

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

FORM 10-Q

QUARTERLY REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934  
For the Quarter Ended

DECEMBER 31, 1997

Commission File Number 1-12984

[COMPANY LOGO]

CENTEX CONSTRUCTION PRODUCTS, INC.

A Delaware Corporation

IRS Employer Identification No. 75-2520779  
3710 Rawlins, Suite 1600, LB 78  
Dallas, Texas 75219  
(214) 559-6514

The registrant has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months and has been subject to such filing requirements for the past 90 days.

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As of the close of business on February 6, 1998, 21,516,418 shares of Centex Construction Products, Inc. common stock were outstanding.

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## CENTEX CONSTRUCTION PRODUCTS, INC. AND SUBSIDIARIES

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DECEMBER 31, 1997

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## CENTEX CONSTRUCTION PRODUCTS, INC. AND SUBSIDIARIES

## PART I. FINANCIAL INFORMATION

## CONSOLIDATED FINANCIAL STATEMENTS

## ITEM 1.

The consolidated financial statements include the accounts of Centex Construction Products, Inc. and subsidiaries ("CXP" or the "Company"), and have been prepared by the Company, without audit, pursuant to the rules and regulations of the Securities and Exchange Commission. Certain information and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted pursuant to such rules and regulations, although the Company believes that the disclosures are adequate to make the information presented not misleading. It is suggested that these unaudited consolidated financial statements be read in conjunction with the consolidated financial statements and the notes thereto included in the Company's latest Annual Report on Form 10-K. In the opinion of the Company, all adjustments necessary to present fairly the information in the following unaudited consolidated financial statements of the Company have been included. The results of operations for such interim periods are not necessarily indicative of the results for the full year.

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CENTEX CONSTRUCTION PRODUCTS, INC. AND SUBSIDIARIES  
CONSOLIDATED STATEMENT OF EARNINGS  
(dollars in thousands, except per share data)  
(unaudited)

FOR THE THREE MONTHS ENDED	December 31,	
	1997	1996
REVENUES		
Cement .....	\$ 32,120	\$ 32,228
Gypsum Wallboard .....	28,673	18,103
Concrete/Aggregates .....	10,505	9,123
Other, net .....	604	843
Less Intersegment Sales .....	(1,392)	(1,180)
	<u>70,510</u>	<u>59,117</u>
COSTS AND EXPENSES		
Cement .....	20,204	21,762
Gypsum Wallboard .....	21,351	12,636
Concrete/Aggregates .....	9,400	8,071
Less Intersegment Purchases .....	(1,392)	(1,180)
Corporate General & Administrative .....	916	1,073
Interest Income, net .....	(668)	(536)
	<u>49,811</u>	<u>41,826</u>
EARNINGS BEFORE INCOME TAXES .....	20,699	17,291
Income Taxes .....	7,464	6,069
NET EARNINGS .....	<u>\$ 13,235</u>	<u>\$ 11,222</u>
EARNINGS PER SHARE:		
Basic .....	<u>\$ 0.60</u>	<u>\$ 0.51</u>
Diluted .....	<u>\$ 0.60</u>	<u>\$ 0.51</u>
AVERAGE SHARES OUTSTANDING:		
Basic .....	<u>22,022,147</u>	<u>21,996,836</u>
Diluted .....	<u>22,177,688</u>	<u>22,109,774</u>
CASH DIVIDENDS PER SHARE .....	<u>\$ 0.05</u>	<u>\$ 0.05</u>

See notes to unaudited consolidated financial statements.

CENTEX CONSTRUCTION PRODUCTS, INC. AND SUBSIDIARIES  
CONSOLIDATED STATEMENT OF EARNINGS  
(dollars in thousands, except per share data)  
(unaudited)

FOR THE NINE MONTHS ENDED	December 31,	
	----- 1997 -----	----- 1996 -----
<b>REVENUES</b>		
Cement .....	\$ 114,357	\$ 108,844
Gypsum Wallboard .....	87,495	49,806
Concrete/Aggregates .....	32,390	29,289
Other, net .....	1,852	1,573
Less Intersegment Sales .....	(4,218)	(3,799)
	----- 231,876 -----	----- 185,713 -----
<b>COSTS AND EXPENSES</b>		
Cement .....	73,346	74,166
Gypsum Wallboard .....	60,838	36,259
Concrete/Aggregates .....	28,420	25,068
Less Intersegment Purchases .....	(4,218)	(3,799)
Corporate General & Administrative .....	2,752	2,438
Interest Income, net .....	(1,072)	(960)
	----- 160,066 -----	----- 133,172 -----
<b>EARNINGS BEFORE INCOME TAXES</b> .....	71,810	52,541
Income Taxes .....	25,708	18,442
	-----	-----
<b>NET EARNINGS</b> .....	\$ 46,102 =====	\$ 34,099 =====
<b>EARNINGS PER SHARE:</b>		
Basic .....	\$ 2.10 =====	\$ 1.54 =====
Diluted .....	\$ 2.08 =====	\$ 1.54 =====
<b>AVERAGE SHARES OUTSTANDING:</b>		
Basic .....	22,004,692 =====	22,192,197 =====
Diluted .....	22,178,715 =====	22,202,130 =====
<b>CASH DIVIDENDS PER SHARE</b> .....	\$ 0.15 =====	\$ 0.15 =====

See notes to unaudited consolidated financial statements.

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 CENTEX CONSTRUCTION PRODUCTS, INC. AND SUBSIDIARIES  
 CONSOLIDATED BALANCE SHEETS  
 (dollars in thousands)

ASSETS	December 31, 1997 ----- (Unaudited)	March 31, 1997 ----- *
Current Assets		
Cash and Cash Equivalents .....	\$ 60,646	\$ 4,812
Accounts and Notes Receivable, net .....	35,496	38,700
Inventories .....	28,201	31,482
	-----	-----
Total Current Assets .....	124,343	74,994
	-----	-----
Property, Plant and Equipment .....	369,767	363,409
Less Accumulated Depreciation .....	(151,855)	(139,033)
	-----	-----
Property, Plant & Equipment, net .....	217,912	224,376
Notes Receivable, net .....	1,066	1,407
Other Assets .....	5,253	4,860
	-----	-----
	\$ 348,574	\$ 305,637
	=====	=====
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities		
Accounts Payable .....	\$ 14,602	\$ 16,472
Accrued Liabilities .....	32,890	28,254
Notes Payable .....	--	2,000
Current Portion of Long-term Debt .....	80	80
Income Taxes Payable .....	3,110	--
	-----	-----
Total Current Liabilities .....	50,682	46,806
	-----	-----
Long-term Debt .....	560	560
Deferred Income Taxes .....	19,948	18,835
Stockholders' Equity		
Common Stock, Par Value \$0.01; Authorized 50,000,000 Shares; Issued and Outstanding 21,917,501 and 21,983,814 Shares, respectively .....	219	220
Capital in Excess of Par Value .....	142,345	147,212
Retained Earnings .....	134,820	92,004
	-----	-----
Total Stockholders' Equity .....	277,384	239,436
	-----	-----
	\$ 348,574	\$ 305,637
	=====	=====

\* Condensed from audited financial statements.

See notes to unaudited consolidated financial statements.

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CENTEX CONSTRUCTION PRODUCTS, INC. AND SUBSIDIARIES  
CONSOLIDATED STATEMENT OF CASH FLOWS  
(dollars in thousands)  
(unaudited)

FOR THE NINE MONTHS ENDED	December 31,	
	1997	1996
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Earnings .....	\$ 46,102	\$ 34,099
Adjustments to Reconcile Net Earnings to Net Cash Provided by Operating Activities -		
Depreciation, Depletion and Amortization .....	11,903	10,099
Deferred Income Tax Provision .....	1,113	80
Asset Disposition Provision .....	2,000	--
Decrease in Accounts and Notes Receivable .....	3,545	570
Decrease in Inventories .....	3,281	3,124
Increase in Accounts Payable and Accrued Liabilities .....	2,958	4,392
Increase in Other, net .....	(292)	(1,014)
Increase in Income Taxes Payable .....	2,919	4,045
	73,529	55,395
CASH FLOWS FROM INVESTING ACTIVITIES		
Property, Plant and Equipment Additions, net .....	(7,523)	(4,350)
	(7,523)	(4,350)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends Paid To Stockholders .....	(3,304)	(3,360)
Retirement of Common Stock .....	(11,185)	(14,976)
Proceeds from Stock Option Exercises .....	4,330	547
Tax Benefits from Stock Option Exercises .....	1,987	--
Decrease in Notes Payable .....	(2,000)	--
	(10,172)	(17,789)
NET INCREASE IN CASH AND CASH EQUIVALENTS .....	55,834	33,256
CASH AT BEGINNING OF PERIOD .....	4,812	20,799
CASH AT END OF PERIOD .....	\$ 60,646	\$ 54,055

See notes to unaudited consolidated financial statements.

CENTEX CONSTRUCTION PRODUCTS, INC. AND SUBSIDIARIES  
 NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS  
 DECEMBER 31, 1997

(A) A summary of changes in stockholders' equity is presented below.

	Common Stock	Capital in Excess of Par Value	Retained Earnings	Total
	-----	-----	-----	-----
	(dollars in thousands)			
Balance, March 31, 1996	\$ 230	\$ 161,617	\$ 54,615	\$ 216,462
Net Earnings	--	--	41,799	41,799
Stock Option Exercises	--	561	--	561
Dividends To Stockholders	--	--	(4,410)	(4,410)
Retirement of Common Stock	(10)	(14,966)	--	(14,976)
	-----	-----	-----	-----
Balance, March 31, 1997	220	147,212	92,004	239,436
Net Earnings	--	--	46,102	46,102
Stock Option Exercises	--	6,317	--	6,317
Dividends To Stockholders	--	--	(3,286)	(3,286)
Retirement of Common Stock	(1)	(11,184)	--	(11,185)
	-----	-----	-----	-----
BALANCE, DECEMBER 31, 1997	\$ 219	\$ 142,345	\$ 134,820	\$ 277,384
	=====	=====	=====	=====

(B) Impact of New Accounting Pronouncements.

In March 1997, the Financial Accounting Standards Board (FASB) issued Statement of Financial Accounting Standards No. 128, "Earnings Per Share" (SFAS No. 128). This statement establishes new standards for computing and presenting earnings per share (EPS). SFAS No. 128 replaces the presentation of primary EPS previously prescribed by Accounting Principles Board Opinion No. 15 (APB No. 15) with a presentation of basic EPS which is computed by dividing income available to common stockholders by the weighted-average number of common shares outstanding for the period.



SFAS No. 128 also requires dual presentation of basic and diluted EPS. Diluted EPS is computed similarly to fully diluted EPS pursuant to APB No. 15. Accordingly, beginning with the December 31, 1997 quarter, CXP's EPS reflects the dual presentation. Prior year basic and diluted EPS have been presented to facilitate comparison between the years.

In June 1997, the FASB issued SFAS No. 130, "Reporting Comprehensive Income", which requires that changes in comprehensive income be shown in a financial statement that is displayed with the same prominence as other financial statements. This statement is effective for periods beginning after December 15, 1997. The Company does not expect adoption of the statement to have a material effect on the presentation of its financial statements.

In June 1997, the FASB issued SFAS No. 131, "Disclosures About Segments of an Enterprise and Related Information", (SFAS No. 131) which changes the way public companies report information about segments. SFAS No. 131, which is based on the management approach to segment reporting, requires companies to selectively report quarterly segment information and entity-wide disclosures about products and services, major customers, and the material countries in which the entity holds assets and reports revenues. This statement is effective for fiscal years beginning after December 15, 1997. The Company does not expect adoption of the statement to have a material effect on the presentation of its financial statements.

## ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL CONDITION

## RESULTS OF OPERATIONS

Centex Construction Products reported record results for both the quarter ended December 31, 1997, the third quarter of fiscal 1998, and for the first nine months of fiscal 1998. Revenues for the third quarter of fiscal 1998 totaled \$70,510,000, compared to revenues of \$59,117,000 for the same quarter last year. CXP's net earnings for the quarter ended December 31, 1997 were a record \$13,235,000, an 18% increase from \$11,222,000 for the same quarter last year. Diluted earnings per share for this year's quarter were \$0.60 per share, up 18% from \$0.51 for the same quarter in fiscal 1997. The quarter's record net earnings resulted primarily from net sales price increases in the cement and gypsum wallboard segments and higher gypsum wallboard sales volume. For the nine months ended December 31, 1997 CXP's revenues were \$231,876,000, up 25% from \$185,713,000 for the same period last year. Net earnings for the current nine months were a record \$46,102,000, 35% greater than \$34,099,000 for the same period last year. Diluted earnings per share for the nine months this year were \$2.08, an increase of 35% from \$1.54 per share for the same period last year. Improved cement and gypsum wallboard margins and higher gypsum wallboard sales volume accounted for the majority of the nine months earnings gain.

The following table compares sales volume, average unit sales prices and unit operating margins for the Company's operations:

	Cement (Ton)		Gypsum Wallboard (MSF)		Concrete (Cubic Yard)		Aggregates (Ton)	
	1997	1996	1997	1996	1997	1996	1997	1996
Nine Months Ended Dec. 31,								
Sales Volume (M)	494	510	262	170	164	147	680	549
Average Net Sales Price	\$65.12	\$63.14	\$109.08	\$106.45	\$47.70	\$46.86	\$ 3.93	\$ 4.02
Operating Margin	\$24.16	\$20.51	\$ 27.85	\$ 32.14	\$ 4.22	\$ 5.72	\$ 0.60	\$ 0.38

	Cement (Ton)		Gypsum Wallboard (MSF)		Concrete (Cubic Yard)		Aggregates (Ton)	
	1997	1996	1997	1996	1997	1996	1997	1996
Nine Months Ended Dec. 31,								
Sales Volume (M)	1,752	1,712	806	516	508	483	2,100	1,623
Average Net Sales Price	\$65.28	\$63.56	\$108.51	\$96.50	\$47.45	\$46.67	\$ 3.94	\$ 4.15
Operating Margin	\$23.41	\$20.25	\$ 33.06	\$26.25	\$ 5.89	\$ 6.90	\$ 0.46	\$ 0.55

Cement revenues for the current quarter were \$32,120,000, down from \$32,228,000 for the same quarter in the prior year. Operating earnings were \$11,916,000, a 14% increase from \$10,466,000 for the same quarter last year. Higher operating margins partially offset by lower sales volume resulted in the quarterly earnings gain. Sales volume of 494,000 tons for the current quarter was down 16,000 tons from prior year's quarter mainly due to lower sales in the Western markets due to the reduced availability of purchased cement this year. U.S. cement consumption through

September 1997 was 5% ahead of last year's record consumption rate. Consumption in each of CXP's markets continues to be strong, and all of CXP's facilities again operated at capacity and ended the quarter with lower than last year's inventories of clinker (an intermediate cement product) and cement. Average net sales price of \$65.12/ton was 3% greater than prior year's quarter. Net sales prices in all markets were ahead of prior year's quarter sales prices. Cost of sales declined 4% due to a combination of reduced manufacturing cost and partially replacing 33,000 tons of higher costing purchased cement sales last year with lower costing manufactured cement sales this year. For the nine month period cement revenues were \$114,357,000, a 5% increase over \$108,844,000 for the same period last year. Operating earnings from cement were \$41,011,000 for the nine months, an 18% increase from \$34,678,000 for the same period in the prior year. The cement operating earnings gain resulted from higher sales volume and improved operating margins.

Revenues from gypsum wallboard were \$28,673,000 for the quarter this year, a 58% increase over revenues of \$18,103,000 for the same quarter in the prior fiscal year. Operating earnings for the quarter were \$7,322,000, up 34% from \$5,467,000 for the same period last year. Increased sales volume and higher net sales prices partially offset by increased cost of sales resulted in the earnings gain for the quarter. Sales volume increased 54% to 262 million square feet ("MMSF") primarily from sales by the Eagle Gypsum plant acquired in the fourth quarter of last fiscal year. Average sales price for the current quarter of \$109.08 per thousand square feet ("MSF") exceeded prior year's third quarter sales price by 2 1/2%. Strong single-family housing construction coupled with increased commercial and reconstruction activity has resulted in record industry consumption for the first eleven months of calendar 1997. During the quarter, CXP recognized a \$2.0 million provision for certain production equipment being disposed of as part of the expansion and upgrade of CXP's original Albuquerque wallboard plant. Excluding the Albuquerque asset disposition provision, operating margins for the quarter would have been \$35.87/MSF, 10% higher than prior year's quarter. Gypsum wallboard had revenues of \$87,495,000 for the first nine months of this fiscal year, 76% higher than the \$49,806,000 for the same period in fiscal 1997. Wallboard operating earnings for the nine months were \$26,657,000, an improvement of 97% from the \$13,547,000 earnings for the same period last year. The earnings gain over prior year resulted from increased sales volume (primarily due to the Eagle acquisition) and higher operating margins. Operating margins for the nine months improved 26% over prior year's comparable period due to higher sales prices being partially offset by increased cost of sales. Cost of sales increased 7% due to a combination of higher cost Eagle production volume this year and the \$2.0 million Albuquerque plant assets disposition provision.

Current quarter revenues from concrete/aggregates totaled \$10,505,000, a 5% increase from \$9,123,000 for the prior year's quarter. Operating earnings from concrete/aggregates were \$1,105,000 for the quarter this year, a 5% increase over \$1,052,000 for the same quarter a year ago. Concrete earnings decreased 18% from prior year's quarter due to higher sales volume being offset by reduced operating margins. The 12% gain in sales volume mostly resulted from the continuation of a large contract job in the California market started during the last fiscal quarter. Cost of sales increased 6% due to a greater percentage of higher costing California sales volume to total sales volume this year and increased employee benefit costs. Aggregates earnings for the quarter increased 99% from prior year's quarter primarily due to higher sales volume and improved margins. A \$0.09/ton reduction from last year's \$4.02/ton average sales price resulted from a greater percentage of lower priced construction aggregates sales this year along with competitive pricing in the California market. Aggregates sales volume increased 131,000 tons to 680,000 tons due to

higher highway construction aggregates sales in the Texas and northern California markets. For the nine months, concrete/aggregates revenues were \$32,390,000 this year, compared to \$29,289,000 for the same period last year. Operating earnings were \$3,970,000 for the nine months this year, down 6% from \$4,221,000 for the same period last year. Concrete earnings declined 10% due to higher sales prices being offset by increased materials and production costs. Benefiting from a 477,000 ton increase in sales volume, aggregates earnings increased 11% to \$978,000. Sales volume of 2,100,000 tons for the first nine months of this fiscal year was 29% above the prior year's nine month total of 1,623,000 tons as a result of increased highway construction aggregates sales in both the Austin, Texas and northern California markets. Also, the higher construction aggregates sales volume to total sales volume resulted in a \$3.94/ton average net sales price, down 5% from last year's nine-month period. Although cost of sales declined 3 1/2%, they were negatively impacted by legal costs associated with litigation against a title insurer regarding aggregates rights to certain lands in the Yuba Goldfields.

Other income of \$604,000 for the quarter decreased \$239,000 from prior year's quarter. Other income includes clinker sales income, non-inventoried aggregates sales income, trucking income, asset sales, lease income, and other miscellaneous income and cost items.

Net interest income for this year's quarter increased \$132,000 over last year's quarter due to higher average cash balances this year. Cash balance at December 31, 1997 was \$60.6 million, up \$55.8 million from \$4.8 million at March 31, 1997. Cash balance at December 31, 1996 was \$54.1 million.

#### STOCK REPURCHASE PROGRAM

The Company's Board of Directors previously approved the repurchase of up to two million shares of the Company's common stock. On July 17, 1997, CXP's Board of Directors increased the total share repurchase authorization by 1,000,000 shares from 2,000,000 to 3,000,000 shares. During the December 31, 1997 quarter, the Company repurchased 266,700 shares of its own stock from the public. Since December 31, 1997, the Company has repurchased an additional 411,000 shares from the public. As a result of a total of 836,834 shares repurchased since April 1, 1997 from the public, and purchases from the public of CXP common stock by Centex Corporation, Centex Corporation currently owns approximately 55.6% of the outstanding shares of CXP common stock. Currently, approximately 1,085,000 shares are available for repurchases under the authorized repurchase program.

#### FINANCIAL CONDITION

The Company has a 3 1/2-year \$35 million unsecured revolving credit facility and a short-term \$10 million uncommitted unsecured line of credit to finance its working capital and capital expenditures requirements. Based on its financial condition and a virtually debt free balance sheet at December 31, 1997, CXP believes that its internally generated cash flow coupled with funds available under these credit facilities will enable the Company to provide adequately for its current operations and future growth.

Working capital at December 31, 1997 was \$73.7 million, up from \$28.2 million at March

31, 1997. The increase resulted from \$55.8 million in additional cash, reduced by the net of a \$6.5 million reduction in other current assets and a \$3.9 million increase in current liabilities. Stock repurchases during the quarter and nine months amounted to \$8.0 million and \$11.2 million, respectively. Capital spending of \$7.5 million for current nine months was up \$3.2 million from prior year's period mostly due to the commencement of the Albuquerque plant upgrade project. Cash payments for income taxes totaled \$19.9 million and \$13.9 million in the first nine months of fiscal 1998 and 1997, respectively.

In April, July and October 1997, the Company's Board of Directors declared a \$0.05 per share dividend which was paid on July 16, 1997, October 16, 1997 and January 20, 1998 to stockholders of record as of July 1, 1997, October 2, 1997 and January 5, 1998, respectively. Total dividends paid during the quarter and nine months ended December 31, 1997 were approximately \$1.1 million and \$3.3 million, respectively.

Recently, the Company approved three expansion projects: a \$16 million plant upgrade at its Albuquerque gypsum wallboard plant that increases annual plant capacity by 60 MMSF and accommodates 54" board production; an \$18 million expansion of CXP's recently acquired Eagle gypsum wallboard plant in Gypsum, Colorado that will add 250 MMSF to the plant's current annual capacity; and a \$20 million expansion of the 50% owned LaSalle, Illinois cement plant that will increase its annual clinker capacity by 100,000 tons and add a new 4,000 horsepower finish mill. The projects will be completed at various times between late calendar 1998 and late calendar 1999.

#### OUTLOOK

The Company's positive financial results during the first nine months of fiscal 1998 reflect continued strength in demand and pricing for its cement and gypsum wallboard products. The Company expects the current level of high demand for its cement and gypsum wallboard products to continue and anticipates that fiscal 1998 will be its fourth consecutive year of record earnings.

#### FORWARD-LOOKING STATEMENTS

From time to time, the Company may publish forward-looking statements relating to such matters as anticipated financial performance, business prospects, technological developments, new products and similar matters. The Private Securities Litigation Reform Act of 1995 provides a safe harbor for forward-looking statements. In order to comply with the terms of the safe harbor, the Company notes that a variety of factors could cause the Company's actual results and experience to differ materially from the anticipated results or other expectations expressed in the Company's forward-looking statements. The risks and uncertainties that may affect the operations, performance, development and results of the Company's business include the following: General economic conditions, interest rates, decline in or growth of the home building and other construction industries, public infrastructure expenditures, competition, and the availability of raw materials. These and other factors are described in the Annual Report on Form 10-K for Centex Construction Products, Inc. for the fiscal year ended March 31, 1997. The report is filed with the Securities and Exchange Commission. The Company undertakes no obligation to update publicly any forward-looking statement as a result of new information, future events or other factors.

## CENTEX CONSTRUCTION PRODUCTS, INC.

## PART II. OTHER INFORMATION

## ITEM 1. LEGAL PROCEEDINGS

In 1992, drivers employed by the Company's Mathews Readymix, Inc. subsidiary ("Mathews") who belonged to the Teamsters Union went on strike. Mathews replaced all such employees, and the union was subsequently decertified by a vote of the employees. The Teamsters Union filed an action with the National Labor Relations Board ("NLRB") alleging that Mathews had engaged in unfair labor practices. In 1993, an administrative law judge determined that Mathews had not engaged in unfair labor practices (except for certain technical violations for which the Company was required to post and abide by a notice advising employees of certain of their legal rights).

In November 1993, the union appealed the decision of the administrative law judge by filing exceptions to the judge's ruling with the NLRB. In 1997 a three member panel of the NLRB overturned parts of the decision of the administrative law judge and has ordered Mathews to recommence good faith negotiations with the union. Mathews has appealed the decision of the NLRB panel to the United States Court of Appeals for the D.C. Circuit, and the decision of the NLRB panel has been stayed by the appeal. Although the Company cannot predict with any certainty the outcome of this appeal, the Company believes that, if the decision of the NLRB panel is not overturned, the panel's decision will not have a material adverse effect on the Company's financial condition or results of operations.

## ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K

## (a) Exhibits

27 - Financial Data Schedule

## (b) Reports on Form 8-K

The Registrant filed no reports on Form 8-K during the quarter ended December 31, 1997

All other items required under Part II are omitted because they are not applicable.

## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned there unto duly authorized.

CENTEX CONSTRUCTION PRODUCTS, INC.

-----  
Registrant

February 9, 1998

/s/O.G. Dagnan

-----  
O.G. Dagnan  
Chairman and Chief Executive Officer

February 9, 1998

/s/Arthur R. Zunker, Jr.

-----  
Arthur R. Zunker, Jr.  
Senior Vice President-Finance and Treasurer  
(principal financial and  
chief accounting officer)

INDEX TO EXHIBITS

EXHIBIT  
NUMBER  
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EXHIBIT  
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FINANCIAL DATA SCHEDULE



THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM CENTEX CONSTRUCTION PRODUCTS, INC.'S DECEMBER 31, 1997, FORM 10-Q AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.

1,000

9-MOS			
	MAR-31-1998		
	APR-01-1997		
	DEC-31-1997		
		60,646	
		0	
		35,496	
		0	
		28,201	
	124,343		
		369,767	
	151,855		
	348,574		
50,602			
		640	
	0		
		0	
		219	
		277,165	
348,574			
		230,024	
	232,948		0
		158,386	
		2,752	
		0	
		0	
		71,810	
		25,708	
46,102			
		0	
		0	
		0	
		46,102	
		2.10	
		2.08	