



NEWS FOR IMMEDIATE RELEASE
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TXI REPORTS FIRST QUARTER RESULTS

September 27, 2007 – Dallas, Texas – Texas Industries, Inc. (NYSE-TXI) today reported net income for the quarter ended August 31, 2007 of \$17.9 million (\$.64 per share). For the same period ending August 31, 2006, net income equaled \$29.4 million (\$1.12 per share). The impact of record rainfall on construction activity in Texas and scheduled downtime at the Company's cement plants were the primary causes of the decline in earnings.

“The expansion and modernization of TXI's California cement plant remains on budget and on schedule,” stated Mel Brekhus, Chief Executive Officer. “We expect to begin commissioning the new kiln line before the end of TXI's second quarter and be fully operational by the end of the fiscal year in May 2008. In addition, we plan to break ground on the Texas cement plant expansion early in October. These two projects and the phased production improvements targeted for TXI's North Texas cement plant should increase TXI's annual cement capacity from today's 5 million tons to almost 8 million tons over the next three years.”

Net sales for the quarter declined 3% compared to a year ago. Realized prices for cement increased 1% while shipments declined 7%. Stone, sand and gravel prices increased 8% and shipments declined 14%. In ready-mix concrete, prices improved 8% and shipments increased 2%.

Scheduled maintenance at the Company's North Texas cement plant negatively impacted pretax earnings by approximately \$12 million compared to last year's first quarter when no major maintenance was incurred at the plant (scheduled maintenance for the North Texas plant occurred in the second quarter ended November 30, 2006). In addition, maintenance originally scheduled for the Central Texas plant in September 2007 occurred in August. The Central Texas plant maintenance reduced pretax earnings by \$3 to 4 million, which approximately equaled the earnings impact from maintenance at the plant in last year's August quarter. Finally, at the California cement plant, both production quantities and operational efficiencies associated with old equipment that will soon be replaced declined compared to last year's first quarter. As a result, pretax earnings at the California plant declined by approximately \$5 million.

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Selling, general and administrative expenses increased \$1.1 million compared to a year ago. Lower stock-based compensation expense was more than offset primarily by higher wage, benefit and incentive compensation. Interest expense declined from \$5.5 million in last year's quarter to zero as all interest expense was capitalized in conjunction with the California cement plant modernization and expansion. Other income declined \$1.3 million, primarily due to reduced interest income.

"Despite the record rainfall, the Company continued to make progress on efforts to improve operating efficiencies in our aggregate and ready-mix concrete operations during the quarter," continued Brekhus. "Aggregate segment operating margins were approximately equal to those of last year even though shipments declined 14%. Ready-mix concrete operations overcame the challenges posed by the poor weather to actually improve both shipments and margins compared to those of a year ago."

A teleconference will be held today, September 27, 2007 at 1:00 p.m. Central Daylight Time to further discuss first quarter results. A real-time webcast of the conference is available by logging on to TXI's website at www.txi.com.

Certain statements contained in this press release are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements are subject to risks, uncertainties and other factors, which could cause actual results to differ materially from future results expressed or implied by such forward looking statements. Potential risks and uncertainties include, but are not limited to, the impact of competitive pressures and changing economic and financial conditions on the Company's business, construction activity in the Company's markets, abnormal periods of inclement weather, unexpected periods of equipment downtime, changes in costs of raw materials, fuel and energy, the impact of environmental laws and other regulations and risks and uncertainties described in the Company's reports on SEC Forms 10-K, 10-Q and 8-K.

TXI is the largest producer of cement in Texas and a major cement producer in California. TXI is also a major supplier of construction aggregates, ready-mix concrete and concrete products.

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CONSOLIDATED STATEMENTS OF OPERATIONS
TEXAS INDUSTRIES, INC. AND SUBSIDIARIES

In thousands except per share	Three months ended August 31,	
	2007	2006
NET SALES	\$ 263,454	\$ 271,652
Cost of products sold	<u>217,437</u>	<u>205,338</u>
GROSS PROFIT	46,017	66,314
Selling, general and administrative	22,183	21,058
Interest	--	5,542
Other income	<u>(2,253)</u>	<u>(3,551)</u>
	<u>19,930</u>	<u>23,049</u>
INCOME BEFORE INCOME TAXES	26,087	43,265
Income taxes	<u>8,173</u>	<u>13,834</u>
NET INCOME	<u>\$ 17,914</u>	<u>\$ 29,431</u>
Net income per share		
Basic	\$.66	\$ 1.23
Diluted	<u>\$.64</u>	<u>\$ 1.12</u>
Average shares outstanding		
Basic	27,333	23,959
Diluted	<u>27,896</u>	<u>27,515</u>
Cash dividends per share	<u>\$.075</u>	<u>\$.075</u>
Major product shipments		
Cement (tons)	1,290	1,388
Stone, sand and gravel (tons)	5,551	6,461
Ready-mix concrete (cubic yards)	998	980
Major product prices		
Cement (\$/ton)	\$ 95.69	\$ 94.48
Stone, sand and gravel (\$/ton)	7.17	6.61
Ready-mix concrete (\$/cubic yard)	80.17	73.90