

Texas Industries, Inc.  
Consolidated Statements of Operations  
In \$ Thousands



	FY2003	FY2004	FY2005	FY2006	FY2007					FY2008				
					Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total
<b>Shipments</b>														
Cement (Thousands of Tons)	4,900	5,298	5,394	5,136	1,388	1,239	1,122	1,325	5,074	1,290	1,319	1,142		3,751
Aggregates (Thousands of Tons)	19,003	22,282	23,616	25,246	6,461	5,573	4,527	5,553	22,114	5,551	5,863	5,010		16,424
Ready-mix (Thousands of Cubic Yards)	3,513	3,562	3,678	3,830	980	979	736	970	3,665	998	1,050	857		2,905
<b>Price</b>														
Cement (\$ per Ton)	68.90	68.48	75.05	87.14	94.48	94.85	95.50	95.51	95.06	95.69	92.88	91.01		93.27
Aggregates (\$ per Ton)	5.55	5.43	5.68	6.08	6.61	6.83	7.30	7.51	7.03	7.17	7.39	7.52		7.36
Ready-mix (\$ per Cubic Yard)	57.88	57.94	60.54	69.25	73.90	74.76	77.49	77.81	75.87	80.17	80.19	81.26		80.52
<b>Net Sales</b>														
Cement	337,624	362,824	404,823	447,594	131,157	117,528	107,143	126,551	482,379	123,423	122,586	103,891		349,900
Aggregates	105,521	120,997	134,220	153,480	42,723	38,066	33,043	41,730	155,562	39,804	43,324	37,699		120,827
Ready-mix	203,349	206,394	222,680	265,254	72,442	73,142	57,007	75,476	278,067	79,990	84,233	69,699		233,922
Other	117,810	116,108	104,847	118,555	34,473	28,196	26,048	31,081	119,798	32,175	31,375	30,155		93,705
Interplant	(100,478)	(98,353)	(105,576)	(121,127)	(31,478)	(30,046)	(23,890)	(32,992)	(118,406)	(32,432)	(34,750)	(30,488)		(97,670)
Delivery Fees	54,292	59,209	73,809	80,166	22,335	18,946	17,420	20,149	78,850	20,494	21,705	19,579		61,778
<b>Net Sales</b>	<b>718,118</b>	<b>767,179</b>	<b>834,803</b>	<b>943,922</b>	<b>271,652</b>	<b>245,832</b>	<b>216,771</b>	<b>261,995</b>	<b>996,250</b>	<b>263,454</b>	<b>268,473</b>	<b>230,535</b>	<b>-</b>	<b>762,462</b>
<b>Costs and Expenses (Income)</b>														
Cost of Products Sold	596,737	637,347	692,414	766,941	205,338	194,057	169,702	191,063	760,160	217,437	208,271	190,980		616,688
Selling, General and Administrative	70,666	74,814	78,434	88,663	21,058	30,147	27,476	29,425	108,106	22,183	21,064	20,717		63,964
Interest	14,827	24,102	23,533	31,155	5,542	4,643	3,289	600	14,074	-	-	-		-
Loss on Debt Retirements and Spin-off Charges	-	12,302	894	113,247	-	-	26	22	48	-	-	-		-
Other Income	(4,762)	(40,482)	(22,727)	(47,270)	(3,551)	(24,800)	(3,273)	(5,005)	(36,629)	(2,253)	(3,442)	(2,086)		(7,781)
	<b>677,468</b>	<b>708,083</b>	<b>772,548</b>	<b>952,736</b>	<b>228,387</b>	<b>204,047</b>	<b>197,220</b>	<b>216,105</b>	<b>845,759</b>	<b>237,367</b>	<b>225,893</b>	<b>209,611</b>	<b>-</b>	<b>672,871</b>
Income from Continuing Operations - net of Income Taxes	40,650	59,096	62,255	(8,814)	43,265	41,785	19,551	45,890	150,491	26,087	42,580	20,924	-	89,591
Income Taxes	13,485	16,819	16,811	(8,225)	13,834	13,133	6,838	15,779	49,584	8,173	13,265	6,300	-	27,738
Income from Continuing Operations	27,165	42,277	45,444	(589)	29,431	28,652	12,713	30,111	100,907	17,914	29,315	14,624	-	61,853
Income (Loss) from Discontinued Operations - net of Income Taxes	(51,362)	(4,378)	79,079	8,691	-	-	-	-	-	-	-	-	-	-
Income (Loss) before Accounting Change	(24,197)	37,899	124,523	8,102	29,431	28,652	12,713	30,111	100,907	17,914	29,315	14,624	-	61,853
Cumulative Effect of Accounting Change - net of Income Taxes	-	(1,551)	-	-	-	-	-	-	-	-	-	-	-	-
<b>Net Income</b>	<b>(24,197)</b>	<b>36,348</b>	<b>124,523</b>	<b>8,102</b>	<b>29,431</b>	<b>28,652</b>	<b>12,713</b>	<b>30,111</b>	<b>100,907</b>	<b>17,914</b>	<b>29,315</b>	<b>14,624</b>	<b>-</b>	<b>61,853</b>



Texas Industries, Inc.  
 Consolidated Balance Sheets  
 In \$ Thousands

	5/31/2004	5/31/2005	5/31/2006	8/31/2006	11/30/2006	2/28/2007	5/31/2007	8/31/2007	11/30/2007	2/29/2008
Cash	133,053	251,600	84,139	66,300	83,648	20,365	15,138	5,165	26,216	9,632
Short-term Investments	-	-	50,606	39,122	10,012	-	-	-	-	-
Accounts Receivable	108,364	117,363	132,849	160,569	129,517	126,527	142,610	160,079	163,990	151,708
Inventories	89,373	83,291	102,052	101,330	100,929	114,751	121,467	112,517	112,824	123,735
Deferred Income Taxes and Prepaid Expenses	31,553	28,754	33,599	26,820	15,475	18,779	17,621	13,047	19,785	22,482
Total Current Assets	362,343	481,008	403,245	394,141	339,581	280,422	296,836	290,808	322,815	307,557
Goodwill	61,307	61,307	58,395	58,395	58,395	58,395	58,395	58,395	60,110	60,110
Real Estate and Investments	42,430	100,200	125,913	107,604	131,513	132,884	111,414	112,217	48,037	23,834
Deferred Income Taxes, Intangibles and Other Charges	39,259	27,571	22,706	22,493	22,271	16,097	11,369	12,031	12,097	11,376
Net Assets of Discontinued Operations	798,353	836,100	-	-	-	-	-	-	-	-
	941,349	1,025,178	207,014	188,492	212,179	207,376	181,178	182,643	120,244	95,320
Property, Plant and Equipment	865,133	882,816	953,474	1,015,880	1,098,134	1,184,578	1,289,654	1,366,431	1,442,445	1,484,417
Accumulated Depreciation	452,324	470,163	483,163	492,569	503,070	511,406	505,432	510,881	517,557	525,274
Net Property, Plant and Equipment	412,809	412,653	470,311	523,311	595,064	673,172	784,222	855,550	924,888	959,143
Total Assets	1,716,501	1,918,839	1,080,570	1,105,944	1,146,824	1,160,970	1,262,236	1,329,001	1,367,947	1,362,020
Accounts Payable	53,497	58,022	63,581	69,866	75,557	74,810	109,749	94,516	115,408	89,895
Accrued Interest, Wages and Other Items	38,833	49,449	55,059	44,662	54,371	45,354	57,891	41,710	50,568	42,754
Current Portion of Long Term Debt	699	688	681	680	1,475	1,475	1,340	213	217	221
Total Current Liabilities	93,029	108,159	119,321	115,208	131,403	121,639	168,980	136,439	166,193	132,870
Long Term Debt	598,412	603,126	251,505	251,507	250,358	250,358	274,416	353,585	334,517	344,438
Convertible Subordinated Debentures	199,937	199,937	159,725	159,655	159,655	92,370	-	-	-	-
Deferred Income Taxes and Other Credits	63,139	80,050	76,955	81,204	78,186	87,987	90,358	89,400	89,014	90,274
Shareholders Equity	761,984	927,567	473,064	498,370	527,222	608,616	728,482	749,577	778,223	794,438
Total Liabilities and Shareholders Equity	1,716,501	1,918,839	1,080,570	1,105,944	1,146,824	1,160,970	1,262,236	1,329,001	1,367,947	1,362,020



	FY2003	FY2004	FY2005	FY2006	FY2007					FY2008				
				Total	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total
<b>CONTINUING OPERATIONS</b>														
Operating Activities														
Income from Continuing Operations	27,165	42,277	45,444	(589)	29,431	28,652	12,713	30,111	100,907	17,914	29,315	14,624	-	61,853
Adjustments to Reconcile Income from Continuing Operations to Cash Provided (Used) by Continuing Operating Activities														
Loss on Debt Retirements	-	12,302	-	107,006	-	-	26	22	48	-	-	-	-	-
Loss (Gain) on Asset Disposals	687	(37,997)	(6,582)	(34,768)	(490)	(49)	(31)	(2,347)	(2,917)	(455)	(462)	(279)	-	(1,196)
Depreciation, Depletion and Amortization	49,196	47,409	46,474	44,955	11,172	11,112	11,572	12,500	46,356	13,318	13,846	13,816	-	40,980
Deferred Income Taxes (Benefit)	(27,726)	319	33,811	6,581	3,777	4,734	8,319	(5,476)	11,354	513	614	3,527	-	4,654
Other - Net	6,000	5,391	8,889	7,570	(502)	2,482	8,174	5,252	15,406	(5,146)	(507)	753	-	(4,900)
Changes in Operating Assets and Liabilities														
Receivables Sold	(7,321)	(72,032)	-	-	-	-	-	-	-	-	-	-	-	-
Accounts Receivable - Net	(1,258)	1,052	(8,873)	(5,060)	(6,218)	9,034	1,724	(3,694)	846	(17,458)	(3,899)	12,312	-	(9,045)
Inventories	(1,635)	1,664	6,082	(18,761)	722	840	(13,821)	(6,716)	(18,975)	8,950	(307)	(10,911)	-	(2,268)
Prepaid Expenses	2,099	(5,744)	(1,680)	63	953	1,412	1,545	(2,518)	1,392	1,735	185	286	-	2,206
Accounts Payable and Accrued Liabilities	3,889	(3,011)	17,017	(12,155)	(2,782)	16,338	(15,088)	33,073	31,541	(5,319)	7,639	(18,287)	-	(15,967)
Other Credits	2,819	7,375	3,838	2,527	-	-	-	-	-	-	-	-	-	-
Cash Provided (Used) by Continuing Operations	53,915	(995)	144,420	97,369	36,063	74,555	15,133	60,207	185,958	14,052	46,424	15,841	-	76,317
Investing Activities														
Capital Expenditures	(32,327)	(15,887)	(46,178)	(110,245)	(64,118)	(83,338)	(88,983)	(81,219)	(317,658)	(103,592)	(71,496)	(66,592)	-	(241,680)
Proceeds from Asset Disposals	11,258	47,243	7,136	23,107	987	(212)	186	4,591	5,552	1,288	1,078	1,562	-	3,928
Purchases of Short-term Investments - net	-	-	-	(50,500)	11,500	29,000	10,000	-	50,500	-	-	-	-	-
Investments in Insurance Contracts	(713)	(1,162)	(58,798)	(4,366)	(2,402)	(1,872)	(1,014)	(773)	(6,061)	(415)	65,944	22,611	-	88,140
Other - Net	2,961	(2,875)	(677)	612	297	(402)	(20)	(211)	(336)	(24)	79	163	-	218
Cash Provided (Used) by Investing Activities	(18,821)	27,319	(98,517)	(141,392)	(53,736)	(56,824)	(79,831)	(77,612)	(268,003)	(102,743)	(4,395)	(42,256)	-	(149,394)
Financing Activities														
Long Term Borrowings	366,640	718,097	-	250,000	-	-	-	38,000	38,000	124,000	65,000	24,000	-	213,000
Debt Retirements	(371,344)	(592,398)	(699)	(600,700)	(1)	(354)	(930)	(24,236)	(25,521)	(46,173)	(84,064)	(14,076)	-	(144,313)
Debt Issuance Costs	(1,458)	(16,378)	(39)	(7,363)	-	-	-	-	-	(944)	(89)	(119)	-	(1,152)
Debt Retirement Costs	-	(8,605)	-	(96,029)	-	-	(4)	(2)	(6)	-	-	-	-	-
Interest Rate Swap Terminations	-	8,358	(6,315)	-	-	-	-	-	-	-	-	-	-	-
Stock Option Exercises	512	2,541	41,399	7,510	752	1,091	4,133	418	6,394	599	131	1,948	-	2,678
Common Dividends Paid	(6,315)	(6,336)	(6,643)	(6,908)	(1,798)	(1,802)	(1,868)	(2,049)	(7,517)	(2,051)	(2,052)	(2,058)	-	(6,161)
Other - Net	(1,961)	(26)	-	-	881	682	84	47	1,694	3,287	96	136	-	3,519
Cash Provided (Used) by Financing Activities	(13,926)	105,253	27,703	(453,490)	(166)	(383)	1,415	12,178	13,044	78,718	(20,978)	9,831	-	67,571
Net Cash Provided (Used) by Continuing Operations	21,168	131,577	73,606	(497,513)	(17,839)	17,348	(63,283)	(5,227)	(69,001)	(9,973)	21,051	(16,584)	-	(5,506)
<b>DISCONTINUED OPERATIONS</b>														
Cash Provided (Used) by Discontinued Operating Activities	(5,797)	12,668	73,104	(7,778)	-	-	-	-	-	-	-	-	-	-
Cash Used by Discontinued Investing Activities	(23,265)	(14,068)	(28,163)	(2,757)	-	-	-	-	-	-	-	-	-	-
Cash Used by Discontinued Financing Activities	(2,117)	-	-	340,587	-	-	-	-	-	-	-	-	-	-
Net Cash Provided (Used) by Discontinued Operations	(31,179)	(1,400)	44,941	330,052	-	-	-	-	-	-	-	-	-	-
Increase (Decrease) in Cash and Cash Equivalents	(10,011)	130,177	118,547	(167,461)	(17,839)	17,348	(63,283)	(5,227)	(69,001)	(9,973)	21,051	(16,584)	-	(5,506)
Beginning Cash and Cash Equivalents	12,887	2,876	133,053	251,600	84,139	66,300	83,648	20,365	84,139	15,138	5,165	26,216	9,632	15,138
Ending Cash and Cash Equivalents	2,876	133,053	251,600	84,139	66,300	83,648	20,365	15,138	15,138	5,165	26,216	9,632	9,632	9,632



	FY2003	FY2004	FY2005	FY2006				FY2007				FY2008			
				Total	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total	
<b>EBITDA Defined</b>															
Net Income (Loss) from Continuing Operations	27,165	42,277	45,444	(589)	29,431	28,652	12,713	30,111	100,907	17,914	29,315	14,624	-	61,853	
<i>Plus (minus):</i>															
Interest	14,827	24,102	23,533	31,155	5,542	4,643	3,289	600	14,074	-	-	-	-	-	
Income Taxes (Benefit)	13,485	16,819	16,811	(8,225)	13,834	13,133	6,838	15,779	49,584	8,173	13,265	6,300	-	27,738	
Depreciation, Depletion & Amortization	49,196	47,409	46,474	44,955	11,172	11,112	11,572	12,500	46,356	13,318	13,846	13,816	-	40,980	
Loss on Early Retirement of Debt and Spin-off Charges	-	12,302	894	113,247	-	-	26	22	48	-	-	-	-	-	
<b>EBITDA</b>	<b>104,673</b>	<b>142,909</b>	<b>133,156</b>	<b>180,543</b>	<b>59,979</b>	<b>57,540</b>	<b>34,438</b>	<b>59,012</b>	<b>210,969</b>	<b>39,405</b>	<b>56,426</b>	<b>34,740</b>	<b>-</b>	<b>130,571</b>	

EBITDA represents income from continuing operations before interest, income taxes, depreciation and amortization, and loss on early retirement of debt

EBITDA is presented because we believe it is a useful indicator of our performance and our ability to meet debt service and capital expenditure requirements.

It is not, however, intended as an alternative measure of operating results or cash flow from operations as determined in accordance with generally accepted accounting principles.

EBITDA is not necessarily comparable to similarly titled measures used by other companies.

#### EBITDA Reconciliation

Cash from Continuing Operating Activities	53,915	(995)	144,420	97,369	36,063	74,555	15,133	60,207	185,958	14,052	46,424	15,841	-	76,317
<i>Plus (minus):</i>														
Changes in Operating Assets and Liabilities	1,407	70,696	(16,384)	33,386	7,325	(27,624)	25,640	(20,145)	(14,804)	12,092	(3,618)	16,600	-	25,074
Deferred Taxes (Benefit)	27,726	(319)	(33,811)	(6,581)	(3,777)	(4,734)	(8,319)	5,476	(11,354)	(513)	(614)	(3,527)	-	(4,654)
Income Taxes (Benefit)	13,485	16,819	16,811	(8,225)	13,834	13,133	6,838	15,779	49,584	8,173	13,265	6,300	-	27,738
Loss (Gain) on Disposal of Assets	(687)	37,997	6,582	34,768	490	49	31	2,347	2,917	455	462	279	-	1,196
Interest	14,827	24,102	23,533	31,155	5,542	4,643	3,289	600	14,074	-	-	-	-	-
Spin-off Charges	-	-	894	6,241	-	-	-	-	-	-	-	-	-	-
Other - net	(6,000)	(5,391)	(8,889)	(7,570)	502	(2,482)	(8,174)	(5,252)	(15,406)	5,146	507	(753)	-	4,900
<b>EBITDA</b>	<b>104,673</b>	<b>142,909</b>	<b>133,156</b>	<b>180,543</b>	<b>59,979</b>	<b>57,540</b>	<b>34,438</b>	<b>59,012</b>	<b>210,969</b>	<b>39,405</b>	<b>56,426</b>	<b>34,740</b>	<b>-</b>	<b>130,571</b>



	FY2004	FY2005	FY2006	FY2007				FY2008				Total	
		Total	Total	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3		Q4
Segment Net Sales (Including Delivery Fees)													
Cement	383,623	431,895	471,482	137,690	122,770	111,885	132,578	504,923	129,497	129,234	110,797		369,528
Aggregates	206,970	225,972	256,109	75,895	65,879	60,573	71,611	273,958	71,863	75,958	68,166		215,987
Consumer Products	274,939	282,512	337,458	89,545	87,229	68,203	90,798	335,775	94,526	98,031	82,060		274,617
Eliminations	(98,353)	(105,576)	(121,127)	(31,478)	(30,046)	(23,890)	(32,992)	(118,406)	(32,432)	(34,750)	(30,488)		(97,670)
Total Net Sales	767,179	834,803	943,922	271,652	245,832	216,771	261,995	996,250	263,454	268,473	230,535	-	762,462
Operating Profit													
Cement	66,069	82,719	110,953	40,134	50,346	36,470	45,381	172,331	17,218	33,950	24,299		75,467
Aggregates	19,047	29,902	48,339	12,582	6,832	1,320	10,517	31,251	11,660	11,085	5,304		28,049
Consumer Products	11,013	5,259	10,349	3,641	2,623	(1,742)	5,324	9,846	4,077	4,607	(481)		8,203
Unallocated Overhead and Other Income	26,680	(4,307)	(10,181)	(1,911)	(2,877)	(3,257)	(3,683)	(11,728)	(1,734)	(1,746)	(2,624)		(6,104)
Total Operating Profit	122,809	113,573	159,460	54,446	56,924	32,791	57,539	201,700	31,221	47,896	26,498	-	105,615
Corporate													
Selling, General and Administrative	(28,658)	(33,272)	(39,110)	(7,747)	(14,522)	(11,359)	(11,566)	(45,194)	(5,809)	(7,379)	(6,119)		(19,307)
Interest	(24,102)	(23,533)	(31,155)	(5,542)	(4,643)	(3,289)	(600)	(14,074)	-	-	-		-
Loss on Debt Retirements and Spin-off Charges	(12,302)	(894)	(113,247)	-	-	(26)	(22)	(48)	-	-	-		-
Other Income	1,349	6,381	15,238	2,108	4,026	1,434	539	8,107	675	2,063	545		3,283
Income (loss) from Continuing Operations before Income Taxes	59,096	62,255	(8,814)	43,265	41,785	19,551	45,890	150,491	26,087	42,580	20,924	-	89,591
Major Gains (Losses) in Other Income													
Unallocated Overhead - Sale of Brick Assets	34,710	-	-	-	-	-	-	-	-	-	-	-	-
Aggregates - Sale of Emissions Credits	-	6,225	-	-	-	-	-	-	-	-	-	-	-
Aggregates - Sale of Real Estate	-	-	23,987	-	-	-	-	-	-	-	-	-	-
Cement - Cement Antidumping Settlement	-	-	-	-	19,803	-	-	19,803	-	-	-	-	-