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TXI REPORTS FIRST QUARTER RESULTS

Dallas, TX – September 24, 2009 – Texas Industries, Inc. (NYSE-TXI) today reported financial results for the quarter ended August 31, 2009. Net income was \$1.7 million (\$.06 per share). Net income for the quarter ended August 31, 2008 was \$10.7 million (\$.38 per share) and included after-tax income of \$2.9 million (\$.10 per share) related to oil and gas lease bonus payments received during the quarter.

General Comments

"I am very pleased with our results in light of the fact that the markets for all of our products continue to be challenging," stated Mel Brekhus, Chief Executive Officer. "Cash gross margins actually improved in spite of the fact that shipments for the quarter are down year over year 25-35% for our major products, reflecting the excellent work of our employees. I believe TXI is well positioned to get through the remainder of this recession and to take full advantage of the recovery when it comes."

A teleconference will be held today, September 24, 2009 at 1:00 Central Daylight Time to further discuss quarter results. A real-time webcast of the conference is available by logging on to TXI's website at www.txicom.com. A replay of the call will be available through midnight on Friday, October 9, 2009.

The following is a summary of operating results for our business segments and certain other operating information related to our principal products.

Cement Operations

In thousands except per unit	Three months ended August 31,	
	2009	2008
Operating Results		
Total cement sales	\$ 78,460	\$ 111,404
Total other sales and delivery fees	<u>6,736</u>	<u>9,959</u>
Total segment sales	85,196	121,363
Cost of products sold	<u>69,859</u>	<u>104,557</u>
Gross profit	15,337	16,806
Selling, general and administrative	(4,674)	(5,405)
Other income	<u>1,743</u>	<u>5,264</u>
Operating Profit	<u>\$ 12,406</u>	<u>\$ 16,665</u>
Cement		
Shipments (tons)	915	1,218
Prices (\$/ton)	\$ 85.70	\$ 91.43
Cost of sales (\$/ton)	\$ 68.70	\$ 79.26

Cement operating profit for the three-month period ended August 31, 2009 was \$12.0 million, a decrease of \$4.3 million from the prior year period.

Total segment sales for the three-month period ended August 31, 2009 were \$85.2 million compared to \$121.4 million for the prior year period. Cement sales decreased \$32.9 million as construction activity declined in both our Texas and California market areas. Our Texas market area accounted for approximately 71% of cement sales in the current period compared to 69% of cement sales in the prior year period. Shipments in both our market areas decreased 25% from the prior year period. Average cement prices declined 3% in our Texas market area and 13% in our California market area.

Cost of products sold for the three-month period ended August 31, 2009 decreased \$34.7 million from the prior year period primarily due to lower shipments. Cement unit costs decreased 13% from the prior year period on lower variable costs, including labor, energy, supplies and maintenance costs. In addition, scheduled shutdowns for maintenance at our California and central Texas cement plants increased unit costs in the prior year period.

Selling, general and administrative expense for the three-month period ended August 31, 2009 decreased \$0.7 million from the prior year period. Lower overall selling and administrative expenses, including wages and benefits, marketing, travel and outside service expenses as a result of our focus on cost reduction initiatives were offset in part by \$0.6 million higher provisions for bad debts and \$0.5 million higher defined benefit plan expense.

Other income for the three-month period ended August 31, 2009 decreased \$3.5 million from the prior year period. Other income in the prior period included a lease bonus payment of \$2.8 million received upon the execution of an oil and gas lease on property we own in north Texas and a gain of \$1.7 million from the sale of emission credits associated with our California cement operations.

Aggregate Operations

In thousands except per unit	Three months ended August 31,	
	2009	2008
Operating Results		
Total stone, sand and gravel sales	\$ 27,794	\$ 40,679
Total other sales and delivery fees	<u>22,307</u>	<u>31,118</u>
Total segment sales	50,101	71,797
Cost of products sold	<u>39,155</u>	<u>59,456</u>
Gross profit	10,946	12,341
Selling, general and administrative	(2,705)	(3,823)
Other income	<u>398</u>	<u>407</u>
Operating Profit	<u>\$ 8,639</u>	<u>\$ 8,925</u>
Stone, sand and gravel		
Shipments (tons)	3,423	5,201
Prices (\$/ton)	\$ 8.12	\$ 7.82
Cost of sales (\$/ton)	\$ 6.28	\$ 6.28

Aggregate operating profit for the three-month period ended August 31, 2009 was 8.6 million, a decrease of \$0.3 million from the prior year period. Improvements in average prices for our stone, sand and gravel were offset by lower shipments.

Total segment sales for the three-month period ended August 31, 2009 decreased \$21.7 million from the prior year period. Stone, sand and gravel sales decreased \$12.9 million on 4% higher average prices and 34% lower shipments.

Cost of products sold for the three-month period ended August 31, 2009 decreased \$20.3 million from the prior year period primarily due to lower shipments. Overall stone, sand and gravel unit costs were comparable to the prior year period.

Selling, general and administrative expense for the three-month period ended August 31, 2009 decreased \$1.1 million from the prior year period primarily due to lower overall selling and administrative expenses, including wages and benefits, marketing, travel and outside service expenses as a result of our focus on cost reduction initiatives.

Other income for the three-month period ended August 31, 2009 was comparable to the prior year period.

Consumer Products Operations

In thousands except per unit	Three months ended August 31,	
	2009	2008
Operating Results		
Total ready-mix concrete sales	\$ 54,053	\$ 78,894
Total other sales and delivery fees	<u>15,485</u>	<u>16,330</u>
Total segment sales	69,538	95,224
Cost of products sold	<u>61,716</u>	<u>91,744</u>
Gross profit	7,822	3,480
Selling, general and administrative	(3,204)	(4,315)
Other income	<u>133</u>	<u>385</u>
Operating Profit (Loss)	\$ <u>4,751</u>	\$ <u>(450)</u>
Ready-mix concrete		
Shipments (cubic yards)	612	947
Prices (\$/cubic yard)	\$ 88.46	\$ 83.30
Cost of sales (\$/cubic yard)	\$ 79.91	\$ 81.15

Consumer products operating profit for the three-month period ended August 31, 2009 was \$4.8 million, an increase of \$5.2 million from the prior year period. Improvements in ready-mix concrete average prices and lower raw material costs were offset in part by lower shipments.

Total segment sales for the three-month period ended August 31, 2009 were \$69.5 million compared to \$95.2 million for the prior year period. Ready-mix concrete sales for the three-month period ended August 31, 2009 decreased \$24.8 million on 6% higher average prices and 35% lower shipments.

Cost of products sold for the three-month period ended August 31, 2009 decreased \$30.0 million from the prior year period. Overall ready-mix concrete unit costs decreased 2% from the prior year period primarily due to lower raw material costs. Our raw material unit costs including the cost of transportation decreased approximately 8% from the prior year period.

Selling, general and administrative expense for the three-month period ended August 31, 2009 decreased \$1.1 million from the prior year period primarily due to lower overall selling and administrative expenses, including wages and benefits, marketing, travel and outside service expenses as a result of our focus on cost reduction initiatives.

Other income for the three-month period ended August 31, 2009 decreased \$0.3 million from the prior year period. Other income in the prior year period included lease bonus payments of \$0.2 million received upon the execution of oil and gas lease agreements on property we own in north Texas.

Corporate

In thousands	Three months ended August 31,	
	2009	2008
Other income	\$ 378	\$ 2,185
Selling, general and administrative	<u>(9,671)</u>	<u>(3,795)</u>
	\$ <u>(9,293)</u>	\$ <u>(1,610)</u>

Other income for the three-month period ended August 31, 2009 decreased \$1.8 million from the prior year period. Other income in the prior year period includes a lease bonus payment of \$1.6 million received upon the execution of an oil and gas lease agreement on property we own in north Texas that is not associated with any business segment.

Selling, general and administrative expense for the three-month period ended August 31, 2009 increased \$5.9 million from the prior year period. The increase was primarily the result of \$6.6 million higher stock-based compensation offset in part by \$0.4 million lower wages and benefits and \$0.3 million lower insurance expense. Our stock-based compensation includes awards expected to be settled in cash the expense for which is based on their fair value at the end of each period until the awards are paid. The impact of changes in our stock price on their fair value increased stock-based compensation \$1.6 million in the three-month period ended August 31, 2009 and reduced stock-based compensation \$5.1 million in the three-month period ended August 31, 2008.

Interest

Interest expense incurred for the three-month period ended August 31, 2009 was \$13.2 million, all of which was expensed. Interest expense incurred for the three-month period ended August 31, 2008 was \$9.0 million, of which \$1.8 million was capitalized in connection with our Hunter, Texas cement plant expansion project and \$7.2 million was expensed.

Interest expense incurred for the three-month period ended August 31, 2009 increased \$4.2 million from the prior year period primarily as a result of higher average outstanding debt due to the sale of \$300 million aggregate principal amount of additional 7.25% senior notes on August 18, 2008. We have delayed completion of the Hunter, Texas cement plant expansion and do not expect to capitalize any interest in connection with the project during the remainder of fiscal year 2010.

Loss on Debt Retirements

On August 18, 2008, we sold \$300 million aggregate principal amount of additional 7.25% senior notes due in 2013 at an offering price of \$93.25. The net proceeds were used to repay our \$150 million senior term loan and borrowings outstanding under our senior revolving credit facility in the amount of \$29.5 million. We recognized a loss on debt retirement of \$0.9 million representing a write-off of debt issuance costs associated with the mandatory prepayment of the term loan.

Income Taxes

Income taxes for the interim periods ended August 31, 2009 and August 31, 2008 have been included in the accompanying financial statements on the basis of an estimated annual rate. The primary reason that the tax rate differs from the 35% federal statutory corporate rate is due to percentage depletion that is tax deductible, state income taxes and deductions for income from qualified domestic production activities. Our estimated effective tax rate for fiscal year 2010 is 47.4% compared to 30.7% for fiscal year 2009.

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 our business, the cyclical and seasonal nature of our business, the level of construction activity in our markets, abnormal periods of inclement weather, unexpected periods of equipment downtime, unexpected operational difficulties, changes in the cost of raw materials, fuel and energy, changes in the cost or availability of transportation, changes in interest rates, the timing and amount of federal, state and local funding for infrastructure, delays in announced capacity expansions, ongoing volatility and uncertainty in the capital or credit markets, the impact of environmental laws, regulations and claims and changes in governmental and public policy, and the risks and uncertainties described in our reports on Forms 10-K, 10-Q and 8-K. Forward-looking statements speak only as of the date hereof, and we assume no obligation to publicly update such statements.

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

(Unaudited)
CONSOLIDATED STATEMENTS OF OPERATIONS
TEXAS INDUSTRIES, INC. AND SUBSIDIARIES

In thousands except per share	Three months ended August 31,	
	2009	2008
NET SALES	\$ 183,957	\$ 256,392
Cost of products sold	<u>149,852</u>	<u>223,765</u>
GROSS PROFIT	34,105	32,627
Selling, general and administrative	20,254	17,338
Interest	13,244	7,245
Loss on debt retirements	--	907
Other income	<u>(2,652)</u>	<u>(8,241)</u>
INCOME BEFORE INCOME TAXES	<u>3,259</u>	<u>15,378</u>
Income taxes	<u>1,544</u>	<u>4,726</u>
NET INCOME	<u>\$ 1,715</u>	<u>\$ 10,652</u>
Net income per share		
Basic	\$.06	\$.39
Diluted	<u>\$.06</u>	<u>\$.38</u>
Average shares outstanding		
Basic	27,720	27,506
Diluted	<u>27,940</u>	<u>27,831</u>
Cash dividends per share	<u>\$.075</u>	<u>\$.075</u>

CONSOLIDATED BALANCE SHEETS
TEXAS INDUSTRIES, INC. AND SUBSIDIARIES

In thousands	(Unaudited) August 31, 2009	May 31, 2009
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 32,183	\$ 19,796
Receivables – net	129,430	129,432
Inventories	156,355	155,724
Deferred income taxes and prepaid expenses	<u>21,244</u>	<u>22,039</u>
TOTAL CURRENT ASSETS	339,212	326,991
OTHER ASSETS		
Goodwill	1,715	1,715
Real estate and investments	7,736	10,001
Deferred charges and other	<u>15,852</u>	<u>14,486</u>
	25,303	26,202
PROPERTY, PLANT AND EQUIPMENT		
Land and land improvements	156,887	156,917
Buildings	58,234	58,442
Machinery and equipment	1,245,722	1,247,931
Construction in progress	<u>328,508</u>	<u>328,256</u>
	1,789,351	1,791,546
Less depreciation and depletion	<u>587,052</u>	<u>572,195</u>
	<u>1,202,299</u>	<u>1,219,351</u>
	<u>\$ 1,566,814</u>	<u>\$ 1,572,544</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable	\$ 48,894	\$ 55,749
Accrued interest, compensation and other	47,808	51,856
Current portion of long-term debt	<u>247</u>	<u>243</u>
TOTAL CURRENT LIABILITIES	96,949	107,848
LONG-TERM DEBT	542,371	541,540
DEFERRED INCOME TAXES AND OTHER CREDITS	122,765	120,011
SHAREHOLDERS' EQUITY		
Common stock, \$1 par value	27,737	27,718
Additional paid-in capital	471,548	469,908
Retained earnings	318,834	319,199
Accumulated other comprehensive loss	<u>(13,390)</u>	<u>(13,680)</u>
	<u>804,729</u>	<u>803,145</u>
	<u>\$ 1,566,814</u>	<u>\$ 1,572,544</u>

(Unaudited)
CONSOLIDATED STATEMENTS OF CASH FLOWS
TEXAS INDUSTRIES, INC. AND SUBSIDIARIES

In thousands	Three months ended August 31,	
	2009	2008
OPERATING ACTIVITIES		
Net income	\$ 1,715	\$ 10,652
Adjustments to reconcile net income to cash provided by operating activities		
Depreciation, depletion and amortization	16,594	16,865
Gains on asset disposals	(1,030)	(280)
Deferred income taxes	743	2,538
Stock-based compensation expense (credit)	2,643	(4,060)
Excess tax benefits from stock-based compensation	(211)	(1,212)
Loss on debt retirements	--	907
Other – net	(221)	(1,006)
Changes in operating assets and liabilities		
Receivables – net	(888)	14,269
Inventories	757	(12,504)
Prepaid expenses	1,074	1,366
Accounts payable and accrued liabilities	(6,638)	(16,920)
Net cash provided by operating activities	<u>14,538</u>	<u>10,615</u>
INVESTING ACTIVITIES		
Capital expenditures – expansions	(4,569)	(48,037)
Capital expenditures – other	(804)	(40,699)
Cash designated for property acquisitions	--	26,958
Proceeds from asset disposals	1,068	512
Investments in life insurance contracts	5,802	1,464
Other – net	(19)	192
Net cash provided (used) by investing activities	<u>1,478</u>	<u>(59,610)</u>
FINANCING ACTIVITIES		
Long-term borrowings	--	327,250
Debt retirements	(59)	(197,555)
Debt issuance costs	(2,032)	(2,306)
Stock option exercises	331	1,480
Excess tax benefits from stock-based compensation	211	1,212
Common dividends paid	(2,080)	(2,065)
Net cash provided (used) by financing activities	<u>(3,629)</u>	<u>128,016</u>
Increase in cash and cash equivalents	12,387	79,021
Cash and cash equivalents at beginning of period	<u>19,796</u>	<u>39,527</u>
Cash and cash equivalents at end of period	<u>\$ 32,183</u>	<u>\$ 118,548</u>