Eagle Materials

January 26, 2023

Third Quarter Fiscal 2023
Earnings Release and Conference Call

Forward-Looking Statements

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 as to future events. 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 businesses; fluctuations in public infrastructure expenditures; adverse weather conditions; the fact that our products are commodities and that prices for our products are subject to material fluctuation due to market conditions and other factors beyond our control; the availability and fluctuations in the cost of raw materials; changes in the costs of energy, including, without limitation, natural gas, coal and oil, and the nature of our obligations to counterparties under energy supply contracts, such as those related to market conditions (for example, spot market prices), governmental orders and other matters; changes in the cost and availability of transportation; unexpected operational difficulties, including unexpected maintenance costs, equipment downtime and interruption of production; material nonpayment or non-performance by any of our key customers; inability to timely execute announced capacity expansions; difficulties and delays in the development of new business lines; governmental regulation and changes in governmental and public policy (including, without limitation, climate change and other environmental regulation); possible outcomes of pending or future litigation or arbitration proceedings; changes in economic conditions or the nature or level of activity in any one or more of the markets or industries in which the Company or its customers are engaged; severe weather conditions (such as winter storms, tornados and hurricanes) and their effects on our facilities, operations and contractual arrangements with third parties; competition; cyber-attacks or data security breaches; increases in capacity in the gypsum wallboard and cement industries; changes in the demand for residential housing construction or commercial construction or construction projects undertaken by state or local governments; the availability of acquisitions or other growth opportunities that meet our financial return standards and fit our strategic focus; risks related to pursuit of acquisitions, joint ventures and other transactions or the execution or implementation of such transactions, including the integration of operations acquired by the Company; general economic conditions, including inflation and recessionary conditions; and changes in interest rates and the resulting effects on the Company and demand for our products. For example, increases in interest rates, decreases in demand for construction materials or increases in the cost of energy (including, without limitation, natural gas, coal and oil) or the cost of our raw materials could affect the revenue 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. Finally, any forward-looking statements made by the Company are subject to the risks and impacts associated with natural disasters, pandemics or other unforeseen events, including, without limitation, the COVID-19 pandemic and responses thereto designed to contain its spread and mitigate its public health effects, as well as their impact on economic conditions, capital and financial markets. These and other factors are described in the Company's Annual Report on Form 10-K for the fiscal year ended March 31, 2022 and subsequent quarterly and annual reports upon filing. 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.*

Fiscal Year 2023 Third Quarter Highlights

On track for another record year

- **Delivered record quarterly results**
  - Revenue up 10% to record $511 million
  - Gross profit margin increased 110 bps to 31.0%
  - Diluted EPS up 26% to record $3.20
- **Returned $113 million to shareholders**
  - Repurchased 824,000 shares for $103 million
  - Paid quarterly dividend
- **Best safety performance in company history (calendar year 2022)**
  - Lowest recordable injury rate
  - Lowest lost-time injury rate
- **Continued progress on production and sale of Portland Limestone Cement**
  - Extends use of clinker
  - Reduces carbon intensity

Business Conditions

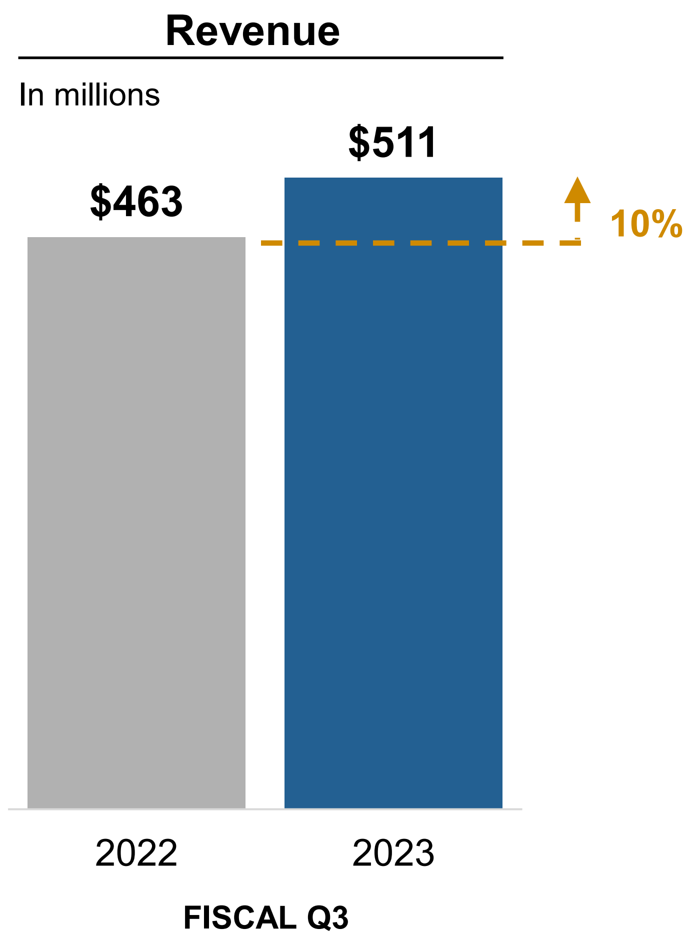
Underlying economic fundamentals support both sectors

Cement	▪ **Strong demand outlook** — State DoT budgets running well above prior decade averages, with high allocations to fund infrastructure; skewing favorably toward Eagle footprint — Federal highway bill continues to support increased levels of demand ▪ **Limited supply** — Few substitutes — High barriers to US capacity addition
Gypsum Wallboard	▪ **Long-term outlook for residential construction remains favorable** — Despite higher interest rates, favorable construction trends should drive increased demand over the long-term — Eagle-served markets outpacing national average — Repair and remodel demand should remain strong with aging US housing stock ▪ **Industry capacity constraints** — Raw material supply limitations

Record Revenue Up 10%

INCREASE DRIVEN BY:

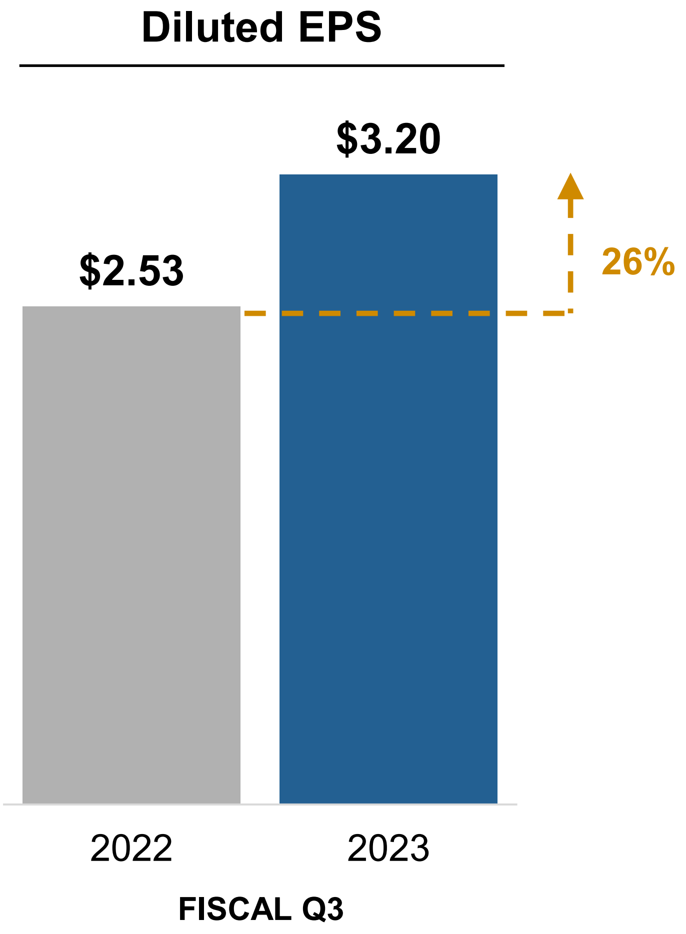
- Higher Cement and Wallboard sales prices
- Gain in Wallboard sales volume



Record EPS Up 26%

INCREASE REFLECTS:

- Strong fundamentals in both Cement and Wallboard
- Reduced share count



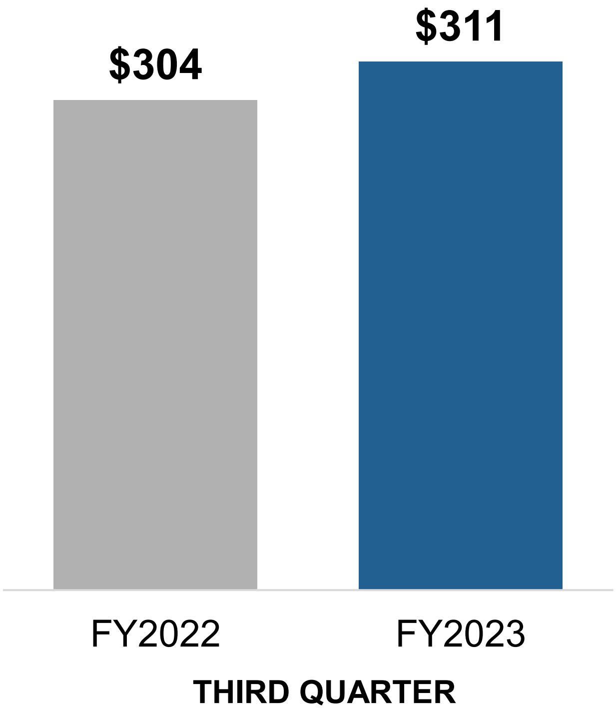
Heavy Materials Third Quarter Results Reflect Higher Cement Prices Offset by Weather Headwinds

THIRD QUARTER CEMENT

- Net sales prices +13%
- Sales volume -13%

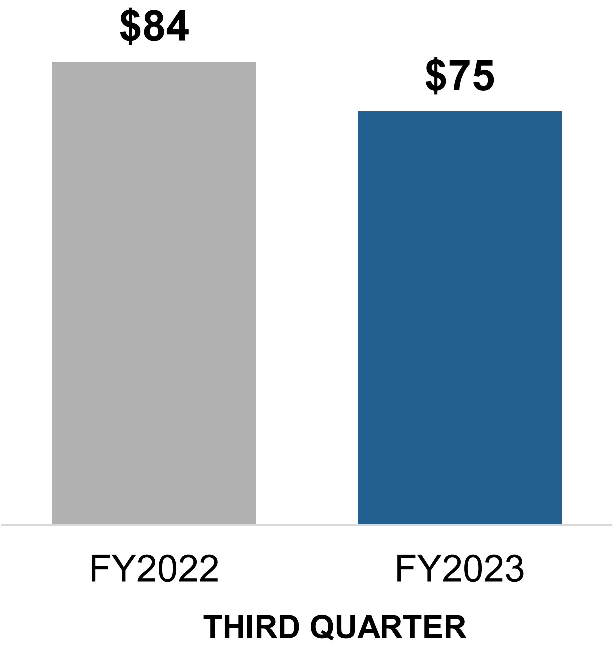
Revenue[1]

In millions



Operating Earnings

In millions

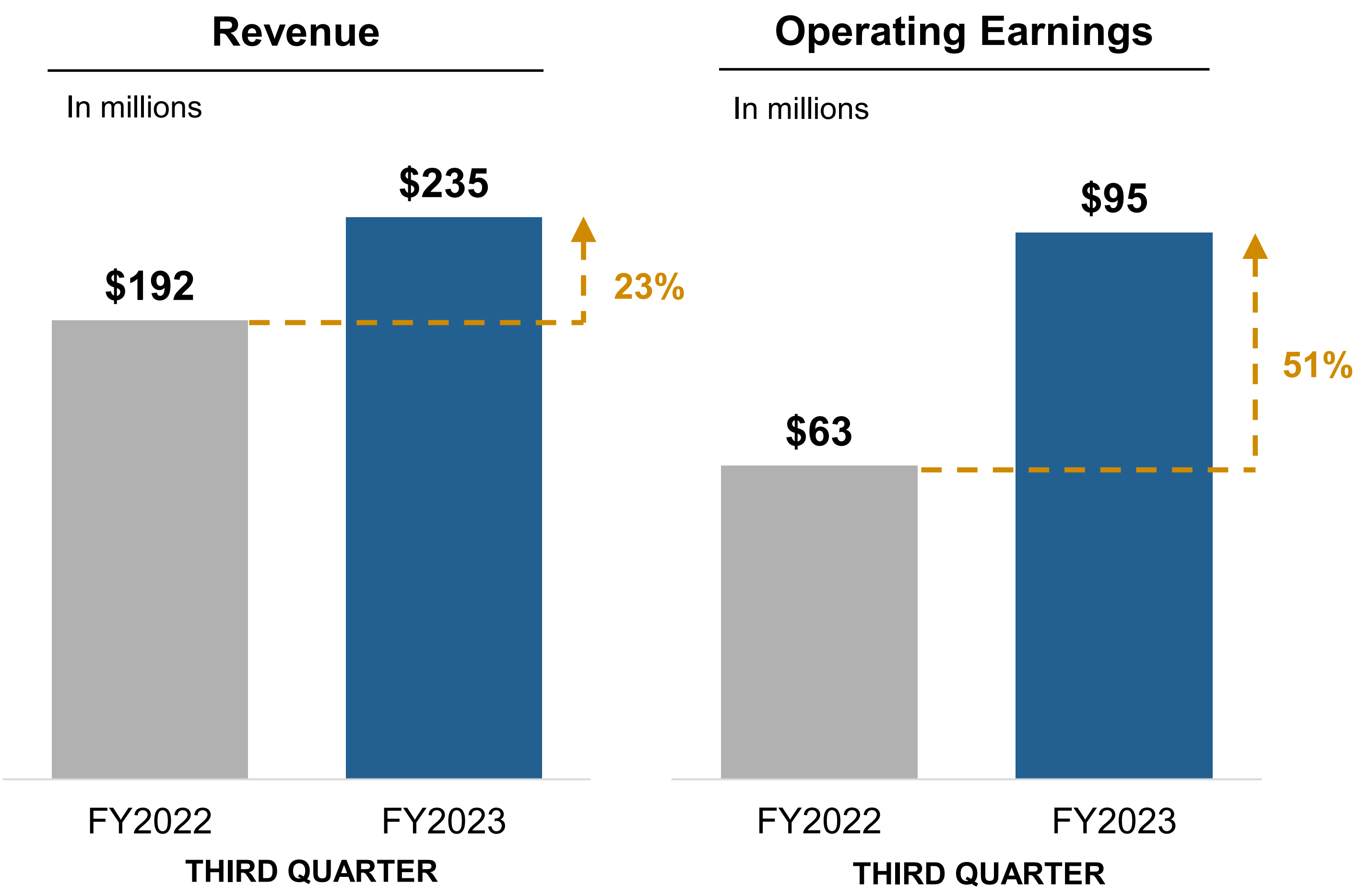


[1] Includes Cement, Concrete and Aggregates and Cement Intersegment revenue, and our proportionate share of the Joint Venture.

Light Materials Third Quarter Results Up on Higher Wallboard Sales Prices and Volume

THIRD QUARTER WALLBOARD

- Net sales prices +25%
- Sales volume +5%



Continued Strong Cash Flow Generation

Eagle Materials

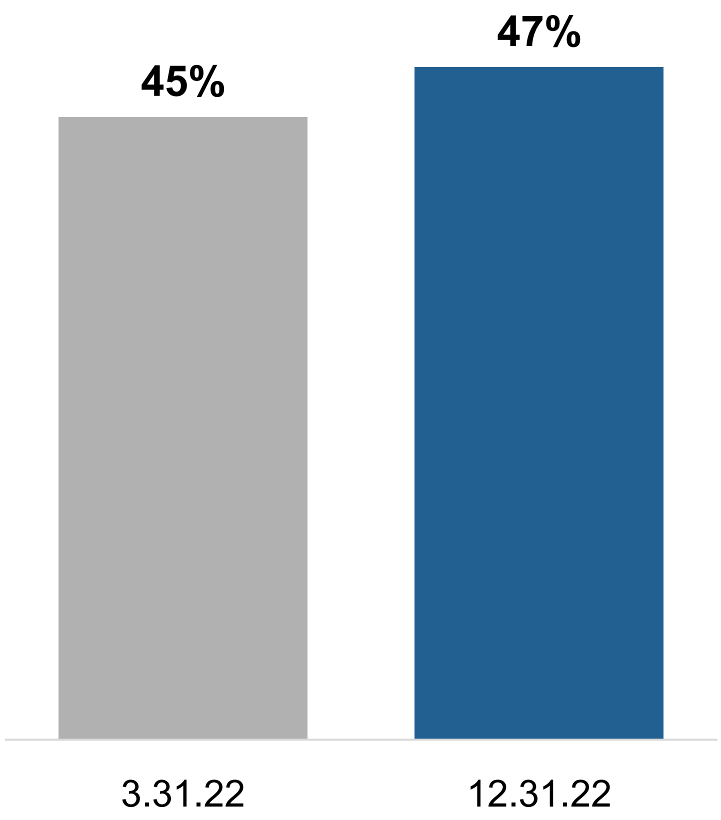
$180 million of cash flow from operations

	Three months ended December 31 in millions		
	2021	**2022**	
Operating Cash Flow[1]	$167	**$180**	**+7%**
Capex, net	(28)	**(18)**	
Free Cash Flow	$139	**$162**	
Dividends Paid	(10)	**(9)**	
Share Repurchases	(188)	**(103)**	
Change in Debt	25	**(73)**	
Other	6	**-**	
Net Change in Cash Balance	$(28)	**$(23)**	

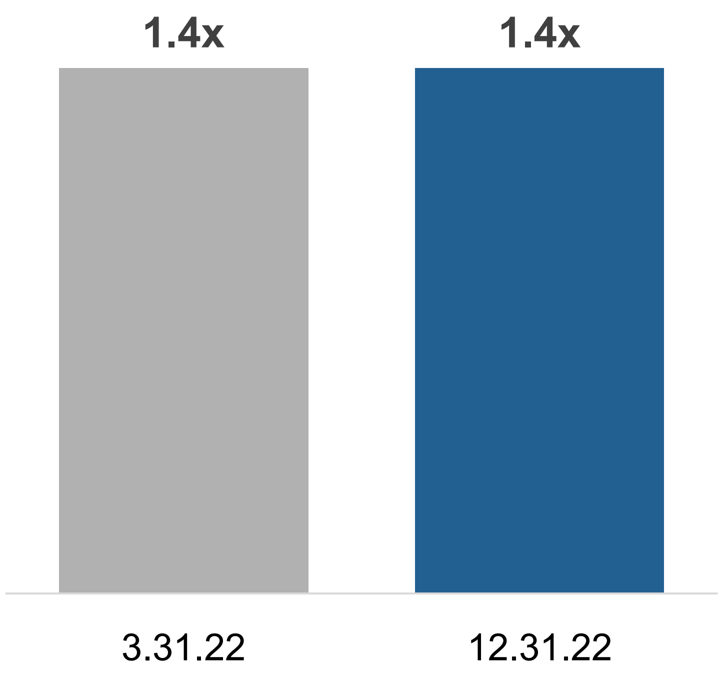
[1] Includes depreciation of $32 million and $35 million for the three months ended December 31, 2021 and 2022, respectively.

Capital Structure Provides Significant Financial Flexibility

Net Debt-to-Cap



Net Debt to Adjusted EBITDA[1]



[1] Net Debt to Adjusted EBITDA and Adjusted EBITDA are non-GAAP financial measures and are described in the Appendix.

Question & Answer

Thank you for participating in today's conference call web cast.

An archive of this web cast will be available at eaglematerials.com later today.

Appendix

Reconciliation of EBITDA and Adjusted EBITDA

In millions	Fiscal Year ended March 31, 2022	TTM December 31, 2022
Net Earnings, as reported	$374	$435
Income Tax Expense	101	120
Interest Expense	31	31
Depreciation, Depletion and Amortization	129	137
EBITDA	635	723
Loss on Early Retirement of Senior Notes [1]	8	-
Purchase Accounting Impact [2]	-	2
Stock-based Compensation	14	17
Adjusted EBITDA	$657	$742

We present Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA) and Adjusted EBITDA to provide more consistent comparison of operating performance from period to period. EBITDA is a non-GAAP financial measure that provides supplemental information regarding the operating performance of our business without regard to financing methods, capital structures or historical cost basis. Adjusted EBITDA is also a non-GAAP financial measure that excludes the impact from non-routine items (Non-routine Items) and stock-based compensation. Management uses EBITDA and Adjusted EBITDA as alternative bases for comparing the operating performance of Eagle from period to period and for purposes of its budgeting and planning processes. Adjusted EBITDA may not be comparable to similarly titled measures of other companies because other companies may not calculate Adjusted EBITDA in the same manner. Neither EBITDA nor Adjusted EBITDA should be considered in isolation or as an alternative to net income, cash flow from operations or any other measure of financial performance in accordance with GAAP. The table beside shows the calculation of EBITDA and Adjusted EBITDA and reconciles them to net earnings in accordance with GAAP for the fiscal year ended March 31, 2022, and the trailing twelve-month period ended December 31, 2022.

[1] Represents the loss on the early redemption of our 4.50% senior notes due 2026

[2] Represents the cost impact of purchase accounting on inventory valuations.

Reconciliation of Net Debt to Adjusted EBITDA

In millions	As of March 31, 2022	As of December 31, 2022
Total debt, excluding debt issuance costs	$950	$1,075
Cash and cash equivalents	19	61
Net Debt	$931	$1,014
Adjusted EBITDA (TTM)	$657	$742
Net Debt to Adjusted EBITDA	1.4x	1.4x

GAAP does not define “Net Debt” and it should not be considered as an alternative to cash flow or liquidity measures defined by GAAP. We define Net Debt as total debt minus cash and cash equivalents to indicate the amount of total debt that would remain if the Company applied the cash and cash equivalents held by it to the payment of outstanding debt. The Company also uses “Net Debt to Adjusted EBITDA,” which it defines as Net Debt divided by Adjusted EBITDA from Continuing Operations, as a metric of its current leverage position. We present this metric for the convenience of the investment community and rating agencies who use such metrics in their analysis, and for investors who need to understand the metrics we use to assess performance and monitor our cash and liquidity positions.