



NEWS FOR IMMEDIATE RELEASE
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TXI REPORTS FIRST QUARTER RESULTS

September 28, 2006 - Dallas, Texas - Texas Industries, Inc. (NYSE-TXI) today reported net income of \$29.4 million (\$1.12 per share) for the quarter ended August 31, 2006. The Company reported a net loss from continuing operations for the same period a year ago of \$60.0 million (\$2.63 per share). Last year's quarter included debt retirement costs and expenses related to the spin-off of TXI's steel operations that, on an after-tax basis, equaled \$73.4 million (\$3.22 per share).

"Margins improved significantly compared to a year ago primarily as a result of increased product prices," stated Mel Brekhus, Chief Executive Officer. "We have also recently announced further cement price increases of \$12 per ton for the Texas and California markets, effective January 1 and March 1, 2007, respectively."

Realized cement and natural aggregate prices increased 15% compared to the same quarter a year ago while ready-mix concrete prices increased 10%. Cement shipments increased 3% while natural aggregate and ready-mix concrete shipments declined 12% and 6%. Extreme hot weather and water restrictions negatively impacted construction activity in north Texas during the summer. The expiration of an agreement to supply stone to another supplier also reduced aggregate shipments compared to a year ago. Energy costs across all operations were about even with those of a year ago.

Selling, general and administrative expenses declined \$2.1 million and interest expense fell \$3.7 million as a result of lower average debt levels and the capitalization of interest relating to the California cement plant modernization and expansion project.

"TXI's California cement plant expansion continues to proceed on time and on budget," continued Brekhus. "The project will replace 1.3 million tons of older, less efficient cement capacity with 2.3 million tons of state-of-the-art highly efficient annual capacity. The plant is expected to begin the commissioning process by late fall or early winter of 2007. This project and other initiatives in Texas are expected to result in a 50% increase in cement capacity for the Company over the next four-to-five years."

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A teleconference will be held today, September 28, 2006 at 1:00 p.m. Central Daylight Time to further discuss First 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.

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CONSOLIDATED STATEMENTS OF OPERATIONS
TEXAS INDUSTRIES, INC. AND SUBSIDIARIES

In thousands except per share	Three months ended August 31,	
	2006	2005
NET SALES	\$ 271,652	\$ 241,884
Cost of products sold	<u>205,338</u>	<u>194,221</u>
GROSS PROFIT	66,314	47,663
Selling, general and administrative	21,058	23,228
Interest	5,542	9,264
Loss on debt retirements and spin-off charges	--	112,284
Other income	<u>(3,551)</u>	<u>(4,141)</u>
	<u>23,049</u>	<u>140,635</u>
INCOME (LOSS) FROM CONTINUING OPERATIONS BEFORE INCOME TAXES	43,265	(92,972)
Income taxes (benefit)	<u>13,834</u>	<u>(32,948)</u>
INCOME (LOSS) FROM CONTINUING OPERATIONS	29,431	(60,024)
Income from discontinued operations - net of income taxes	<u>--</u>	<u>8,691</u>
NET INCOME (LOSS)	<u>\$ 29,431</u>	<u>\$ (51,333)</u>
Basic earnings (loss) per share		
Income (loss) from continuing operations	\$ 1.23	\$ (2.63)
Income from discontinued operations	<u>--</u>	<u>.38</u>
Net income (loss)	<u>\$ 1.23</u>	<u>\$ (2.25)</u>
Diluted earnings (loss) per share		
Income (loss) from continuing operations	\$ 1.12	\$ (2.63)
Income from discontinued operations	<u>--</u>	<u>.38</u>
Net income (loss)	<u>\$ 1.12</u>	<u>\$ (2.25)</u>
Average shares outstanding		
Basic	23,959	22,822
Diluted	<u>27,515</u>	<u>22,822</u>
Cash dividends per share	<u>\$.075</u>	<u>\$.075</u>
Major product shipments		
Cement (tons)	1,388	1,342
Stone, sand and gravel (tons)	6,461	7,313
Ready-mix concrete (cubic yards)	980	1,041
Major product prices		
Cement (\$/ton)	\$ 94.48	\$ 82.02
Stone, sand and gravel (\$/ton)	6.61	5.73
Ready-mix concrete (\$/cubic yard)	73.90	66.99