



**TEXAS INDUSTRIES, INC**

## **TXI Reports Third Quarter Results**

**March 27, 2008 - Dallas, Texas** - Texas Industries, Inc. (TXI-NYSE) today reported net income for the quarter ended February 29, 2008 of \$14.6 million (\$.53 per share). For the same period ended February 28, 2007, net income equaled \$12.7 million (\$.50 per share).

"The commissioning of TXI's new cement capacity in California is under way and we expect the plant to be fully operational in June of 2008," stated Mel Brekhus, Chief Executive Officer. "Construction of TXI's Central Texas cement expansion project is also ramping up and we look forward to the commissioning of that new capacity in about two years. These two projects and the incremental addition of production at our North Texas plant are expected to increase TXI's total annual cement capacity from today's 5 million tons to almost 8 million tons over the next several years."

"Cement segment operating profit - excluding short-term items - was approximately even with that in last year's quarter," continued Brekhus. "Once the new cement capacity in California is fully operational, production efficiencies in California should be greatly enhanced. Operating results for the aggregate and consumer products business segments improved during the third quarter, reflecting both better weather and our efforts to improve efficiencies and margins. In fact, operating profit for the aggregate segment during the first nine months of the current fiscal year has increased by 35% compared to the same period last year and operating profit for the consumer products segment has increased by 80%."

The Texas economy continues to generate a solid overall level of construction activity. Cement consumption has remained at approximately 17 million tons for the last two years, well above the state's total production capacity of 12 million tons. In the California region, reductions in cement demand continue to be offset by declining imports. Cement price increases have been announced in both markets and aggregate product pricing trends continue to be positive.

Net sales for the quarter increased 6% over those of a year ago. Shipments of cement, aggregates and ready-mix concrete improved by 2%, 11% and 16%, respectively. In last year's quarter, extremely wet winter weather hindered shipments in Texas. Average realized prices for aggregates and ready-mix concrete increased by 3% and 5%. Average realized prices for the combined cement operations declined by 5% due to a shift in the mix of cement products and markets. Average realized cement prices should rise as we begin to benefit from announced price increases and as we begin to sell more cement in California.

A teleconference will be held today, March 27, 2008 at 1:00 PM Central Daylight Time to further discuss Third Quarter results. A real-time webcast of the conference is available by logging on to TXI's website at [www.txi.com](http://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		Nine months ended	
	February 29, 2008	February 28, 2007	February 29, 2008	February 28, 2007
NET SALES	\$ 230,535	\$ 216,771	\$ 762,462	\$ 734,255
Cost of products sold	<u>190,980</u>	<u>169,702</u>	<u>616,688</u>	<u>569,097</u>
GROSS PROFIT	39,555	47,069	145,774	165,158
Selling, general and administrative	20,717	27,476	63,964	78,681
Interest	--	3,289	--	13,474
Other income	<u>(2,086)</u>	<u>(3,247)</u>	<u>(7,781)</u>	<u>(31,598)</u>
INCOME BEFORE INCOME TAXES	<u>18,631</u>	<u>27,518</u>	<u>56,183</u>	<u>60,557</u>
	20,924	19,551	89,591	104,601
Income taxes	<u>6,300</u>	<u>6,838</u>	<u>27,738</u>	<u>33,805</u>
NET INCOME	<u>\$ 14,624</u>	<u>\$ 12,713</u>	<u>\$ 61,853</u>	<u>\$ 70,796</u>
Net income per share				
Basic	\$ .53	\$ .52	\$ 2.26	\$ 2.93
Diluted	<u>\$ .53</u>	<u>\$ .50</u>	<u>\$ 2.22</u>	<u>\$ 2.71</u>
Average shares outstanding				
Basic	27,398	24,438	27,359	24,133
Diluted	<u>27,810</u>	<u>27,771</u>	<u>27,852</u>	<u>27,629</u>
Cash dividends per share	<u>\$ .075</u>	<u>\$ .075</u>	<u>\$ .225</u>	<u>\$ .225</u>
Major product shipments				
Cement (tons)	1,142	1,122	3,751	3,749
Stone, sand and gravel (tons)	5,010	4,527	16,424	16,561
Ready-mix concrete (cubic yards)	857	736	2,905	2,695
Major product prices				
Cement (\$/ton)	\$91.01	\$95.50	\$93.28	\$94.91
Stone, sand and gravel (\$/ton)	7.52	7.30	7.36	6.87
Ready-mix concrete (\$/cubic yard)	81.26	77.49	80.50	75.19