
\$ per ton



# Eagle Materials Inc.

## Cash Flow

Nine Months Ended  
December 31,

(\$ Millions)	2009	2010
Operating Cash Flow <sup>(1)</sup>	\$81.7	\$61.8
Tax Payment <sup>(2)</sup>	-	(23.7)
Capex, net	(12.2)	(11.1)
Free Cash Flow	\$69.5	\$27.0
Dividends Paid	(13.1)	(13.2)
Net Repayment of Debt	(55.0)	(13.0)
Other	2.0	1.8
Net Change in Cash Balance	\$4.6	\$2.6

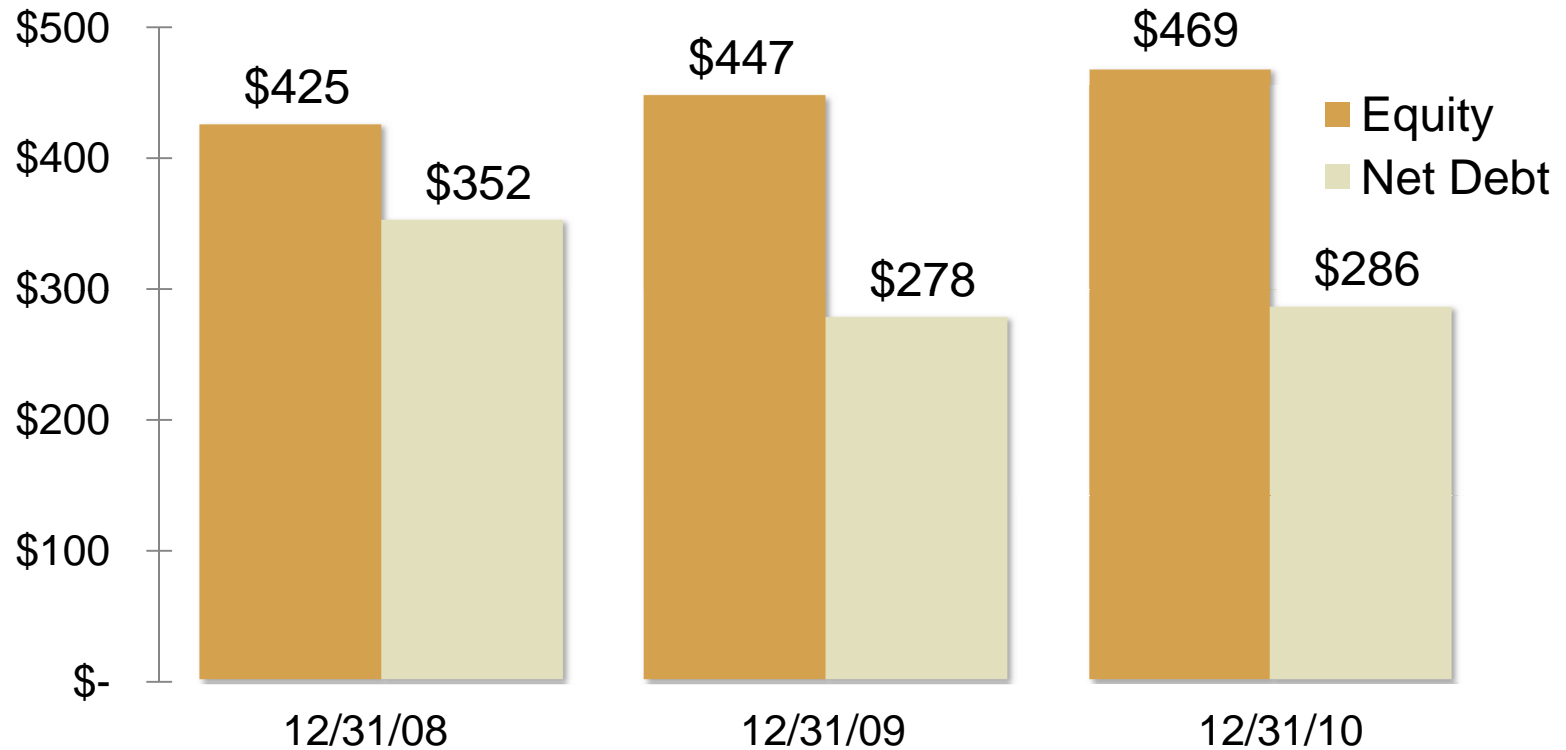


<sup>(1)</sup> Includes depreciation of \$38.3 million and \$37.0 million for the nine months ended December 31, 2009 and 2010, respectively.

<sup>(2)</sup> Applicable to the closing of the audit of our 2001 – 2006 tax returns.

# Capital Structure

\$ Millions



Net Debt-to-Cap	45%	38%	38%
Net Debt-to-Equity	83%	62%	61%

# Question & Answer

Thank you for participating  
in today's  
conference call web cast.

An archive of this web cast will be available at  
<http://www.eaglematerials.com> later today.