



	FY2003	FY2004	FY2005	FY2006					FY2007				
				Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total
<b>Shipments</b>													
Cement (Thousands of Tons)	4,900	5,298	5,394	1,342	1,241	1,164	1,389	5,136	1,388	1,239	1,122	3,749	
Aggregates (Thousands of Tons)	19,003	22,282	23,616	7,313	5,954	5,417	6,562	25,246	6,461	5,573	4,527	16,561	
Ready-mix (Thousands of Cubic Yards)	3,513	3,562	3,678	1,041	971	847	971	3,830	980	979	736	2,695	
<b>Price</b>													
Cement (\$ per Ton)	68.90	68.48	75.05	82.02	84.94	89.62	92.00	87.14	94.48	94.85	95.50	94.90	
Aggregates (\$ per Ton)	5.55	5.43	5.68	5.73	5.85	6.40	6.42	6.08	6.61	6.83	7.30	6.87	
Ready-mix (\$ per Cubic Yard)	57.88	57.94	60.54	66.99	68.51	70.49	71.30	69.25	73.90	74.76	77.49	75.16	
<b>Net Sales</b>													
Cement	337,624	362,824	404,823	110,075	105,442	104,290	127,787	447,594	131,157	117,528	107,143	355,828	
Aggregates	105,521	120,997	134,220	41,893	34,830	34,645	42,112	153,480	42,723	38,066	33,043	113,832	
Ready-mix	203,349	206,394	222,680	69,753	66,536	59,732	69,233	265,254	72,442	73,142	57,007	202,591	
Other	117,810	116,108	104,847	28,748	24,032	29,305	36,470	118,555	34,473	28,196	26,048	88,717	
Interplant	(100,478)	(98,353)	(105,576)	(29,479)	(28,949)	(29,168)	(33,531)	(121,127)	(31,478)	(30,046)	(23,890)	(85,414)	
Delivery Fees	54,292	59,209	73,809	20,894	18,873	17,959	22,440	80,166	22,335	18,946	17,420	58,701	
Net Sales	718,118	767,179	834,803	241,884	220,764	216,763	264,511	943,922	271,652	245,832	216,771	734,255	
<b>Costs and Expenses (Income)</b>													
Cost of Products Sold	596,737	637,347	692,414	194,221	197,935	179,397	195,388	766,941	205,338	194,057	169,702	569,097	
Selling, General and Administrative	70,666	74,814	78,434	23,228	14,832	20,487	30,116	88,663	21,058	30,147	27,476	78,681	
Interest	14,827	24,102	23,533	9,264	7,851	7,340	6,700	31,155	5,542	4,643	3,289	13,474	
Loss on Debt Retirements and Spin-off Charges		12,302	894	112,284	107	-	856	113,247	-	-	26	26	
Other Income	(4,762)	(40,482)	(22,727)	(4,141)	(8,161)	(5,274)	(29,694)	(47,270)	(3,551)	(24,800)	(3,273)	(31,624)	
	677,468	708,083	772,548	334,856	212,564	201,950	203,366	952,736	228,387	204,047	197,220	629,654	
Income from Continuing Operations Before Income Taxes	40,650	59,096	62,255	(92,972)	8,200	14,813	61,145	(8,814)	43,265	41,785	19,551	104,601	
Income Taxes	13,485	16,819	16,811	(32,948)	2,006	3,502	19,215	(8,225)	13,834	13,133	6,838	33,805	
Income from Continuing Operations	27,165	42,277	45,444	(60,024)	6,194	11,311	41,930	(589)	29,431	28,652	12,713	70,796	
Income (Loss) from Discontinued Operations - net of Income Taxes	(51,362)	(4,378)	79,079	8,691	-	-	-	8,691	-	-	-	-	
Income (Loss) before Accounting Change	(24,197)	37,899	124,523	(51,333)	6,194	11,311	41,930	8,102	29,431	28,652	12,713	70,796	
Cumulative Effect of Accounting Change - net of Income Taxes	-	(1,551)	-	-	-	-	-	-	-	-	-	-	
Net Income	(24,197)	36,348	124,523	(51,333)	6,194	11,311	41,930	8,102	29,431	28,652	12,713	70,796	

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



	<u>5/31/2004</u>	<u>8/31/2005</u>	<u>11/30/2005</u>	<u>2/28/2006</u>	<u>5/31/2006</u>	<u>8/31/2006</u>	<u>11/30/2006</u>	<u>2/28/2007</u>
Cash	133,053	137,503	133,287	80,194	84,139	66,300	83,648	20,365
Short-term Investments	-	-	24,527	48,584	50,606	39,122	10,012	-
Accounts Receivable	108,364	117,817	105,329	110,019	132,849	160,569	129,517	126,527
Inventories	89,373	87,961	90,986	103,553	102,052	101,330	100,929	114,751
Deferred Income Taxes and Prepaid Expenses	31,553	30,072	29,295	26,946	33,599	26,820	15,475	18,779
Total Current Assets	<u>362,343</u>	<u>373,353</u>	<u>383,424</u>	<u>369,296</u>	<u>403,245</u>	<u>394,141</u>	<u>339,581</u>	<u>280,422</u>
Goodwill	61,307	61,307	61,307	59,911	58,395	58,395	58,395	58,395
Real Estate and Investments	42,430	100,597	102,746	104,508	125,913	107,604	131,513	132,884
Deferred Income Taxes, Intangibles and Other Charges	39,259	36,805	37,907	37,274	22,706	22,493	22,271	16,097
Net Assets of Discontinued Operations	798,353	-	-	-	-	-	-	-
Total Assets	<u>941,349</u>	<u>198,709</u>	<u>201,960</u>	<u>201,693</u>	<u>207,014</u>	<u>188,492</u>	<u>212,179</u>	<u>207,376</u>
Property, Plant and Equipment	865,133	885,833	900,716	929,153	953,474	1,015,880	1,098,134	1,184,578
Accumulated Depreciation	452,324	474,458	483,279	490,132	483,163	492,569	503,070	511,406
Net Property, Plant and Equipment	412,809	411,375	417,437	439,021	470,311	523,311	595,064	673,172
Total Assets	<u>1,716,501</u>	<u>983,437</u>	<u>1,002,821</u>	<u>1,010,010</u>	<u>1,080,570</u>	<u>1,105,944</u>	<u>1,146,824</u>	<u>1,160,970</u>
Accounts Payable	53,497	66,396	69,343	75,111	63,581	69,866	75,557	74,810
Accrued Interest, Wages and Other Items	38,833	31,966	45,644	33,412	55,059	44,662	54,371	45,354
Current Portion of Long Term Debt	699	687	685	683	681	680	1,475	1,475
Total Current Liabilities	<u>93,029</u>	<u>99,049</u>	<u>115,672</u>	<u>109,206</u>	<u>119,321</u>	<u>115,208</u>	<u>131,403</u>	<u>121,639</u>
Long Term Debt	598,412	252,188	251,848	251,848	251,505	251,507	250,358	250,358
Convertible Subordinated Debentures	199,937	199,937	199,937	199,937	159,725	159,655	159,655	92,370
Deferred Income Taxes and Other Credits	63,139	63,961	58,551	61,079	76,955	81,204	78,186	87,987
Shareholders Equity	761,984	368,302	376,813	387,940	473,064	498,370	527,222	608,616
Total Liabilities and Shareholders Equity	<u>1,716,501</u>	<u>983,437</u>	<u>1,002,821</u>	<u>1,010,010</u>	<u>1,080,570</u>	<u>1,105,944</u>	<u>1,146,824</u>	<u>1,160,970</u>



	FY2003	FY2004	FY2005	FY2006				FY2007				Total	
				Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3		Q4
<b>CONTINUING OPERATIONS</b>													
Operating Activities													
Income from Continuing Operations	27,165	42,277	45,444	(60,024)	6,194	11,311	41,930	(589)	29,431	28,652	12,713	-	70,796
Adjustments to Reconcile Income from Continuing Operations to Cash Provided (Used) by Continuing Operating Activities													
Loss on Debt Retirements	-	12,302	-	107,001	5	-	-	107,006	-	-	26	-	26
Loss (Gain) on Asset Disposals	687	(37,997)	(6,582)	(355)	(6,050)	(2,872)	(25,491)	(34,768)	(490)	(49)	(31)	-	(570)
Depreciation, Depletion and Amortization	49,196	47,409	46,474	11,185	11,134	11,054	11,582	44,955	11,172	11,112	11,572	-	33,856
Deferred Income Taxes (Benefit)	(27,726)	319	33,811	(31,832)	504	4,696	33,213	6,581	3,777	4,734	8,319	-	16,830
Other - Net	6,000	5,391	8,889	(161)	1,420	(269)	6,580	7,570	(502)	2,482	8,174	-	10,154
Changes in Operating Assets and Liabilities													
Receivables Sold	(7,321)	(72,032)	-	-	-	-	-	-	-	-	-	-	-
Accounts Receivable - Net	(1,258)	1,052	(8,873)	211	11,746	(4,718)	(12,299)	(5,060)	(6,218)	9,034	1,724	-	4,540
Inventories	(1,635)	1,664	6,082	(4,670)	(3,025)	(12,567)	1,501	(18,761)	722	840	(13,821)	-	(12,259)
Prepaid Expenses	2,099	(5,744)	(1,680)	(791)	(21)	1,205	(330)	63	953	1,412	1,545	-	3,910
Accounts Payable and Accrued Liabilities	3,889	(3,011)	17,017	(11,198)	16,287	(5,601)	(11,643)	(12,155)	(2,782)	16,338	(15,088)	-	(1,532)
Other Credits	2,819	7,375	3,838	4,993	3,831	3,039	(1,674)	2,527	-	-	-	-	-
Cash Provided (Used) by Continuing Operations	53,915	(995)	144,420	14,359	34,363	5,278	43,369	97,369	36,063	74,555	15,133	-	125,751
Investing Activities													
Capital Expenditures	(32,327)	(15,887)	(46,178)	(10,321)	(19,582)	(33,670)	(46,672)	(110,245)	(64,118)	(83,338)	(88,983)	-	(236,439)
Proceeds from Asset Disposals	11,258	47,243	7,136	817	9,612	4,080	8,598	23,107	987	(212)	186	-	961
Purchases of Short-term Investments - net	-	-	-	-	(24,527)	(23,973)	(2,000)	(50,500)	11,500	29,000	10,000	-	50,500
Investments in Insurance Contracts	(713)	(1,162)	(58,798)	(1,028)	(1,721)	(1,322)	(295)	(4,366)	(2,402)	(1,872)	(1,014)	-	(5,288)
Other - Net	2,961	(2,875)	(677)	1,605	(1,368)	(2,252)	2,627	612	297	(402)	(20)	-	(125)
Cash Provided (Used) by Investing Activities	(18,821)	27,319	(98,517)	(8,927)	(37,586)	(57,137)	(37,742)	(141,392)	(53,736)	(56,824)	(79,831)	-	(190,391)
Financing Activities													
Long Term Borrowings	366,640	718,097	-	250,000	-	-	-	250,000	-	-	-	-	-
Debt Retirements	(371,344)	(592,398)	(699)	(600,009)	(342)	(2)	(347)	(600,700)	(1)	(354)	(930)	-	(1,285)
Debt Issuance Costs	(1,458)	(16,378)	(39)	(7,051)	(247)	(58)	(7)	(7,363)	-	-	-	-	-
Debt Retirement Costs	-	(8,605)	-	(96,024)	(5)	-	-	(96,029)	-	-	(4)	-	(4)
Interest Rate Swap Terminations	-	8,358	(6,315)	-	-	-	-	-	-	-	-	-	-
Stock Option Exercises	512	2,541	41,399	3,853	2,027	1,148	482	7,510	752	1,091	4,133	-	5,976
Common Dividends Paid	(6,315)	(6,336)	(6,643)	(1,711)	(1,729)	(1,732)	(1,736)	(6,908)	(1,798)	(1,802)	(1,868)	-	(5,468)
Other - Net	(1,961)	(26)	-	-	-	-	-	-	881	682	84	-	1,647
Cash Provided (Used) by Financing Activities	(13,926)	105,253	27,703	(450,942)	(296)	(644)	(1,608)	(453,490)	(166)	(383)	1,415	-	866
Net Cash Provided (Used) by Continuing Operations	21,168	131,577	73,606	(445,510)	(3,519)	(52,503)	4,019	(497,513)	(17,839)	17,348	(63,283)	-	(63,774)
<b>DISCONTINUED OPERATIONS</b>													
Cash Provided (Used) by Discontinued Operating Activities	(5,797)	12,668	73,104	(6,587)	(527)	(590)	(74)	(7,778)	-	-	-	-	-
Cash Used by Discontinued Investing Activities	(23,265)	(14,068)	(28,163)	(2,712)	(45)	-	-	(2,757)	-	-	-	-	-
Cash Used by Discontinued Financing Activities	(2,117)	-	-	340,712	(125)	-	-	340,587	-	-	-	-	-
Net Cash Provided (Used) by Discontinued Operations	(31,179)	(1,400)	44,941	331,413	(697)	(590)	(74)	330,052	-	-	-	-	-
Increase (Decrease) in Cash and Cash Equivalents	(10,011)	130,177	118,547	(114,097)	(4,216)	(53,093)	3,945	(167,461)	(17,839)	17,348	(63,283)	-	(63,774)
Beginning Cash and Cash Equivalents	12,887	2,876	133,053	251,600	137,503	133,287	80,194	251,600	84,139	66,300	83,648	20,365	84,139
Ending Cash and Cash Equivalents	2,876	133,053	251,600	137,503	133,287	80,194	84,139	84,139	66,300	83,648	20,365	20,365	20,365



	FY2003	FY2004	FY2005	FY2006					FY2006				
				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	(60,024)	6,194	11,311	41,930	(589)	29,431	28,652	12,713	-	70,796
<i>Plus (minus):</i>													
Interest	14,827	24,102	23,533	9,264	7,851	7,340	6,700	31,155	5,542	4,643	3,289	-	13,474
Income Taxes (Benefit)	13,485	16,819	16,811	(32,948)	2,006	3,502	19,215	(8,225)	13,834	13,133	6,838	-	33,805
Depreciation, Depletion & Amortization	49,196	47,409	46,474	11,185	11,134	11,054	11,582	44,955	11,172	11,112	11,572	-	33,856
Loss on Early Retirement of Debt and Spin-off Charges	-	12,302	894	112,284	107	-	856	113,247	-	-	26	-	26
<b>EBITDA</b>	<b>104,673</b>	<b>142,909</b>	<b>133,156</b>	<b>39,761</b>	<b>27,292</b>	<b>33,207</b>	<b>80,283</b>	<b>180,543</b>	<b>59,979</b>	<b>57,540</b>	<b>34,438</b>	<b>-</b>	<b>151,957</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	14,359	34,363	5,278	43,369	97,369	36,063	74,555	15,133	-	125,751
<i>Plus (minus):</i>													
Changes in Operating Assets and Liabilities	1,407	70,696	(16,384)	11,455	(21,156)	18,642	24,445	33,386	7,325	(27,624)	25,640	-	5,341
Deferred Taxes (Benefit)	27,726	(319)	(33,811)	31,832	(504)	(4,696)	(33,213)	(6,581)	(3,777)	(4,734)	(8,319)	-	(16,830)
Income Taxes (Benefit)	13,485	16,819	16,811	(32,948)	2,006	3,502	19,215	(8,225)	13,834	13,133	6,838	-	33,805
Loss (Gain) on Disposal of Assets	(687)	37,997	6,582	355	6,050	2,872	25,491	34,768	490	49	31	-	570
Interest	14,827	24,102	23,533	9,264	7,851	7,340	6,700	31,155	5,542	4,643	3,289	-	13,474
Spin-off Charges	-	-	894	5,283	102	-	856	6,241	-	-	-	-	-
Other - net	(6,000)	(5,391)	(8,889)	161	(1,420)	269	(6,580)	(7,570)	502	(2,482)	(8,174)	-	(10,154)
<b>EBITDA</b>	<b>104,673</b>	<b>142,909</b>	<b>133,156</b>	<b>39,761</b>	<b>27,292</b>	<b>33,207</b>	<b>80,283</b>	<b>180,543</b>	<b>59,979</b>	<b>57,540</b>	<b>34,438</b>	<b>-</b>	<b>151,957</b>