



Eagle Materials Inc. Increases Cement Capacity With Investment in Houston Cement Import Terminals

DALLAS, Sept 01, 2006 /PRNewswire-FirstCall via COMTEX News Network/ -- Eagle Materials Inc. (NYSE: EXP) today announced that its 50%-owned subsidiary, Texas Lehigh Cement Company LP (Texas Lehigh), has made an investment in Houston Cement Company, L.P., which owns two Portland cement import terminals located along the Houston Ship Channel near Houston, Texas. Houston Cement Company is expected to have an annual throughput capacity of as much as 3 million metric tons.

As a result of this investment, Texas Lehigh owns a minority interest in Houston Cement Company, with Ash Grove Texas and Alamo Cement Company II, Ltd. owning the remaining interests. Sales from the terminals will be managed independently by Ash Grove, Alamo and Texas Lehigh to their respective customers. Eagle owns a 50% interest in Texas Lehigh, with Lehigh Cement Company of Allentown, Pennsylvania, a member of the HeidelbergCement Group, owning the other 50%.

Eagle Materials Inc. is a Dallas-based company that manufactures and distributes Cement, Gypsum Wallboard, Recycled Paperboard, and Concrete and Aggregates.

Forward-Looking Statements. This press release 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 belief at the time the statements were made regarding future events which are subject to certain 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, 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 any one or more of the Company's markets; competition; announced increases in capacity in the gypsum wallboard and cement industries; 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 and operating earnings of our operations. In addition, changes in national or regional economic conditions and levels of infrastructure and construction spending could also adversely affect the Company's result of operations. These and other factors are described in the Company's Annual Report on Form 10-K for the fiscal year ended March 31, 2006 and in its Quarterly Report on Form 10-Q for the fiscal quarter ended June 30, 2006. These reports are filed with the Securities and Exchange Commission. All forward-looking statements made herein are made as of the date hereof, and the risk that actual results will differ materially from expectations expressed herein 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.

SOURCE Eagle Materials Inc.

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