



NEWS FOR IMMEDIATE RELEASE

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TXI REPORTS SECOND QUARTER RESULTS

January 4, 2008 – Dallas, Texas – Texas Industries, Inc. (NYSE-TXI) today reported net income for the quarter ended November 30, 2007 of \$29.3 million (\$1.05 per share). For the same period ended November 30, 2006, net income equaled \$28.7 million (\$1.09 per share). Last year's quarter included \$12.9 million (\$.47 per share) in after-tax income as a result of cash received from the settlement of the U.S. antidumping order on Mexican cement.

"After a year of exceptionally wet weather, product shipments in our Texas markets recovered nicely in the November quarter as weather returned to more normal patterns," stated Mel Brekhus, Chief Executive Officer. "The improved weather also provided the opportunity to show the progress made in improving operating margins for TXI's aggregate and concrete operations."

In the November quarter, shipments of cement, aggregates and ready-mix concrete increased 6%, 8% and 7%, respectively compared to the prior year's quarter. Average realized prices for cement declined about 2% due to a shift in the mix of cement products and markets. Aggregate and ready-mix concrete realized prices improved 8% and 7%.

The November quarter benefited from the absence of major scheduled maintenance at the North Texas cement plant while scheduled maintenance at the plant last year negatively impacted pretax earnings by approximately \$10 million. In California, production quantities and efficiencies associated with old equipment lagged behind those of last year's quarter, reducing pretax earnings by approximately \$7 million.

Selling, general and administrative expenses declined \$9.1 million compared to the prior year's quarter. Stock-based compensation declined \$5.3 million; the remaining decrease in selling, general and administrative expenses was primarily due to lower incentive compensation expense. Interest expense declined from \$4.4 million in last year's quarter to zero as all interest expense was capitalized in conjunction with cement plant modernization and expansion projects. Other income declined \$21.4 million compared to a year ago. Last year's quarter included \$19.8 million of pretax income from the settlement of the long-standing U.S. antidumping order on Mexican cement. The remaining decline in other income was due to lower real estate and interest income.

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Texas cement consumption has remained approximately even with that of a year ago, despite a decline in residential construction. The announced cement price increase for Texas of \$10 per ton should be effective by April 2008. In California, reductions in cement demand have been offset by declining imports. Cement prices in California have remained fairly stable.

“The commissioning of TXI’s new cement capacity in California is proceeding slower than expected and we anticipate that the plant will be fully operational in June of 2008 instead of May as originally planned,” continued Brekhus. “The California project will add one million tons of additional cement production and also replace 1.3 million tons of older, less efficient production equipment as well. This project, the new kiln line at TXI’s Central Texas plant and the incremental addition of production at our North Texas plant are expected to increase TXI’s total annual cement production from today’s 5 million tons to almost 8 million tons over the next three to four years.”

A teleconference will be held today, January 4, 2008 at 1:00 p.m. Central Time to further discuss Second 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.

CONSOLIDATED STATEMENTS OF OPERATIONS
TEXAS INDUSTRIES, INC. AND SUBSIDIARIES

In thousands except per share	Three months ended November 30,		Six months ended November 30,	
	2007	2006	2007	2006
NET SALES	\$ 268,473	\$ 245,832	\$ 531,927	\$ 517,484
Cost of products sold	<u>208,271</u>	<u>194,057</u>	<u>425,708</u>	<u>399,395</u>
GROSS PROFIT	60,202	51,775	106,219	118,089
Selling, general and administrative	21,064	30,147	43,247	51,205
Interest	--	4,643	--	10,185
Other income	<u>(3,442)</u>	<u>(24,800)</u>	<u>(5,695)</u>	<u>(28,351)</u>
	<u>17,622</u>	<u>9,990</u>	<u>37,552</u>	<u>33,039</u>
INCOME BEFORE INCOME TAXES	42,580	41,785	68,667	85,050
Income taxes	<u>13,265</u>	<u>13,133</u>	<u>21,438</u>	<u>26,967</u>
NET INCOME	<u>\$ 29,315</u>	<u>\$ 28,652</u>	<u>\$ 47,229</u>	<u>\$ 58,083</u>
Net income per share				
Basic	\$ 1.07	\$ 1.19	\$ 1.73	\$ 2.42
Diluted	<u>\$ 1.05</u>	<u>\$ 1.09</u>	<u>\$ 1.69</u>	<u>\$ 2.21</u>
Average shares outstanding				
Basic	27,348	24,001	27,340	23,980
Diluted	<u>27,849</u>	<u>27,602</u>	<u>27,873</u>	<u>27,558</u>
Cash dividends per share	<u>\$.075</u>	<u>\$.075</u>	<u>\$.15</u>	<u>\$.15</u>
Major product shipments				
Cement (tons)	1,319	1,239	2,609	2,627
Stone, sand and gravel (tons)	5,863	5,573	11,414	12,034
Ready-mix concrete (cubic yards)	1,050	979	2,048	1,959
Major product prices				
Cement (\$/ton)	\$92.88	\$94.85	\$94.27	\$94.66
Stone, sand and gravel (\$/ton)	7.39	6.83	7.28	6.71
Ready-mix concrete (\$/cubic yard)	80.19	74.76	80.18	74.33

