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TXI REPORTS FOURTH QUARTER RESULTS

July 12, 2007 – Dallas , Texas – Texas Industries, Inc. (NYSE-TXI) today reported net income of \$30.1 million (\$1.09 per share) for the quarter ended May 31, 2007. For the same quarter ending May 31, 2006, net income equaled \$41.9 million (\$1.58 per share). The 2006 quarter included a real estate sale that contributed \$12.4 million (\$.45 per share) to net income after costs and expenses related to the transaction. Excluding the real estate gain from the May quarter of 2006, net income would have been \$29.5 million (\$1.13 per share).

For the year ended May 31, 2007 net income equaled \$100.9 million (\$3.80 per share). In 2006, the Company generated a net loss from continuing operations of \$.6 million (\$.03 per share). Fiscal year 2007 included a second quarter after-tax gain of \$12.9 million (\$.47 per share) that resulted from cash received from the settlement of the long-standing U.S. antidumping order on Mexican cement. Fiscal year 2006 included debt retirement costs and other expenses related to the spin-off of the Company's steel operations which reduced net income by \$75.8 million (\$3.29 per share) and also included the real estate gain of \$12.4 million (\$.54 per share) that occurred in the quarter ended May 31, 2006. If the settlement income were excluded from 2007 results, net income would have equaled \$88.0 million (\$3.33 per share). Likewise, excluding both the costs and expenses relating to the spin-off and the income from the real estate gain, fiscal year 2006 net income would have equaled \$62.8 million (\$2.72 per share).

"Net income for fiscal year 2007 increased 40% compared to 2006 once large, individual transactions in both years are excluded," stated Mel Brekhus, Chief Executive Officer. "Excluding those same large transactions and looking simply at earnings before interest and taxes, the percentage increase in EBIT was 24%. Despite extreme wet weather in Texas during the spring, EBIT for the fourth quarter ended May 31, 2007 was down only 5% compared to that of a year ago after removing the large real estate gain in last year's quarter. Overall price trends for cement continue to be positive even though bad weather and slower construction activity have disrupted the timing and magnitude of price increases in some markets."

"TXI's California cement plant expansion continues on budget and on schedule for a late fall or early winter start-up," continued Brekhus. "As detailed design and engineering work has progressed on our Central Texas cement plant expansion, we have determined that 1.4 million tons of annual capacity will be added to the facility instead of the earlier announced increase of 1 million tons. We expect the new kiln system for the Central Texas plant to start production by the end of calendar year 2009. Combining the California and Central Texas projects with efforts to de-bottleneck our North Texas cement plant, we now plan to grow TXI's annual cement production from today's 5 million tons to almost 8 million tons in a little over three years."

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Fourth Quarter Results

Net sales of \$262 million for the quarter ended May 31, 2007 were down 1% compared to those of a year ago. Realized average prices increased 4% for cement, 17% for stone, sand and gravel and 9% for ready-mix concrete compared to the same quarter last year. Due to the impact of unseasonable wet weather on construction activity in TXI's Texas markets, cement and stone, sand and gravel shipments declined 5% and 15%, respectively. Ready-mix concrete shipments were equal to those of a year ago due to a greater mix of commercial work that wasn't as weather dependent.

Selling, general and administrative expenses declined \$.7 million compared to the same quarter last year. Stock-based compensation expense, including the costs accrued for stock options, increased \$5.7 million versus a year ago. Incentive expenses were down \$3.6 million primarily as a result of the incentive payments related to the real estate gain in the quarter ended May 31, 2006.

Interest expense declined \$6.1 million compared to last year due to the capitalized interest recognized in conjunction with TXI's California cement plant expansion and modernization (\$4.8 million of the pretax decrease) and as a result of the conversion of convertible trust preferred securities into equity that occurred in the third and fourth quarters of fiscal year 2007. Excluding the gross gain from the large real estate transaction in last year's fourth quarter, other income for the quarter ended May 31, 2007 declined \$.7 million.

Fiscal Year Results

Net sales for fiscal year 2007 increased 6% compared to 2006. Average realized prices increased 9% for cement, 16% for stone, sand and gravel and 10% for ready-mix concrete while shipments of cement, stone, sand and gravel and ready-mix concrete declined 1%, 12% and 4%, respectively. The impact of extreme wet weather on Texas construction activity during the last half of the fiscal year was the primary cause of the reduction in shipments. Lower energy cost, particularly related to cement operations, contributed to increased income during the year.

Selling, general and administrative expenses increased \$19.4 million in 2007 compared to 2006. Stock-based compensation expense increased \$9.5 million compared to a year ago while incentive expenses increased \$8.1 million.

Interest expense declined \$17.1 million during 2007 due to the capitalization of interest related to the California cement plant project (\$12.9 million of the pretax decrease) and due to the conversion of approximately \$160 million of convertible subordinated debentures into equity during 2007 (\$4.4 million of the decrease). Excluding the settlement income from 2007 and real estate gain from 2006 mentioned earlier, other income declined \$6.5 million during 2007 as a result of lower income from miscellaneous real estate and other asset sales.

A teleconference will be held today, July 12, 2007 at 1:00 p.m. Central Daylight Time to further discuss fiscal year and fourth quarter results. A real-time webcast of the conference is available by logging on to TXI's website at www.txi.com.

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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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