



**SECURITIES AND EXCHANGE COMMISSION**

**Washington, D.C. 20549**

**FORM 8-K**

**CURRENT REPORT**

**Pursuant to Section 13 or 15(d) of  
the Securities Exchange Act of 1934**

Date of Report (Date of Earliest Event Reported): November 15, 2006

**Eagle Materials Inc.**

(Exact name of registrant as specified in its charter)

Delaware  
(State or other jurisdiction of  
incorporation)

1-12984  
(Commission File Number)

75-2520779  
(I.R.S. Employer Identification No.)

3811 Turtle Creek Blvd. #1100  
Dallas, Texas  
(Address of principal executive offices)

75219  
(Zip Code)

Registrant's telephone number, including area code: 214-432-2000

Not Applicable  
(former name or former address if changed from last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
- 
-

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### **Item 7.01. Regulation FD Disclosure.**

Eagle Materials Inc. (“Eagle”) has prepared a presentation that will be made to investors on November 15, 2006 and from time to time thereafter. A copy of the presentation is being furnished with this report as Exhibit 99.1 and is incorporated by reference herein. Pursuant to the rules of the Securities and Exchange Commission, the information contained in this report (including the exhibit) shall not be deemed to be “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and will not be incorporated by reference into any filing by Eagle under such Act or the Securities Act of 1933, as amended.

### **Item 9.01. Financial Statements and Exhibits.**

<b>Exhibit Number</b>	<b>Description</b>
99.1	Investor Presentation

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**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 hereunto duly authorized.

EAGLE MATERIALS INC.

By: /s/ Arthur R. Zunker, Jr.

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Name: Arthur R. Zunker, Jr.  
Title: Senior Vice President — Finance  
and Treasurer

Date: November 15, 2006

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**EXHIBIT INDEX**

<b>Exhibit Number</b>	<b>Description</b>
99.1	Investor Presentation



**Beacon Street Group  
4<sup>th</sup> Annual Southwestern Showcase  
Dallas, Texas  
November 15, 2006**

**Eagle Materials Inc.**

**NYSE: EXP**

**[www.eaglematerials.com](http://www.eaglematerials.com)**

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# Forward Looking Statements

*This presentation contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, Section 21E of the Securities Exchange Act of 1934 and the Private Securities Litigation Reform Act of 1995. Forward-looking statements may be identified by the context of the statement and generally arise when the Company is discussing its beliefs, estimates or expectations. These statements are not historical facts or guarantees of future performance but instead represent only the Company's beliefs at the time the statements were made regarding future events which are subject to significant risks, uncertainties and other factors many of which are outside the Company's control. Actual results and outcomes may differ materially from what is expressed or forecast in such forward-looking statements. The principal risks and uncertainties that may affect the company's actual performance include the following: the cyclical and seasonal nature of the Company's business; public infrastructure expenditures; adverse weather conditions; availability of raw materials; changes in energy costs including, without limitation, increases in natural gas; changes in the cost and availability of transportation; unexpected operational difficulties; inability to timely execute announced capacity expansions; governmental regulation and changes in governmental and public policy; changes in economic conditions specific to anyone or more of the Company's markets; competition; announced increases in capacity in the gypsum wallboard and cement industries; changes in the demand for residential housing construction or commercial construction; general economic conditions; and interest rates. For example, increases in interest rates, decreases in demand for construction materials or increases in the cost of energy (including natural gas) could affect the revenues or operating earnings of our operations. In addition, changes in national and regional economic conditions and levels of infrastructure and construction spending could also adversely affect the Company's results of operations. These and other factors are described in the Annual Report on Form 10-K for the Company for the fiscal year ended March 31, 2006 and its Quarterly Report on Form 10-Q for the fiscal quarter ended September 30, 2006. These reports are filed with the Securities and Exchange Commission and may be obtained free of charge through the website maintained by the SEC at [www.sec.gov](http://www.sec.gov). All forward-looking statements made in this presentation are made as of the date hereof, and the risk that actual results will differ materially from expectations expressed in this presentation will increase with the passage of time. The Company undertakes no duty to update any forward-looking statement to reflect future events or changes in the Company's expectations.*



# Eagle Materials Inc.

1. Eagle Materials

2. Growth Initiatives

3. Conclusion

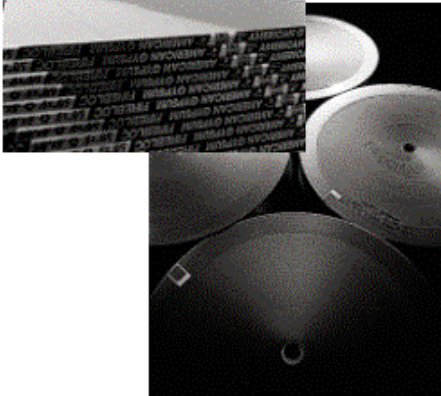
# Eagle Materials Inc.



**Gypsum  
Wallboard**



**Cement**



**Gypsum  
Paperboard**

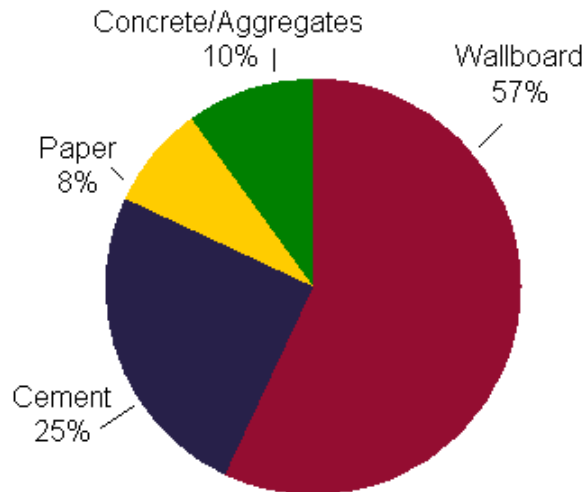


**Concrete &  
Aggregates**

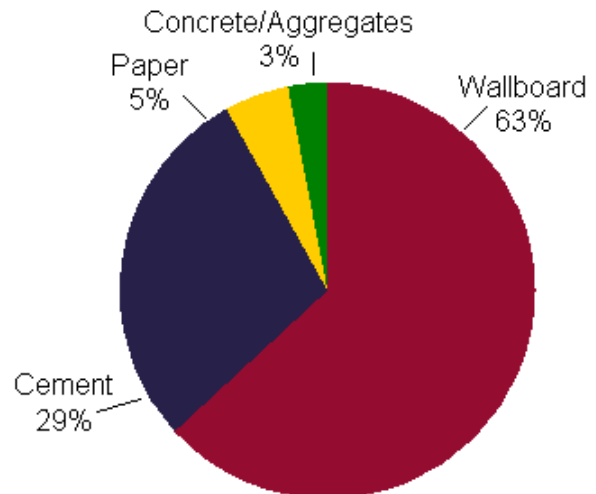
# Eagle Materials is comprised of a balanced portfolio of ...

## Building Materials and ... Construction Products businesses

**Revenue by Segment\***



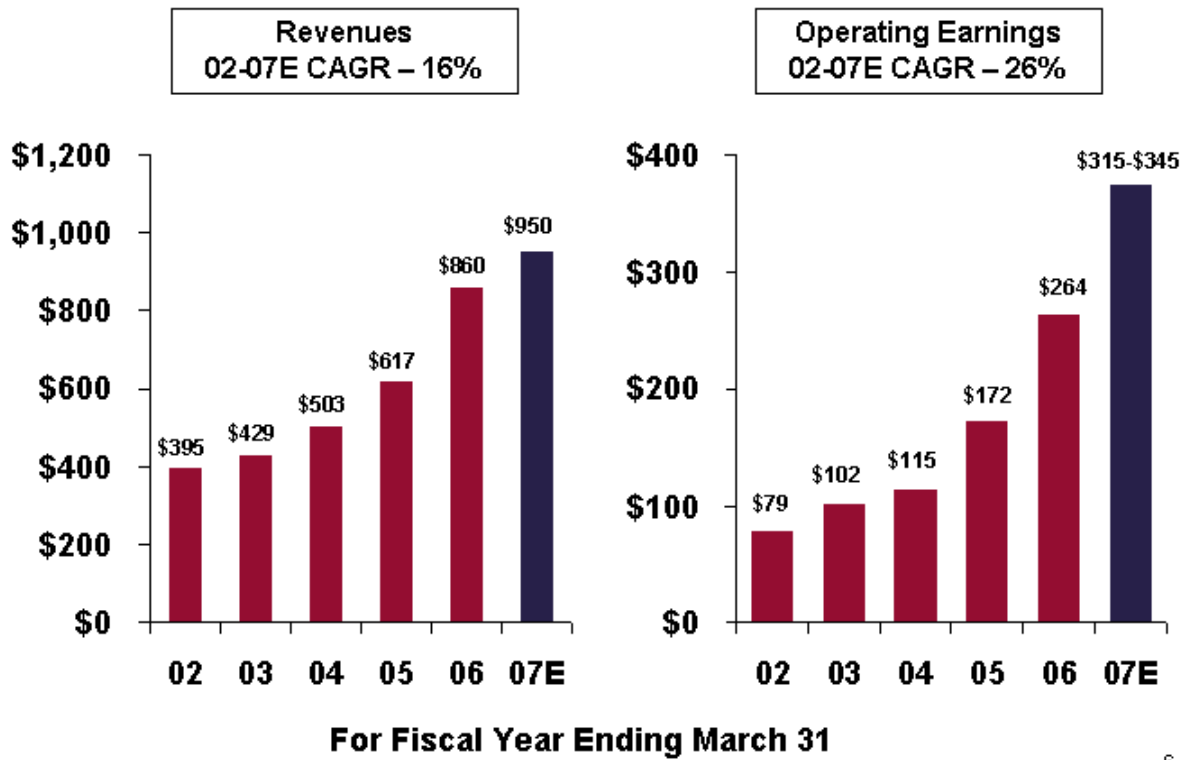
**Operating Earnings by Segment\***



\*TTM including Joint Venture revenues, excludes other, net.

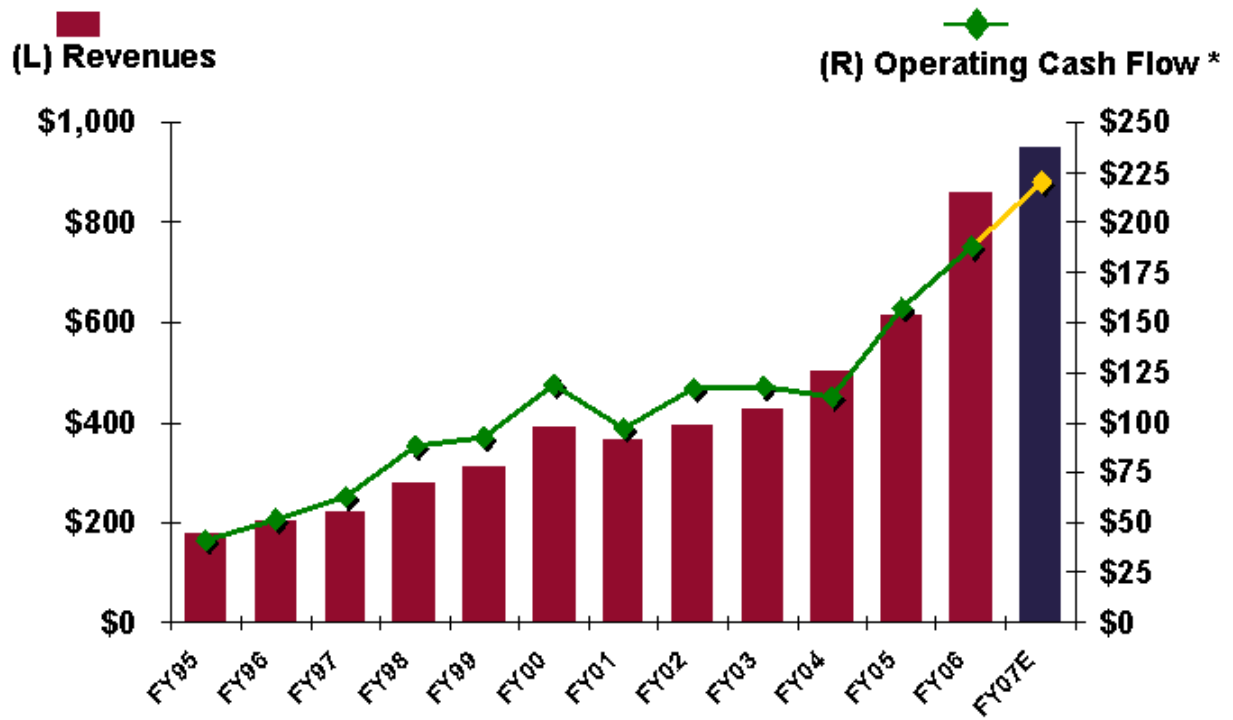
# Steady top and bottom line growth

(\$ in millions)



# Eagle generates significant cash flow

(\$ in millions)

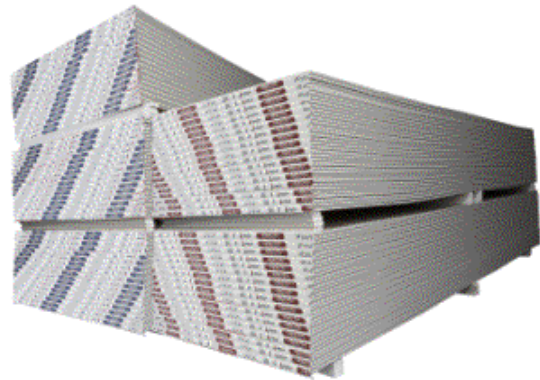


\*Cash from operations including changes in working capital

**At Eagle Materials, we have a piercing focus on...**



- **Safety**
- **Quality**
- **Low-cost Wallboard Production**



## At Eagle Materials, we have a piercing focus on...



- ▶ Safety
- ▶ Quality
- ▶ Low-cost Wallboard Production
- ▶ Low-cost Cement Production



**At Eagle Materials, we have a disciplined approach to...**



## **Capital Investment**

- ▶ **Illinois Cement Expansion and modernization**
  - ▶ **Greenfield Wallboard plant in Georgetown, SC**
  - ▶ **Nevada Cement Expansion and modernization**
  - ▶ **Mountain Cement Expansion and modernization**
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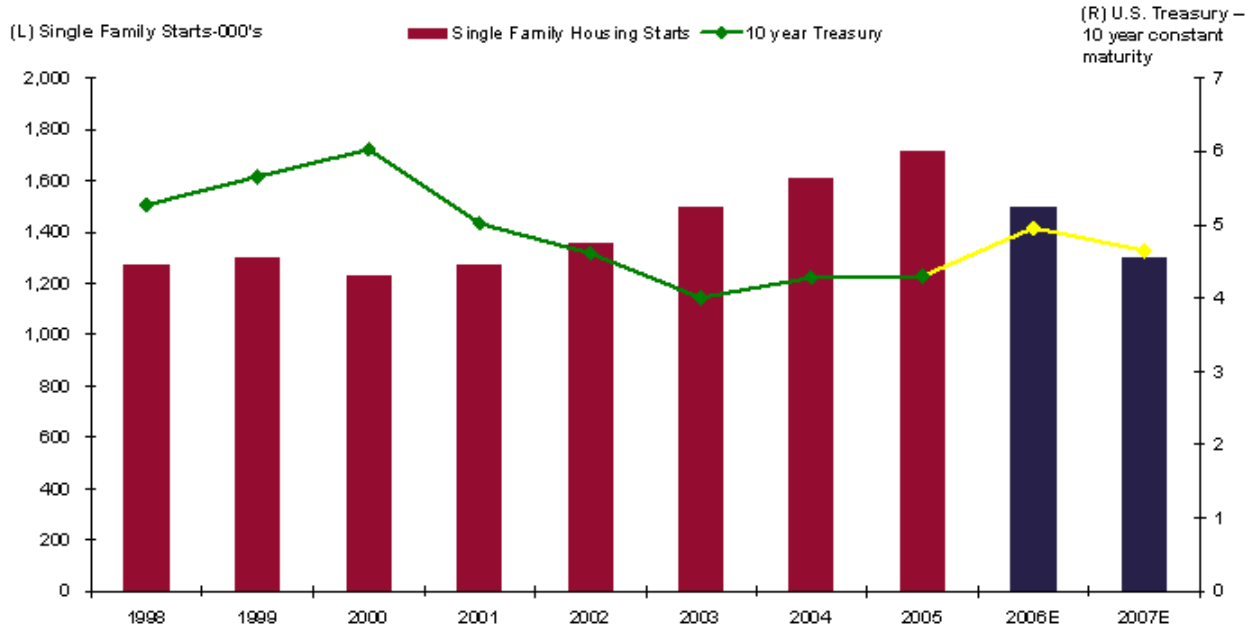


# Wallboard Overview

- ▶ **Demand dynamics moderating**
  - Residential construction slowing across most of the country
  - Non-residential construction remains strong
  - Repair and remodel construction flattening
- ▶ **Consolidated Industry**
  - From 12 U.S. producers in 1997 to 8 currently, with approximately 37 BSF annual capacity
- ▶ **Wallboard production capacity increases gradually over next 3 to 4 years**
  - Primarily synthetic gypsum plants along the East coast
- ▶ **Eagle's assets are well positioned**
  - Lowest cost producer
  - New greenfield plant in South Carolina will be our highest margin plant
  - 9% of U.S. industry capacity after South Carolina plant completed

# New residential construction continues to decline

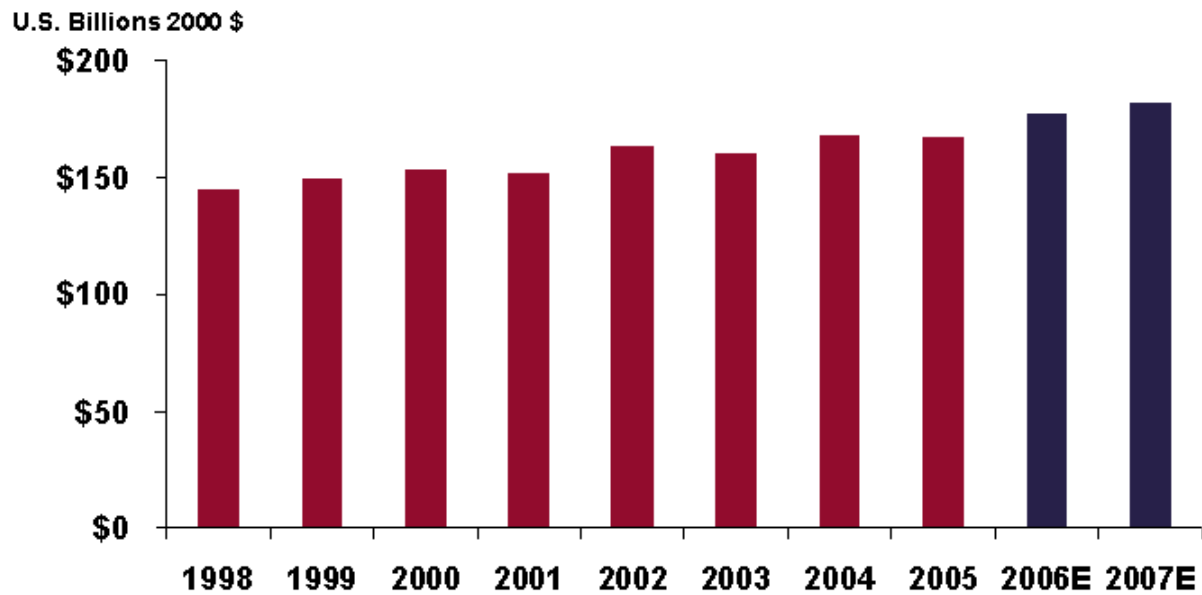
10-year rates have recently trended downward



Source: Federal Reserve, NAHB and Blue Chip Economic Reports.

# Repair and remodel construction to flatten

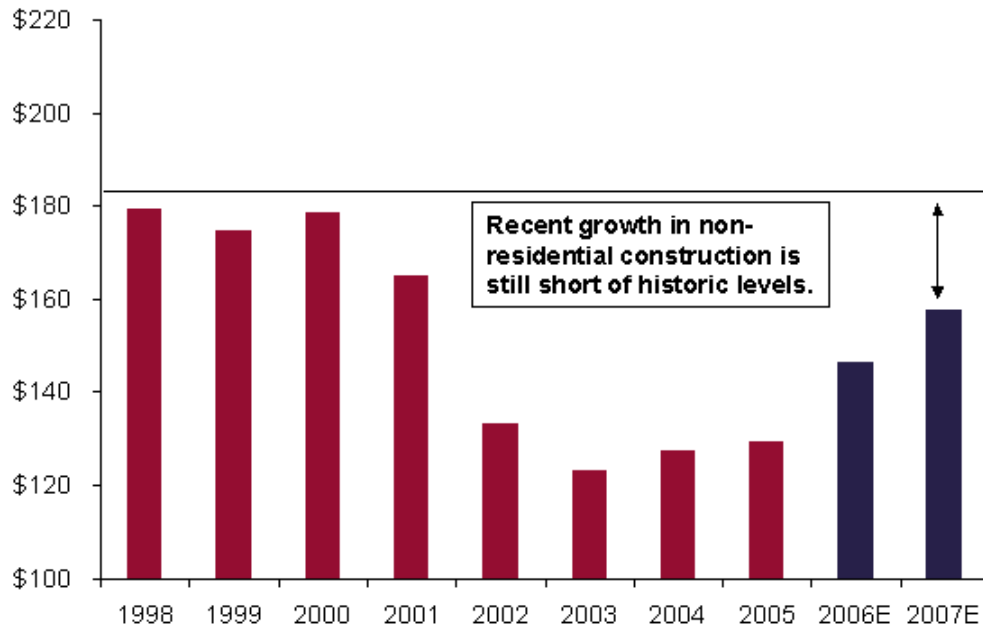
**Residential Repair and Remodel Construction 1998 – 2007E**



Source: NAHB Remodeling Forecast, March 2006.

# Non-residential recovering but still not at historic levels

**Private non-residential construction output, 1998 – 2007E (U.S. billions 1996\$)**



Source: PCA, Fall 2006 Forecast

# Wallboard utilization outlook

(numbers in billion square feet)

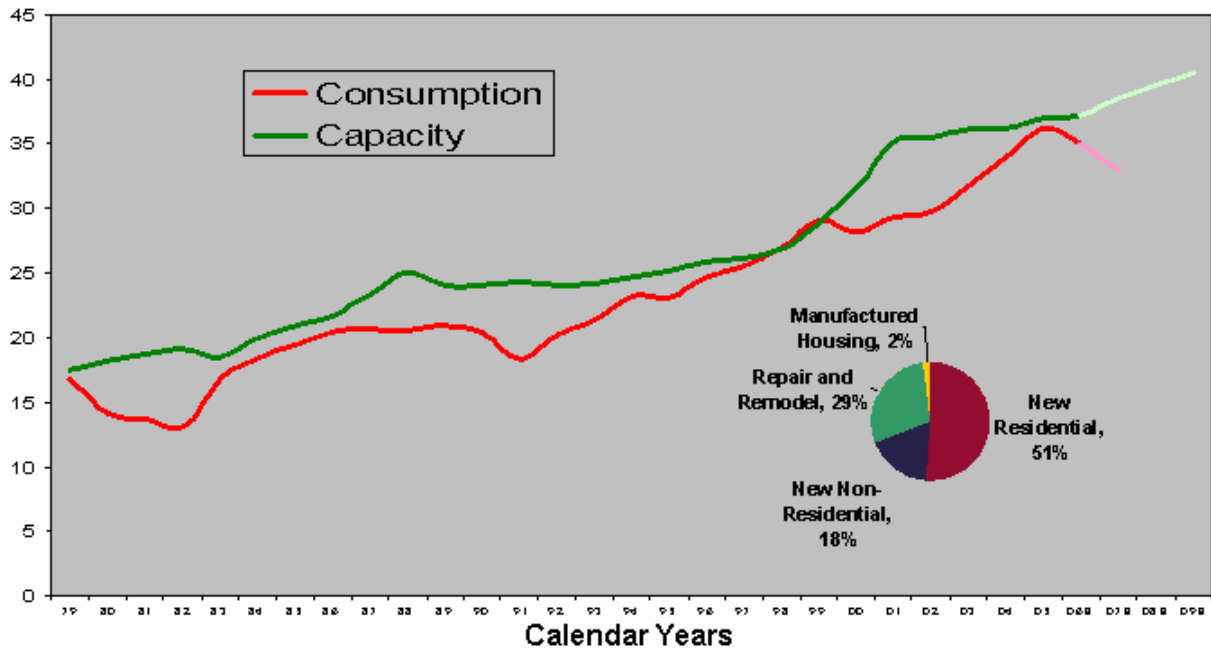
	<u>CY 2005</u>	<u>CY 2006</u>	<u>CY 2007</u>
<b>Consumption Estimates:</b>			
<b>New Residential (51% of Demand)</b>	18.5	16.2	13.5
<b>New Commercial (18% of Demand)</b>	6.5	7.3	7.8
<b>Repair &amp; Remodel (29% of Demand)</b>	10.5	10.8	11.1
<b>Manufactured Housing (2% of Demand)</b>	0.7	0.7	0.6
<b>Total</b>	36.2	35.0	33.0
<b>Average annual capacity</b>	37.0	37.2	38.5
<b>Average annual industry utilization</b>	98%	94%	86%

Source: Company estimates.

# U.S. Wallboard Industry Overview

## Capacity vs. Consumption

(Billions of Square Feet)

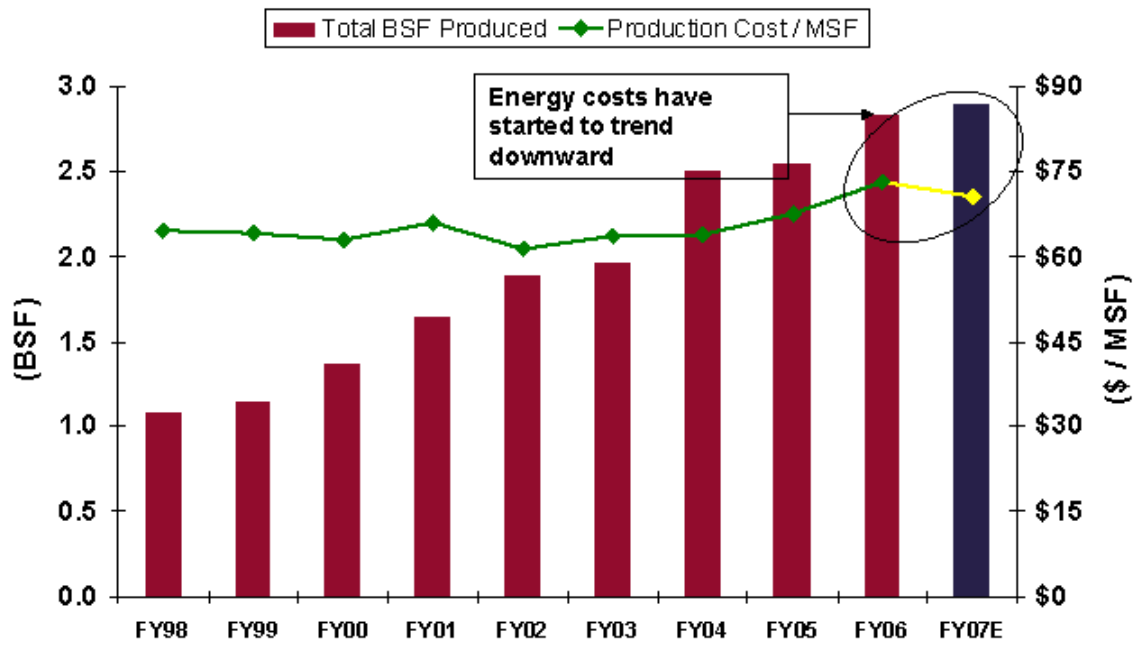


Gypsum Association Historical Data and EXP Projections.

# Eagle's Wallboard Quarterly Net Sales Price Trend



# Eagle's wallboard production and cost





# Cement Overview

## ➤ High Barriers to entry

- Lengthy environmental permitting process
- Extremely capital intensive with economies of scale
- Regional markets are impacted by size of new plants

## ➤ Favorable Growth Dynamics

- Broad-based demand directly linked to construction industry
- Consumption has grown at 2% CAGR historically

## ➤ Stable Supply/Demand Dynamic

- Currently nearly 30% of the U.S. needs are satisfied through imports
- U.S. capacity over 80% foreign-owned and majority of imports controlled by foreign multi-nationals

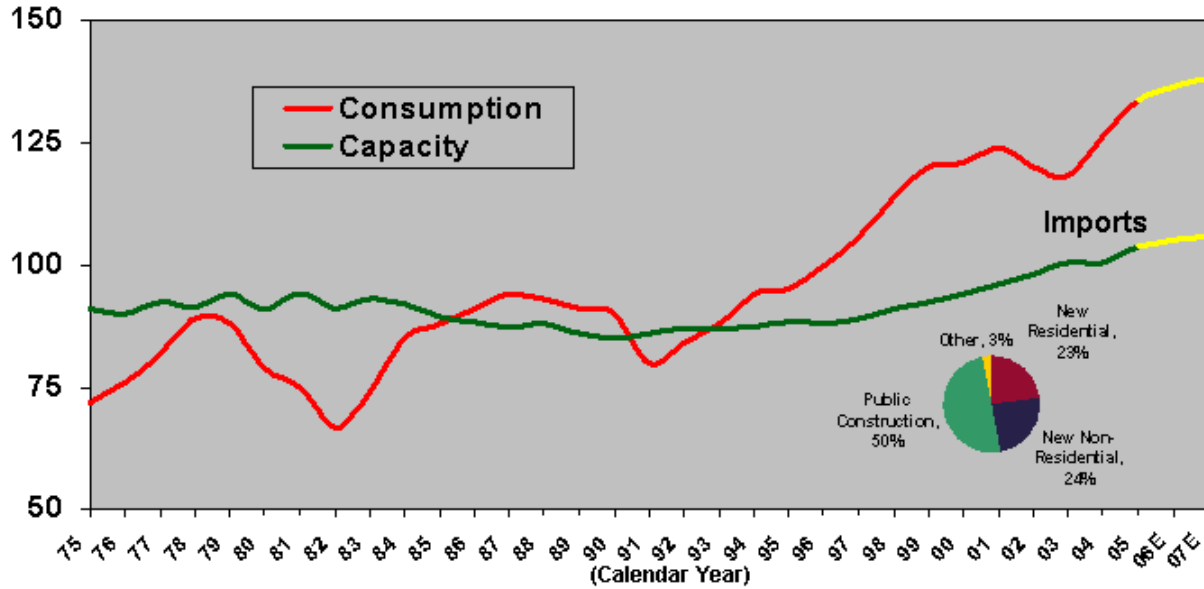
## ➤ Eagle plans to expand its production capacity by 50%

- Expansion and modernization of its Illinois, Nevada and Wyoming cement plants
- Eagle Materials' Texas Cement Joint Venture recently invested in a Houston cement import terminal – Eagle's share represents approximately 250,000 short tons per year of imported cement

# U.S. Cement Industry Overview

## Capacity vs. Consumption

(Millions of Short Tons)

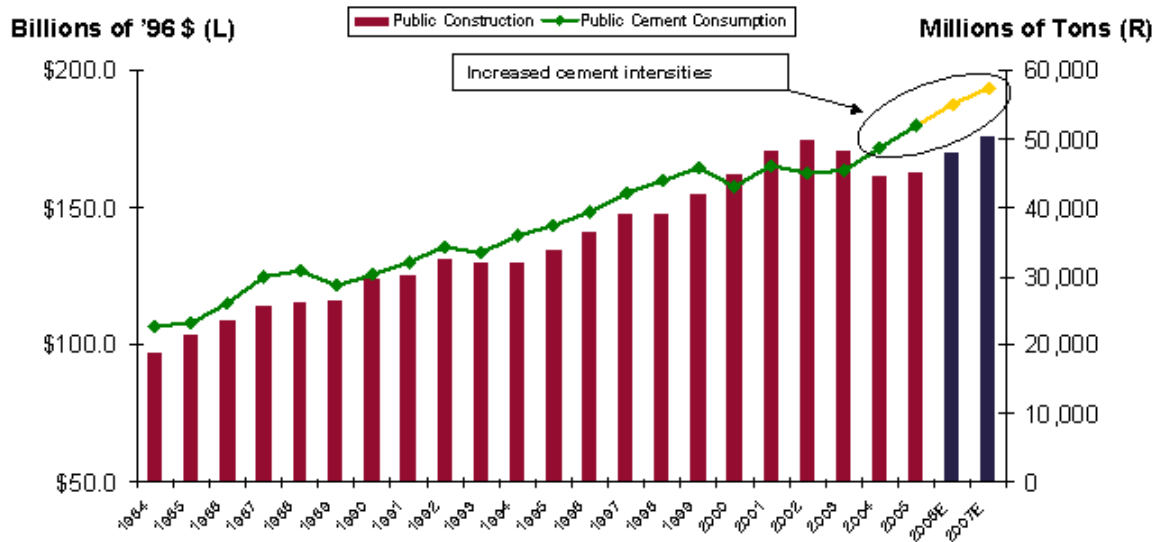


Source: PCA Data and Company estimates

# Public Construction

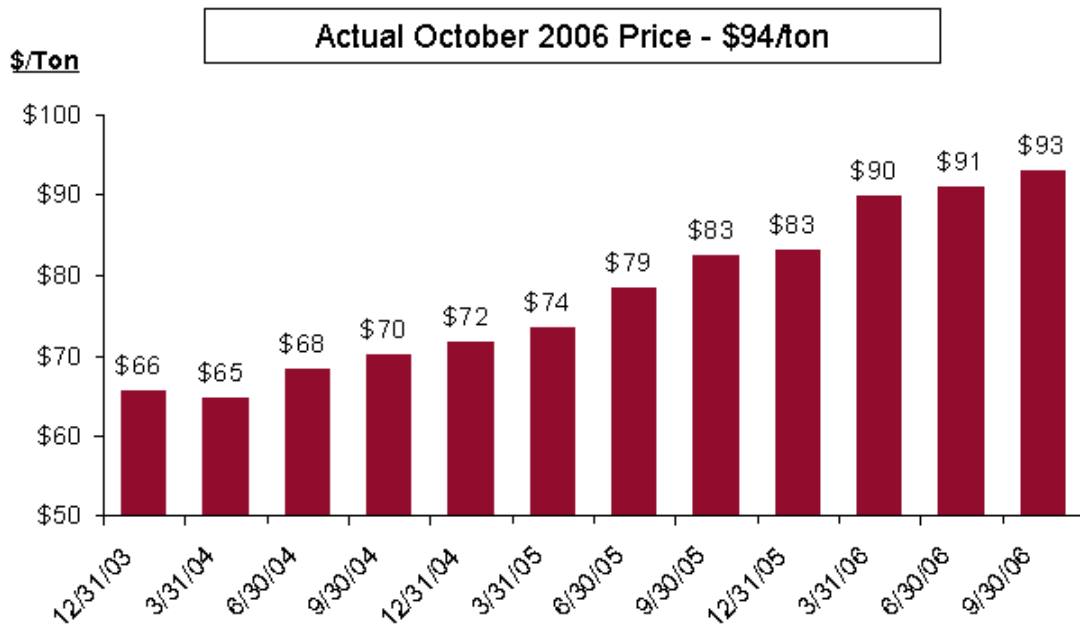
The primary driver of U.S. Cement consumption remains strong  
 Very positive current outlook as well as long-term outlook

## Public Construction put-in-place with cement consumption

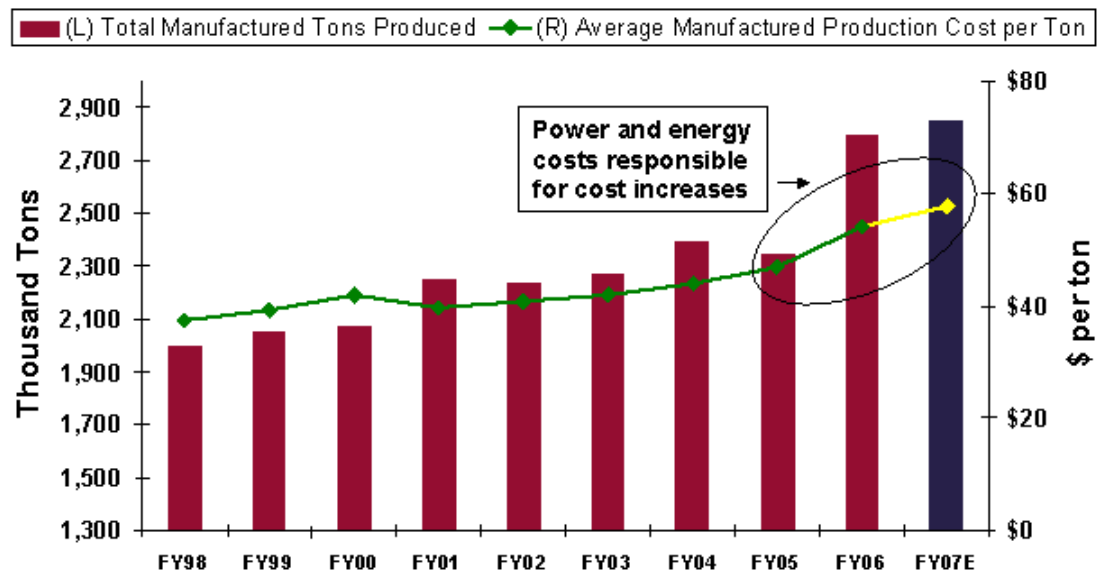


Source: Portland Cement Association (Fall 2006 Forecast).

# Eagle's Cement Quarterly Net Sales Price Trend



# Eagle's cement production and cost



# Gypsum Paperboard Overview

**A natural companion to our wallboard business**

➤ **7 out of 8 wallboard producers are vertically integrated**

➤ **Eagle's papermill produces low-cost paper**

– **Economies of scale**

- Our Lawton mill has an annual capacity of approximately 320,000 tons per year compared to the average size of our competitor's papermills of 65,000 tons per year

– **We produce light-weight paper**

- 40 pound per msf basis-weight compared to 48 pounds per msf for cylinder machines

– **Eagle's mill essentially vertically integrated**

- 40% consumed internally by Eagle's wallboard plants
- 45% sold through a long-term sales contract with another wallboard producer
- 15% currently sold in the spot market;
  - Once our Georgetown wallboard plant is up and running, this volume will be consumed internally

# Concrete and Aggregates Overview

Complementary to our Cement business

## ► We operate in two local markets

- Austin, Texas
  - Low-cost strategic central Texas aggregate operation
  - Low-cost, geographically diverse readymix position in the Austin area
- Northern California
  - Rural readymix operations
  - Low-cost aggregates operation
  - Our aggregates deposit is the largest aggregates deposit in Northern California
  - Aggregates are depleting in Northern California and the Bay Area
  - Opportunities for major organic growth

# Eagle Materials Inc.

1. Eagle Materials

2. Growth Initiatives

3. Conclusion



# Current growth initiatives

(\$ in millions)

	Estimated Completion Date	Approximate Cost
<u>Wallboard</u>		
Greenfield Plant in South Carolina	Late Calendar 2007	\$150
<u>Cement</u>		
Modernization and Expansion of Illinois Cement	Late Calendar 2006	\$65
Modernization and Expansion of Nevada Cement	Late Calendar 2008	\$200
Modernization and Expansion of Mountain Cement	Calendar 2009	\$120
<b>TOTAL</b>		<b>\$535</b>

# Georgetown, South Carolina Wallboard Project

## ➤ Project Background

- New gypsum wallboard plant with annual design capacity of 750 mmsf
- Long-term supply agreement for synthetic gypsum with Santee Cooper (South Carolina Public Service Authority)
- Increases Eagle's annual wallboard capacity by approximately 30%
- Greatly improves American Gypsum's distribution network
- Will be American Gypsum's highest-margin plant

## ➤ Project Update

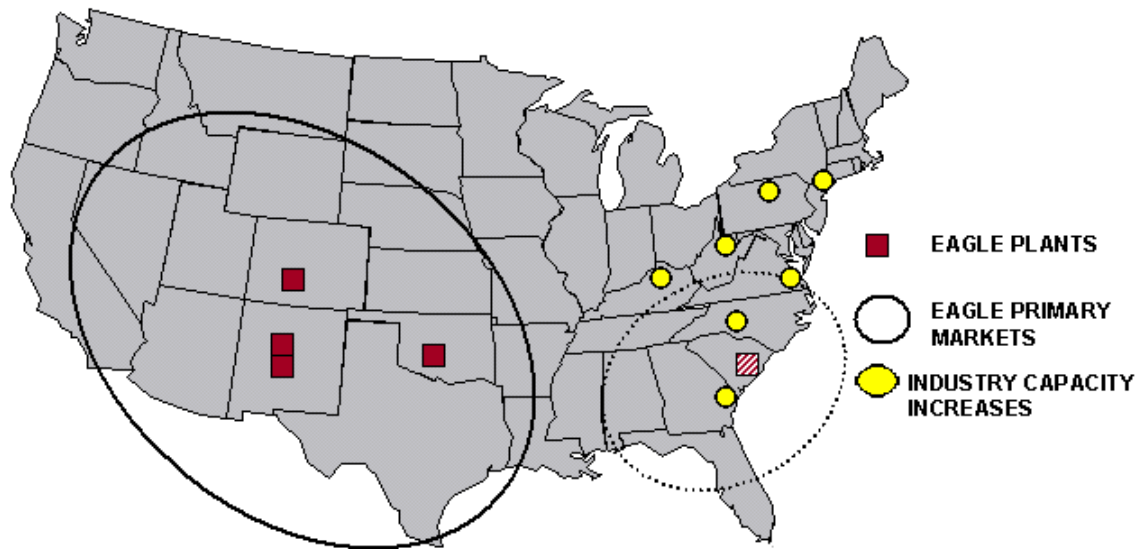
- Construction began in late March 2006
  - Earth work and underground utilities completed
  - Foundations and concrete slabs are being poured
  - Steel framing started
  - Process equipment scheduled for delivery by year-end
- Start-up scheduled for November 2007

## Georgetown, South Carolina - Site



## Growing the wallboard business

Eagle's wallboard operations are geographically located to take advantage of the ongoing population shift to the sunbelt and the new Georgetown wallboard plant improves our distribution network allowing us to better serve our customers



# Illinois Expansion Update

## ➤ Project Background

- \$65 million expansion
- Increases capacity by approximately 65% to 1.1 million tons
- Expected to reduce manufacturing costs per unit by approximately 20%
- Expanded market share has already been established through imports

## ➤ Project Status

- Project is on schedule and within budget
  - Dome commissioning complete and now operational
  - Total project approximately 85% complete
- Start-up of new raw mill and pyro process systems planned for December 2006

# Illinois Cement Company Expansion Project



# Nevada Cement Modernization

## ► Project Background

- Plant located just east of Reno, Nevada
  - Serves the Northern Nevada and Northern California cement markets
- Approximately \$200 million investment
- Modernization includes:
  - Expanding capacity by approximately 100% to 1.1 million tons
  - Reducing operating costs significantly

## ► Project Status

- Design engineering complete
- Construction permit expected by year-end
- Construction expected to start in Spring 2007
- Project expected to be completed in Fall 2008

# Mountain Cement Modernization

## ➤ Project Background

- Plant located in Laramie, Wyoming (serves the Mountain States region)
- Approximately \$120 million investment
- Modernization includes:
  - Expanding annual capacity by approximately 30% to 0.9 million tons
  - Reducing operating costs significantly

## ➤ Project Status

- Construction permit expected by Spring 2007
- Construction expected to start in Summer 2007
- Project expected to be completed in 2009



# Eagle Materials Growth

## ➤ **Clear line of sight**

- Sensible and well-defined plans

## ➤ **Balance and discipline**

- “Smart-sized” cement plants
  - Energy efficient
- Modern and efficient wallboard plants
  - Improved logistics

## ➤ **Improved operational performance**

- Modernization and expansion projects will lower operating costs
  - Very low energy costs per unit
  - Very low manpower costs per unit
  - Very low raw material costs per unit
  - Very low maintenance costs per unit
  - Very low overhead costs per unit

# The Nation's Highest Margin Construction Products Company\*

## ➤ American Gypsum Company

- Duke
  - High speed board line
  - Modern dryers
- Eagle
  - High speed board line
  - Modern dryer
- Bernalillo
  - Medium speed board line
  - Modern dryer
- Albuquerque
  - Medium speed board line
  - Modern dryer
- **Georgetown, South Carolina**
  - **High speed board line**
  - **Modern dryer and steam**

## ➤ Republic Paperboard

- High speed (3,000 ft/minute)
- Light-weight paper

## ➤ Cement

- **Illinois Cement Company**
  - **5 stage preheater/precalciner**
- **Texas Lehigh Cement Company**
  - **4 stage preheater/precalciner**
- **Mountain Cement Company**
  - **5 stage preheater/precalciner**
- **Nevada Cement Company**
  - **5 stage preheater/precalciner**

## ➤ Concrete/Aggregate

- Dominant local aggregates position

\* Based on comparison of earnings before interest and taxes/revenues for the most recent reporting period for EXP comparable companies. See slide 47.

## Eagle's Growing Manufacturing Capacities...

	<u>Before Expansions</u>	<u>After Expansions</u>	<u>Increase</u>
Wallboard (BSF)	2.8	3.7	+30%
Cement (million tons)	2.7	3.8	+41%
Paper (000 tons)	285	320	+12%
Aggregates (million tons)	5.5	7.5	+35%
Concrete (000 cubic yards)	850	1,000	+20%

### ... and Reduced Production Costs per Unit After Expansions

- Wallboard cost of sales per unit expected to decline 5%
- Cement cost of sales per unit expected to decline 25%
- Paper cost of sales per unit expected to decline 5%
- Aggregates cost of sales per unit expected to decline 10%

## Increased Shareholder Value Through Growth and Cost Reductions

- **These projects are expected to increase Eagle Materials' operating earnings significantly**
  - \$100 million assuming bottom-of-the-cycle pricing
  - \$125 million assuming middle-of-the-cycle pricing
  - \$170 million assuming top-of-the-cycle pricing

# Eagle Materials Inc.

1. Eagle Materials

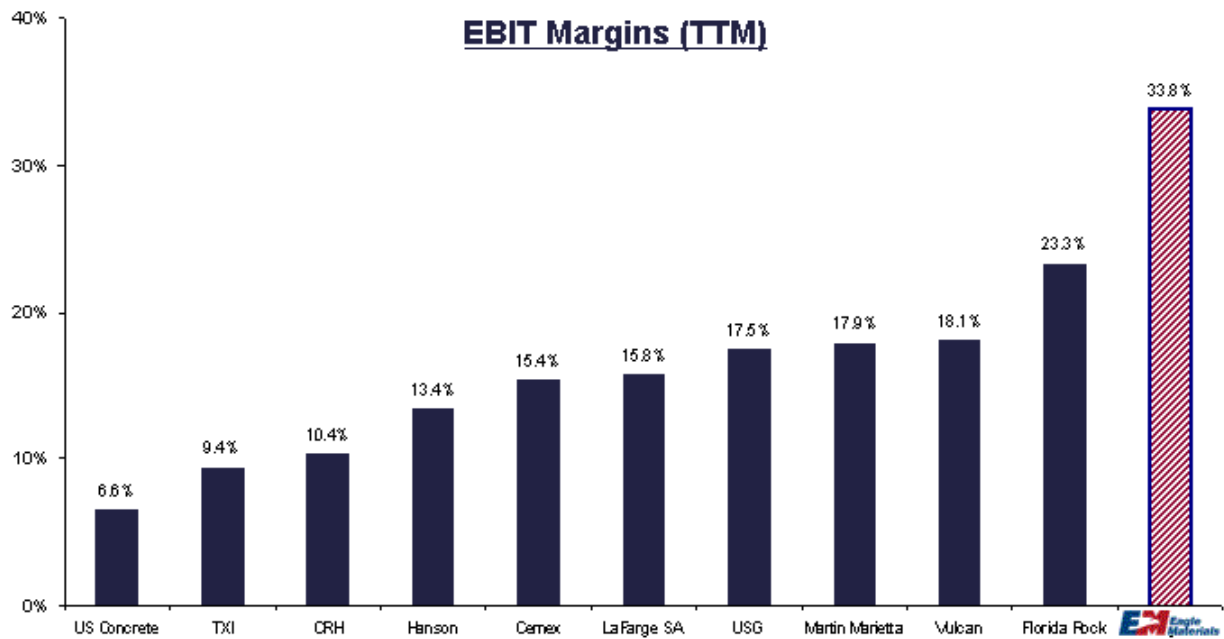
2. Growth Initiatives

3. Conclusion

# Creating Shareholder Value

- **Balanced growth strategy focused on cement and wallboard**
- **Strong cash flow from low-cost operations**
- **Attractive annual dividend**
- **Share repurchase program**
  - Approximately 2.2 million shares repurchased in FY 2007, year-to-date
  - Recently, our repurchase authorization was increased to 6 million shares

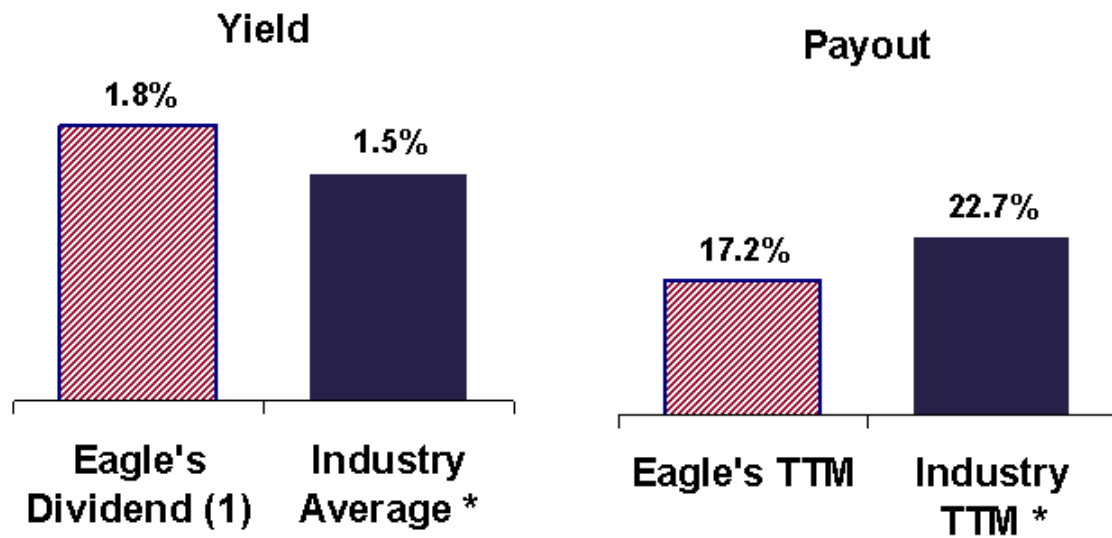
# Eagle Materials has the highest operating margins of the group



Source: EBIT margins represent earnings before interest and taxes / revenues. EBIT is a non-GAAP measure. See slide entitled "Explanation of Non-GAAP Items" in the Appendix.

## Dividend yield and payout ratio

Eagle's annual dividend is \$0.70 per share



(1) Based on \$40 per share stock price

\*Industry average includes Vulcan Materials, Rinker Group, Florida Rock, Martin Marietta and TXI.



## FY 2007 Guidance

**(\$ in Millions, except per share data)**

	<u>3<sup>rd</sup> Qtr FY 2007</u>	<u>FY 2007</u>
<b>Net Earnings</b>	<b>\$37 - \$42</b>	<b>\$192 - \$212</b>
<b>Diluted EPS</b>	<b>\$0.75 - \$0.85</b>	<b>\$3.80 - \$4.20</b>

**Eagle Materials Inc.**

**Question  
&  
Answer**

## Contact Information

**Steve Rowley, President and CEO**

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**Bill Devlin, Vice President – Controller**

Telephone: 214-432-2014

Email: [bdevlin@eaglematerials.com](mailto:bdevlin@eaglematerials.com)

**Craig Kesler, Vice President - Investor Relations and Corporate Development**

Telephone: 214-432-2013

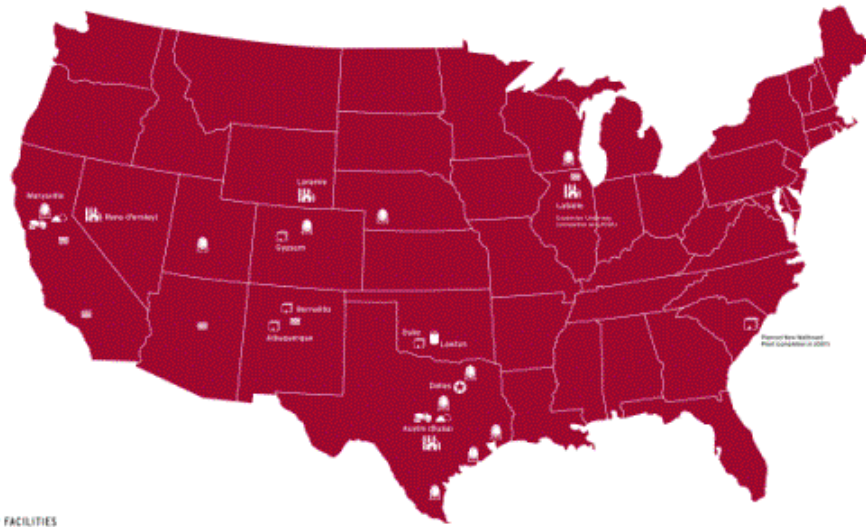
Email: [ckesler@eaglematerials.com](mailto:ckesler@eaglematerials.com)



## Appendix

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MAPPING A STRONG FUTURE



MAJOR FACILITIES

CEMENT PLANTS

- ILLINOIS CEMENT COMPANY LLC - Liberty, Illinois
- MISSOURI CEMENT COMPANY - Leesport, Missouri
- NEVADA CEMENT COMPANY - Primm, Nevada
- TEXAS LEASCH CEMENT COMPANY LP - Buda, Texas (50% joint venture)

GYPSUM WALLBOARD PLANTS

- AMERICAN GYPSUM COMPANY - Albuquerque and Bernalillo, New Mexico; Dallas, Colorado and Dallas, Oklahoma (Corporate Office in Dallas, Texas)

CONCRETE AND AGGREGATES PLANTS

- CENTER MATERIALS LLC - Austin and Buda, Texas
- MATHERS READYMIX LLC - Watsonville, California
- WESTERN READYMIX LLC - Marysville, California

PAPERBOARD PLANT

- REPUBLIC PAPERBOARD COMPANY LLC - Lawton, Oklahoma

CEMENT PLANTS

CEMENT TERMINALS

WALLBOARD PLANTS

WALLBOARD DISTRIBUTION YARDS

CONCRETE OPERATION

AGGREGATES OPERATIONS

PAPERBOARD MILL

DALLAS HEADQUARTERS

## Explanation of Non-GAAP Items

**EBIT represents net income, plus interest expense (less interest income) and provisions for income taxes. EBIT is a non-GAAP measure that provides supplemental information regarding the operating performance of our business without regard to financing methods or capital structures and is used as a benchmark for evaluating the creditworthiness of particular issuers. EBIT should not, however, be considered as an alternative to net income, operating income, cash flow from operations or any other measure of financial performance in accordance with GAAP. EBIT for our trailing twelve-months of \$320.5 can be reconciled to net income by adding to net income the following amounts: interest expense, \$6.4 million and provision for income taxes, \$106.2 million.**