UNITED STATES
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): September 26, 2012

EAGLE MATERIALS INC.
(Exact name of registrant as specified in its charter)

DELAWARE	**1-12984**	**75-2520779**
(State or Other Jurisdiction of Incorporation or Organization)	**(Commission File Number)**	**(I.R.S. Employer Identification No.)**

3811 TURTLE CREEK BLVD., SUITE 1100 **DALLAS, TEXAS**	**75219**
(Address of Principal Executive Offices)	**(Zip Code)**

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

Not Applicable
(Former name or former address, if changed since 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 (*see* General Instruction A.2. below):

☐ 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))

Item 8.01. Other Events.

As previously announced, on September 26, 2012, Eagle Materials Inc. (the "Company"), Audubon Materials LLC, a wholly owned subsidiary of the Company ("Eagle Sub"), Lafarge North America Inc. ("Lafarge North America"), Lafarge Building Materials Inc., Quicksilver 2005, LLC and Lafarge Midwest, Inc. (together with Lafarge North America, the "Sellers") entered into an Asset Purchase Agreement (the "Asset Purchase Agreement") pursuant to which Eagle Sub will acquire certain assets used by the Sellers in connection with the business (the "Lafarge Target Business") of producing, marketing and selling Portland cement and concrete in Kansas, Missouri and Oklahoma. The purchase price (the "Purchase Price") to be paid by the Company in this transaction (the "Acquisition") is approximately $446.0 million in cash (including working capital, subject to customary post-closing adjustments). In addition, Eagle Sub will assume certain liabilities, including accounts payable, contractual obligations, reclamation obligations and other liabilities related to the Lafarge Target Business.

The Company is filing this report in order to make available (i) the audited financial statements of the Lafarge Target Business as of December 31, 2010 and 2011 and for the years then ended, (ii) the unaudited financial statements of the Lafarge Target Business as of June 30, 2011 and 2012 and for the six-month periods then ended and (iii) the pro forma financial statements of the Company as of June 30, 2012 and for the three months ended June 30, 2012 and twelve months ended March 31, 2012, which give effect to the Acquisition on the basis described therein. The foregoing are attached hereto as Exhibits 99.1, 99.2 and 99.3, respectively. As a result of the filing of this Current Report on Form 8-K, the financial statements referred to above will be incorporated into the Company's automatic shelf registration Statement on Form S-3 (File No. 333-181767), as amended and supplemented to date, filed with the Securities and Exchange Commission on May 30, 2012.

Item 9.01. Financial Statements and Exhibits.

(d) *Exhibits.*

Exhibit Number		Description
23.1	—	Consent of Independent Auditors – Ernst & Young LLP.
99.1	—	Audited carve-out financial statements and the notes related thereto of the Lafarge Target Business for the years ended December 31, 2010 and 2011.
99.2	—	Unaudited carve-out financial statements and the notes related thereto of the Lafarge Target Business for the six months ended June 30, 2011 and 2012.
99.3	—	Unaudited condensed combined pro forma financial statements and the notes related thereto of Eagle Materials Inc. as of June 30, 2012 and for the three months ended June 30, 2012 and the fiscal year ended March 31, 2012.

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/ James H. Graass
James H. Graass
Executive Vice President, General
Counsel and Secretary

Date: September 26, 2012

EXHIBIT INDEX

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Exhibit 23.1

CONSENT OF INDEPENDENT AUDITORS

We consent to the incorporation by reference in the Registration Statement (Form S-3 No. 333-181767) and the related Prospectus Supplement of Eagle Materials Inc. of our report dated September 26, 2012, with respect to the combined financial statements of Lafarge Target Business (Carve-Out of Certain Operations of Lafarge North America Inc.) for the years ended December 31, 2011 and 2010, included in this Current Report on Form 8-K of Eagle Materials Inc. filed with the Securities and Exchange Commission.

/s/ Ernst & Young LLP

Baltimore, Maryland
September 26, 2012

COMBINED FINANCIAL STATEMENTS

Lafarge Target Business
(Carve-Out of Certain Operations of
Lafarge North America Inc.)
December 31, 2011 and 2010 and for the Years Then Ended
With Report of Independent Auditors

Lafarge Target Business
(Carve-Out of Certain Operations of Lafarge North America Inc.)

Combined Financial Statements

December 31, 2011 and 2010

Contents

Report of Independent Auditors

The Board of Directors and Shareholders
of Lafarge North America, Inc.

We have audited the accompanying combined balance sheets of the Lafarge Target Business (the carved-out operations of certain assets of Lafarge North America, Inc.) as of December 31, 2011 and 2010, and the related combined statements of operations, changes in net parent investment, and cash flows for the years then ended. These financial statements are the responsibility of Lafarge North America's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We were not engaged to perform an audit of the Company's internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the combined financial position of the Lafarge Target Business at December 31, 2011 and 2010, and the combined results of its operations and its cash flows for the years then ended, in conformity with U.S. generally accepted accounting principles.

Ernst & Young LLP

Baltimore, Maryland
September 26, 2012

Lafarge Target Business
(Carve-Out of Certain Operations of Lafarge North America Inc.)

Combined Statements of Operations

	Years Ended December 31	
	2011	**2010**
	(In Thousands)	
Net sales	**$165,378**	**$ 170,567**
Costs, expenses, and other income:		
Cost of goods sold	**154,426**	155,599
Selling and administrative	**27,426**	29,906
Other expense (income), net	**29**	(13)
Interest expense	**2,679**	2,707
Total costs, expenses, and other income	**184,560**	188,199
Loss from operations before income taxes	**(19,182)**	(17,632)
Income tax benefit	**(8,158)**	(7,336)
Net loss	**$ (11,024)**	$ (10,296)

See accompanying notes to combined financial statements.

Lafarge Target Business
(Carve-Out of Certain Operations of Lafarge North America Inc.)

Combined Balance Sheets

	December 31 2011	2010
	(In Thousands)	
Assets		
Cash	**$ —**	$ —
Receivables, net	**20,472**	20,985
Inventories	**13,696**	15,730
Prepaid assets	**3,365**	2,352
Other current assets	**68**	35
Total current assets	**37,601**	39,102
Property, plant, and equipment, net	**277,311**	290,999
Goodwill	**101,200**	101,200
Other long-term assets	**111**	5
Total assets	**$416,223**	$431,306
Liabilities and net Parent investment		
Accounts payable	**$ 5,953**	$ 7,058
Accrued and other liabilities	**7,854**	6,746
Total current liabilities	**13,807**	13,804
Long-term debt	**46,454**	46,421
Other long-term liabilities	**904**	884
Deferred income taxes	**31,533**	31,549
Total liabilities	**92,698**	92,658
Net Parent investment		
Accumulated net contributions from Parent	**323,525**	338,648
Total net Parent investment	**323,525**	338,648
Total liabilities and net Parent investment	**$416,223**	$431,306

See accompanying notes to combined financial statements.

Lafarge Target Business
(Carve-Out of Certain Operations of Lafarge North America Inc.)

Combined Statements of Cash Flows

	Year Ended December 31 2011	2010
	(In Thousands)	
Operating activities		
Net loss	**$ (11,024)**	$ (10,296)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation and amortization	**21,636**	22,342
Deferred income taxes	**(16)**	(349)
Other noncash items	**(70)**	(128)
Amortization of original issue discount	**33**	46
Change in assets and liabilities:		
Receivables	**513**	(3,359)
Inventories	**2,034**	2,378
Prepaid assets	**(1,013)**	(2,002)
Other current assets	**(33)**	(219)
Other long-term assets	**(106)**	82
Accounts payable	**(1,105)**	1,982
Accrued and other liabilities	**1,108**	1,360
Other long-term liabilities	**20**	(128)
Net cash provided by operating activities	**11,977**	11,709
Investing activities		
Purchases of property, plant, and equipment	**(7,864)**	(3,762)
Net transfers of property, plant, and equipment from affiliates	**(67)**	(204)
Proceeds from the sale of property, plant, and equipment	**53**	745
Net cash used in investing activities	**(7,878)**	(3,221)
Financing activities		
Net distributions to Parent	**(4,099)**	(8,488)
Net cash used in financing activities	**(4,099)**	(8,488)
Net increase (decrease) in cash	**—**	—
Cash, beginning of period	**—**	—
Cash, end of period	**$ —**	$ —
Supplemental cash flow information		
Cash paid for interest	**$ 2,656**	$ 2,656

See accompanying notes to combined financial statements.

Lafarge Target Business
(Carve-Out of Certain Operations of Lafarge North America Inc.)

Combined Statements of Changes in Net Parent Investment

	Total Net Parent Investment
	(In Thousands)
Balance at December 31, 2009	$ 357,432
Net loss	(10,296)
Net distributions to Parent	(8,488)
Balance at December 31, 2010	338,648
Net loss	(11,024)
Net distributions to Parent	(4,099)
Balance at December 31, 2011	$ 323,525

See accompanying notes to combined financial statements.

1. Background and Nature of Operations

The accompanying combined financial statements include the historical accounts of the Lafarge Target Business business (Lafarge Target Business or the Business) of Lafarge North America Inc. (Lafarge NA or the Parent), which includes two cement manufacturing facilities, one located in Sugar Creek, Missouri and one located in Tulsa, Oklahoma. In addition to the two cement plants, the Lafarge Target Business includes five terminals served by the cement plants, which are located in Kansas City, Missouri, Springfield, Missouri, Omaha, Nebraska, Iola, Kansas and Oklahoma City, Oklahoma; two aggregates quarries; eight concrete batch plants and the fly-ash business located in the Kansas City, Missouri area. Lafarge NA is a large diversified supplier of aggregate, concrete and concrete products, cement and cement-related products, gypsum drywall and other construction materials used for residential, commercial, institutional, and public works construction. Lafarge NA is a wholly-owned subsidiary of Lafarge S.A. (the Group), which is domiciled in France.

2. Significant Accounting Policies

Basis of Presentation

The accompanying combined financial statements have been prepared in accordance with accounting principles generally accepted in the United States (U.S. GAAP) from the consolidated financial statements and accounting records of Lafarge NA using the historical results of operations and historical cost basis of the assets and liabilities of Lafarge NA that comprise the Lafarge Target Business. These financial statements have been prepared solely to demonstrate its historical results of operations, financial position, and cash flows for the indicated periods under Lafarge NA’s management. All intercompany balances and transactions within the Lafarge Target Business have been eliminated. Transactions and balances between the Lafarge Target Business and Lafarge NA and its subsidiaries are reflected as related party transactions within these financial statements.

The accompanying combined financial statements include the assets, liabilities, revenues, and expenses that are specifically identifiable to the Lafarge Target Business. In addition, certain costs related to the Lafarge Target Business have been allocated from the Parent. Those are derived from multiple levels of the organization including geographic business unit expenses, product line expenses, shared corporate expenses, and fees from the Group holding company. The Lafarge Target Business receives service and support functions from Lafarge NA and its subsidiaries. The Lafarge Target Business’s operations are dependent upon Lafarge NA and its subsidiaries’ ability to perform these services and support functions. The costs associated with these services and support functions (indirect costs) have been allocated to the Lafarge Target Business using the most meaningful respective allocation methodologies which were

2. Significant Accounting Policies (continued)

primarily based on proportionate revenue, proportionate headcount, proportionate direct labor costs, or proportionate tonnage sold by the Lafarge Target Business compared to Lafarge NA and/or its subsidiaries. These allocated costs are primarily related to corporate administrative expenses and reorganization costs, employee related costs including pensions and other benefits for corporate and shared employees, and rental and usage fees for shared assets for the following functional groups: information technology, legal services, accounting and finance services, human resources, marketing and contract support, customer support, treasury, facility, and other corporate and infrastructural services. Income taxes have been accounted for in these financial statements as described in Notes 2 and 9. Debt specific to the Lafarge Target Business has been reflected in these financial statements as described in Note 8.

The Business utilizes Lafarge NA's centralized processes and systems for cash management, payroll, purchasing, and distribution. As a result, substantially all cash received by the Business was deposited in and commingled with Lafarge NA's general corporate funds and is not specifically allocated to the Lafarge Target Business. The net results of these cash transactions between the Business and Lafarge NA are reflected as net parent investment within Equity in the accompanying balance sheets. In addition, the net parent investment represents Lafarge NA's interest in the recorded net assets of the Lafarge Target Business and represents the cumulative net investment by Lafarge NA in the Lafarge Target Business through the dates presented, inclusive of cumulative operating results.

Management believes the assumptions and allocations underlying the combined financial statements are reasonable and appropriate under the circumstances. The expenses and cost allocations have been determined on a basis considered by Lafarge NA to be a reasonable reflection of the utilization of services provided to or the benefit received by the Lafarge Target Business during the periods presented relative to the total costs incurred by Lafarge NA. However, the amounts recorded for these transactions and allocations are not necessarily representative of the amount that would have been reflected in the financial statements had the Business been an entity that operated independently of Lafarge NA. Consequently, future results of operations should the Lafarge Target Business be separated from Lafarge NA will include costs and expenses that may be materially different than the Lafarge Target Business's historical results of operations, financial position, and cash flows. Accordingly, the financial statements for these periods are not indicative of the Lafarge Target Business's future results of operations, financial position, and cash flows.

2. Significant Accounting Policies (continued)

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles in the U.S. requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the combined financial statements and the reported amounts of revenues and expenses. Actual results may differ from these estimates.

Cash

Treasury activities, including activities related to the Lafarge Target Business, are centralized by Lafarge NA such that cash collections are automatically distributed to Lafarge and reflected as net parent investment. As a result of this automatic distribution to Lafarge, the Lafarge Target Business does not hold any cash.

Concentration of Credit Risk

Financial instruments that potentially subject the Business to concentrations of credit risk are primarily receivables. The Business performs ongoing credit evaluations of its customers’ financial condition and generally requires no collateral from its customers. The allowances for non-collection of receivables are based upon analysis of economic trends in the construction industry, detailed analysis of the expected collectability of accounts receivable that are past due, and the expected collectability of overall receivables.

Inventories

Inventories are valued at the lower of cost or market. The majority of the Lafarge Target Business’s U.S. cement inventories, other than maintenance and operating supplies, are stated at last-in, first-out (LIFO) cost. All other inventories are valued at average cost.

2. Significant Accounting Policies (continued)

Property, Plant, and Equipment

Property, plant, and equipment is stated at cost less accumulated depreciation. Depreciation of property, plant, and equipment is computed for financial reporting purposes using the straight-line method over the estimated useful lives of the assets. These lives range from three years on light mobile equipment to 40 years on certain buildings. Repair and maintenance costs are expensed as incurred. Substantially all of the Lafarge Target Business's depreciation expenses are recorded in cost of goods sold.

Capitalized Interest

The Business capitalizes interest costs incurred during the construction of new facilities and certain software development projects as an element of construction in progress and amortizes such costs over the assets' estimated useful lives. If projects are put on hold, capitalization of interest stops.

Goodwill

Lafarge Target Business's goodwill reflected in these financial statements was allocated to the Lafarge Target Business based on the relative fair value of the Lafarge Target Business to the fair value of Lafarge NA business for the respective product lines. Management's estimate of the potential sales price of the Lafarge Target Business was used as a basis to determine the fair value of the Lafarge Target Business. Management believes that the fair value of the Lafarge Target Business has remained stable over the January 1, 2010 through December 31, 2011 period. The fair value of Lafarge NA business for the respective product lines was derived from the most recent annual goodwill impairment analysis performed by Lafarge NA. A total of $101.2 million in goodwill was allocated to the Lafarge Target Business for each of the years presented.

Goodwill represents the excess of costs over the fair value of identifiable assets of businesses acquired. Goodwill is not amortized, but is evaluated for potential impairment annually and whenever events or changes in circumstances indicate the carrying value of an asset may not be recoverable. The Business values goodwill in accordance with ASC 350, *Goodwill and Other Intangible Assets* (ASC 350). ASC 350 requires goodwill to be either qualitatively or quantitatively assessed for impairment annually (or more frequently if impairment indicators arise).

2. Significant Accounting Policies (continued)

Impairment or Disposal of Long-Lived Assets

The Business evaluates the recoverability of its long-lived assets in accordance with the provisions of ASC 360, *Property, Plant and Equipment* (ASC 360). ASC 360 requires that long-lived assets and certain identifiable intangibles be reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets is measured by comparing the carrying amount of an asset to future undiscounted net cash flows expected to be generated by the asset. Such evaluations for impairment are significantly impacted by estimates of future prices for its products, capital needs, economic trends in the construction sector, and other factors. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds their fair value. Assets to be disposed of by sale are reflected at the lower of their carrying amount or fair value less cost to sell.

Asset Retirement Obligations

The Business records its quarry reclamation obligations in accordance with ASC 410, *Asset Retirement and Environmental Obligations* (ASC 410). ASC 410 addresses financial accounting and reporting for obligations associated with the retirement of tangible long-lived assets and the associated asset retirement costs. It requires that the fair value of a liability for an asset retirement obligation be recognized in the period in which it is incurred if a reasonable estimate of fair value can be made. The associated retirement costs are capitalized as part of the carrying amount of the long-lived asset.

Environmental Remediation Liabilities

When the Business determines that it is probable that a liability for environmental matters has been incurred, an undiscounted estimate of the required remediation costs is recorded as a liability in the combined financial statements, without offset of potential insurance recoveries. Costs that extend the life, increase the capacity or improve the safety or efficiency of company-owned assets or are incurred to mitigate or prevent future environmental contamination are capitalized. Other environmental costs are expensed when incurred.

2. Significant Accounting Policies (continued)

Income Taxes

The provision for income taxes is calculated as if the Lafarge Target Business completed a separate tax return apart from its Parent, although the Business was included in the Parent's U.S. federal and state income tax returns and non-U.S. jurisdiction tax returns. Deferred tax assets and liabilities are recognized principally for the expected tax consequences of temporary differences between the tax basis of assets and liabilities and their reported amounts, using currently enacted tax rates. Tax attributes utilized by the Parent are treated as transactions between the Lafarge Target Business and the Parent.

Defined Benefit Pension Plans and Other Post-Retirement Benefits

The Lafarge Target Business's salaried employees and union hourly employees participate in defined benefit pension plans sponsored by the Parent. These plans include other Parent employees that are not employees of the Business. The Parent also provides certain retiree health and life insurance benefits to eligible employees who have retired from the Business. Salaried participants generally become eligible for retiree health care benefits when they retire from active service at age 55 or later. Benefits, eligibility, and cost-sharing provisions for hourly employees vary by location and/or bargaining unit. Generally, the health care plans pay a stated percentage of most medical and dental expenses reduced for any deductible, copayment, and payments made by government programs and other group coverage. For the year ended December 31, 2011 and 2010 respectively, the Parent allocated approximately $7.3 million and $5.1 million, of pension and other post-retirement benefits expense to the Business, which has been reflected within costs of goods sold and selling and administrative in the accompanying combined statements of operations. The related pension and post-retirement benefit liability has not been allocated to the Business and has not been presented in the accompanying balance sheet since the obligation is and will remain a liability of the Parent.

Revenue Recognition

Revenue from the sale of cement, cement-related products, aggregates, ready-mixed concrete, and concrete products is recorded when title and ownership are transferred upon delivery of the products. Amounts billed to a customer in a sales transaction related to shipping and handling are included in "Net Sales", and costs incurred for shipping and handling are classified as "Cost of goods sold" in the combined statements of operations. The revenues reported in these financial statements relate to specifically identifiable historical activities of the plants, terminals, and other

2. Significant Accounting Policies (continued)

assets that comprise the Lafarge Target Business. The Lafarge Target Business assigns revenue to the original production facility of the product even if the product is transported and sold through a distribution facility outside of the scope of the Lafarge Target Business, or sold in markets serviced by sales personnel outside of the scope of the Lafarge Target Business. Similarly, if a product from a non-Lafarge Target Business plant is sold through a Lafarge Target Business distribution facility or in a Lafarge Target Business market, revenue originating from the transaction remains with the producing facility and is not considered as Lafarge Target Business revenue. Correspondingly, distribution and sales costs for these activities are also allocated to the producing plant.

Recent Accounting Pronouncements

In January, 2010, the FASB issued guidance in ASU No. 2010-06, *Fair Value Measurements and Disclosures (Topic 820): Improving Disclosures about Fair Value Measurements* that requires disclosures of significant transfers between Level 1 and Level 2 of the fair value hierarchy. ASU No. 2010-06 further requires entities to report, on a gross basis, activity in the Level 3 fair value measurement reconciliation beginning on January 1, 2011. The adoption of ASU 2010-06 did not have a material impact on Lafarge Target Business's consolidated financial statements.

In May 2011, the FASB issued guidance in ASU No. 2011-04, *Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in US GAAP and IFRS* which updates the definition of fair value and measurement criteria to bring them into agreement with IFRS's (which are also changed to agree with US GAAP). The guidance is effective for interim and annual periods beginning after December 15, 2011. Early adoption is not permitted. The Business is evaluating the effects of this guidance but do not expect it to have a significant impact on its financial statements other than providing the required disclosures.

In December 2011, the FASB issued guidance on ASU 2011-11, *Disclosures about Offsetting Assets and Liabilities* which requires entities to disclose both gross and net information about both instruments and transactions eligible for offset in the combined balance sheets and instruments and transactions subject to an agreement similar to a master netting agreement. The guidance is effective for annual periods beginning on or after January 1, 2013. Early adoption is not permitted, but this guidance shall be applied retrospectively for any period presented that begins before the date of initial recognition. The Business is currently evaluating the impact of the adoption of ASU 2011-11.

3. Receivables

Receivables consist of the following:

	December 31	
	2011	**2010**
	(In Thousands)	
Trade receivables	**$21,327**	$21,794
Other receivables	**5**	80
Allowances	**(860)**	(889)
Total receivables, net	**$20,472**	$20,985

Lafarge NA maintains accounts receivable securitization programs in both the U.S and Canada to provide additional sources of working capital and long-term financing.

Under the program, Lafarge NA agrees to sell, on a revolving basis, all of its accounts receivable to wholly-owned, special purpose subsidiaries (the “SPS’s”), which are consolidated in Lafarge NA consolidated financial statements. The SPS’s in turn enter into agreements with an unrelated third-party commercial paper conduit to acquire long-term financing, using the accounts receivable as collateral.

Under the terms of Lafarge NA’s securitization agreement, the company maintains effective control over the assets transferred. In accordance with ASC 860 Transfers and Servicing, the accounts receivable securitization transactions have not been accounted for as sales. The related accounts receivable are included in Lafarge NA financial statements and those directly attributable to the Lafarge Target Business have been reflected in these financial statements.

4. Inventories

Inventories consist of the following:

	December 31 2011	December 31 2010
	(In Thousands)	
Finished products	**$ 3,539**	$ 6,043
Work in process	**2,344**	1,128
Raw materials, commodities, and fuel	**2,081**	2,002
Spare parts, supplies, and other	**5,732**	6,557
Total inventories	**$13,696**	$15,730

Inventories valued using the LIFO method are reported net of reserves of $2.2 million and $2.6 million at December 31, 2011 and 2010, respectively. Reserves for slow-moving and obsolete inventory items were $2.9 million and $2.9 million, at December 31, 2011 and 2010, respectively. Consistent with the manner in which revenue is recorded, Lafarge Target Business inventories relate to goods produced by Lafarge Target Business plants and not yet sold to a third-party customer and may be located at Lafarge NA distribution facilities which are not part of the Lafarge Target Business.

5. Property, Plant, and Equipment

Property, plant, and equipment consist of the following:

	December 31 2011	December 31 2010
	(In Thousands)	
Land	**$ 28,519**	$ 28,235
Buildings, machinery, and equipment	**483,570**	482,956
Construction in progress	**9,611**	2,510
Property, plant, and equipment, at cost	**521,700**	513,701
Accumulated depreciation and depletion	**(244,389)**	(222,702)
Total property, plant, and equipment, net	**$ 277,311**	$ 290,999

5. Property, Plant, and Equipment (continued)

Depreciation expenses for the years 2011 and 2010 were $21.6 million and $22.2 million, respectively.

6. Goodwill

In accordance with ASC 350 the Business performed the first step of the goodwill impairment test, by comparing the fair value of the Lafarge Target Business with the carrying value. The Business completed an assessment as of December 31, 2011, 2010, and 2009 and determined the fair value of the Lafarge Target Business exceeded its carrying value. As a result management concluded that there was no goodwill impairment.

The changes in the carrying value of goodwill are as follows:

	December 31	
	2011	2010
	(In Thousands)	
Balance at January 1	**$101,200**	$101,200
Impairment	**—**	—
Balance at December 31	**$101,200**	$101,200

7. Accrued and Other Liabilities

Accrued and other liabilities consist of the following:

	December 31	
	2011	2010
	(In Thousands)	
Suppliers	**$3,518**	$2,644
Bonuses	**1,922**	1,839
Rebates and other	**2,414**	2,263
Total accrued and other liabilities	**$7,854**	$6,746

8. Long-Term Debt

In 1998, Lafarge NA entered into a series of agreements, amended in 2003, with the municipality of Sugar Creek, Missouri. Under the agreements, Lafarge leases the Sugar Creek plant under a lease from the municipality of Sugar Creek, which issued $150 million of tax-exempt Sugar Creek Revenue Bonds to finance the construction of the Sugar Creek plant. Approximately $103 million of the bonds (the so-called Series B bonds) are held by Lafarge NA, while $47 million (the so-called Series A bonds) are held by third-party investors. Under the existing lease agreement, Lafarge is the obligor for the entire $150 million amount of bonds. However, given that Lafarge is also the holder of the Series B bonds, the financial statements only reflect the debt associated with the Series A bonds that are held by third-party investors. The liability related to the Series A bonds amounted to $46.5 million and $46.4 million, stated net of issue discount, at December 31, 2011 and 2010, respectively, due in 2037, bearing an annual interest rate of 5.7%.

The fair value of this debt at December 31, 2011 and 2010 was approximately $40.4 million and $45.2 million, respectively. This fair value was estimated based on quoted market prices or current interest rates offered to the Business for debt of the same maturity.

The scheduled annual principal payment requirements on debt for each of the five years in the period ending December 31, 2016 and thereafter are as follows (In thousands):

2012	$ —
2013	—
2014	—
2015	—
2016	—
Thereafter	47,000
Total	$47,000

9. Income Taxes

The components of the income tax provision are as follows:

	December 31 2011	2010
	(In Thousands)	
Current	**$(8,142)**	$(6,987)
Deferred	**(16)**	(349)
	$(8,158)	$(7,336)

The provision for income taxes differs from that which would have resulted from the use of the federal statutory income tax rates primarily as a result of the provision for various state income taxes and the depletion benefit. The state income tax and depletion benefit impacted Lafarge Target Business' federal statutory tax rate of 35% by approximately 4% and 3%, respectively, in 2011 and by approximately 4% and 2%, respectively, in 2010.

Deferred income taxes reflect the net effect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for tax purposes. The significant components of deferred tax assets and deferred tax liabilities included on the combined balance sheets are:

	December 31 2011	2010
	(In Thousands)	
Deferred tax assets:		
Allowances and reserves	**$ 1,896**	$ 2,050
Total deferred tax assets	**1,896**	2,050
Deferred tax liabilities:		
Depreciation, amortization, and other	**(33,429)**	(33,599)
Total deferred tax liabilities	**(33,429)**	(33,599)
Net deferred tax liabilities	**$(31,533)**	$(31,549)

9. Income Taxes (continued)

Lafarge Target Business's operating results have historically been included in the Parent's combined US Federal and state income tax returns. The provisions for income taxes in the combined financial statements have been determined on a separate return basis as if Lafarge Target Business filed its own tax returns. All tax attributes generated by the Lafarge Target Business, as calculated on a separate return methodology not used by the Parent historically, will be retained by the Parent. In 2010 and 2011, the Lafarge Target Business generated pretax operating losses resulting in federal and state tax benefits of $7.0 million and $8.1 million, respectively. The income tax benefits related to net operating losses was reflected in the carved-out financial statements as a distribution to the Parent. Management considered and weighed the available evidence, both positive and negative, to determine whether it is more-likely-than-not that some portion, or all, of Lafarge Target Business's deferred tax assets will not be realized. The Business has concluded that all of its deferred tax assets will be utilized against its deferred tax liability, and as such no valuation allowance has been established on such deferred tax assets.

The Business is subject to audit examinations at federal, state, and local levels by tax authorities in those jurisdictions. The tax matters challenged by the tax authorities are typically complex; therefore, the ultimate outcome of these challenges is subject to uncertainty. The Business does not believe that the carved-out operations gave rise to any material tax exposures and the Business and the Parent did not identify any issues that did not meet the recognition threshold or would be impacted by the measurement provisions of the uncertain tax position guidance.

10. Commitments and Contingencies

The Business leases certain land, buildings, and equipment. Total expenses under operating leases were $0.6 million and $0.5 million for the years ended December 31, 2011 and 2010, respectively. The Business also has noncapital purchase commitments that primarily relate to gas, power, fuel, and other significant raw material in the amount of $7.9 million and $5.9 million at December 31, 2011 and 2010, respectively. The table below shows the future minimum lease payments due under non-cancelable operating leases and purchase commitments at December 31, 2011:

10. Commitments and Contingencies (continued)

	Year Ended December 31					
	2012	2013	2014	2015	2016	Later Years
			(In Thousands)			
Operating leases	$ 466	$ 327	$ 212	$ 126	$ 1	$ —
Purchase commitments	8,064	6,842	3,392	3,542	3,588	17,500
Total commitments	$8,530	$7,169	$3,604	$3,668	$3,589	$17,500

In the ordinary course of business, the Business executes contracts involving indemnifications standard in the industry and indemnifications specific to a transaction such as sale of a business. These indemnifications might include claims relating to any of the following: environmental and tax matters; intellectual property rights; governmental regulations and employment-related matters; customer, supplier, and other commercial contractual relationships; and financial matters. While the maximum amount to which the Business may be exposed under such agreements cannot be estimated, it is the opinion of management that these guarantees and indemnifications are not expected to have a materially adverse effect on the Lafarge Target Business's financial condition, results of operations, or liquidity.

Based on the Environmental Protection Agency's (EPA) prior interpretation of certain Clean Air Act new source review and permitting rules, several of the Lafarge NA's cement plants, including the Sugar Creek and Tulsa cement plants that are included in the Lafarge Target Business operations, changed fuels in the early 1990's to petroleum coke or to a coal/coke mixture. The EPA contends that such rules do not exempt changes in fuel by cement manufacturers unless the plant at which the change occurs was built with the expressed intent of accommodating the alternate fuel. Lafarge NA entered into a Consent Decree with the EPA and certain States and, as a consequence of these discussions, will be required to make capital expenditures at certain of its cement plants. In addition, Lafarge North America paid a fine of approximately $5.1 million in April 2010, which was expensed and accrued for in 2009. Given that the fine resulted from negotiations held at the Lafarge NA level, and there is no direct correlation between the amount of the fine and the individual plants involved, the fine was not allocated to the Lafarge Target Business operations.

The EPA also issued new control regulations (NESHAP) aimed at reducing the level of certain emissions from all Portland cement kilns operating in the United States. In late 2010, the Portland Cement Association (PCA) and several cement producers, including Lafarge North America, sued the EPA asserting that the regulations in the proposed format were invalid and petitioned the United States Court of Appeals - District of Columbia Circuit to void the proposed

10. Commitments and Contingencies (continued)

regulations until corrected by the EPA. In December 2011, the Court ruled that it would not overturn the EPA standards but ordered the EPA to reconsider certain standards and re-issue the NESHAP rules. The EPA has undertaken reconsideration and has proposed rule revisions including changes to the standards applicable to particulate emissions and a change of the NESHAP compliance date for existing sources from September 2013 to September 2015. The EPA has expressed the intention to finalize the revisions through rulemaking by the end of 2012.

While a change in compliance date will affect the timing of any expenditures required for compliance, Lafarge North America and the Business expect that the Lafarge Target Business will need to expend capital or explore alternate means to license its facilities in order to maintain compliance. The amount already invested for the Lafarge Target Business plants relating to the consent decree and NESHAP is approximately $4.0 million. Management expects additional capital investment spend will be needed in the future.

When the Business determines that it is probable that a liability for environmental matters, legal actions, or other contingencies has been incurred and the amount of the loss is reasonably estimable, an estimate of the costs to be incurred is recorded as a liability in the financial statements. As of December 31, 2011, such liabilities are not material to Lafarge Target Business's financial statements. While management believes its accruals for such liabilities are adequate, the Business may incur costs in excess of the amounts provided at December 31, 2011. Although the ultimate amount of liability at December 31, 2011 that may result from these matters or actions is not ascertainable, the Business believes that any amounts exceeding the recorded accruals will not materially affect its financial condition.

In the ordinary course of business, the Business is involved in certain legal actions and claims, including proceedings under laws and regulations relating to environmental and other matters. Because such matters are subject to many uncertainties and the outcomes are not predictable with assurance, the total liability for these legal actions and claims cannot be determined with certainty. Management believes that such actions and claims will be resolved without material adverse impact to Lafarge Target Business's financial condition, results of operations, or liquidity.

11. Related Party Transactions

Allocated Expenses

Lafarge Target Business has been allocated expenses from the Parent of $27.8 million and $28.9 million for 2011 and 2010, respectively. These costs from the Parent are derived from multiple levels of the organization including geographic business unit expenses, product line expenses, shared corporate expenses, and fees from the Group holding company. These allocated costs are primarily related to corporate administrative expenses and reorganization costs, employee related costs including pensions and other benefits for corporate and shared employees, and rental and usage fees for shared assets for the following functional groups: information technology, legal services, accounting and finance services, human resources, marketing and contract support, customer support, treasury, facility and other corporate and infrastructural services. The costs associated with these services and support functions (indirect costs) have been allocated to the Lafarge Target Business using the most meaningful respective allocation methodologies which were primarily based on proportionate revenue, proportionate headcount, proportionate direct labor costs, or proportionate tonnage sold by the Lafarge Target Business compared to Lafarge NA and/or its subsidiaries.

Included in the allocated expenses from the Parent are approximately $7.3 million and $5.1 million, of pension and other postretirement benefits expense to the Company for the years ended December 31, 2011 and 2010, respectively, which has been reflected within cost of goods sold and selling and general administrative expenses in the accompanying statements of operations. Lafarge Target Business's salaried employees and union hourly employees participate in defined benefit pension plans sponsored by the Parent. These plans include other Parent employees that are not employees of the Business. The Parent also provides certain retiree health and life insurance benefits to eligible employees who have retired from the Business. Salaried participants generally become eligible for retiree health care benefits when they retire from active service at age 55 or later. Benefits, eligibility, and cost-sharing provisions for hourly employees vary by location and/or bargaining unit. Generally, the health care plans pay a stated percentage of most medical and dental expenses reduced for any deductible, copayment, and payments made by government programs and other group coverage. The related pension and postretirement benefit liability has not been allocated to the Business and has not been presented in the accompanying balance sheet since the obligation is and will remain a liability of the Parent.

11. Related Party Transactions (continued)

Sales/Purchases With Unconsolidated Affiliates

The Business purchases products from and sells products to certain Lafarge NA affiliates in which it does not have a controlling interest. Such purchases totaled $11.6 million in 2011 and $13.9 million in 2010; such sales totaled $0.9 million in 2011 and $0.9 million in 2010. Management believes all transactions with Lafarge Target Business's affiliates were on terms similar to those that would be obtained in transactions with unrelated parties.

12. Subsequent Events

Lafarge SA has announced a new reorganization project designed to accelerate the Group's development and profitability. The project replaces the product line-based organization with a country-based organization which will include the removal of a layer of management and the reorganization of the Group's Executive Committee. As part of this project, Lafarge North America has been implementing a new country-based organization in 2012. While a majority of the changes to the organization are above the level of operations contained in the Lafarge Target Business, there will be some impact to the Business. Certain functions previously performed at local operations will, after the implementation, be performed by the Parent as part of their administrative support. The Business is allocated a proportion of the overall cost of the reorganization. Lafarge Target Business's share of reorganization costs amounted to $1.4 million during the first six months of 2012.

The Business has conducted subsequent events review through September 26, 2012, which is the date the financial statements were available to be issued. There were no other subsequent events that require recognition of disclosure.

Exhibit 99.2

L A F A R G E   T A R G E T   B U S I N E S S

(Carve-Out of Certain Operations of Lafarge North America Inc.)

Unaudited Condensed Combined Financial Statements

For the Three and Six Months Ended June 30, 2012 and 2011

Lafarge Target Business
(Carve-Out of Certain Operations of Lafarge North America Inc.)

Index

Lafarge Target Business
(Carve-Out of Certain Operations of Lafarge North America Inc.)
Condensed Combined Statements of Operations
(In thousands)

	Three Months Ended June 30, 2012 Unaudited	Three Months Ended June 30, 2011 Unaudited	Six Months Ended June 30, 2012 Unaudited	Six Months Ended June 30, 2011 Unaudited
Net Sales	$ 54,417	$ 44,373	$ 80,395	$ 67,325
Costs, expenses and other income:				
Cost of goods sold	45,705	37,214	74,746	68,514
Selling and administrative	6,962	6,507	14,949	13,259
Other expenses, net	79	74	40	176
Interest expense	664	670	1,334	1,340
Total costs, expenses and other income	53,410	44,465	91,069	83,289
Income (Loss) from operations before income taxes	1,007	(92)	(10,674)	(15,964)
Income tax expense (benefit)	227	(40)	(4,502)	(6,790)
Net Income (Loss)	$ 780	$ (52)	$ (6,172)	$ (9,174)

See accompanying notes to condensed combined financial statements.

Lafarge Target Business
(Carve-Out of Certain Operations of Lafarge North America Inc.)
Condensed Combined Balance Sheets
(In thousands)

	June 30, 2012 Unaudited	December 31, 2011 Audited
Assets		
Cash	$ -	$ -
Receivables, net	31,377	20,472
Inventories	19,653	13,696
Prepaid assets	4,010	3,365
Other current assets	165	68
Total current assets	55,205	37,601
Property, plant and equipment, net	271,217	277,311
Goodwill	101,200	101,200
Other long-term assets	650	111
Total Assets	$ 428,272	$ 416,223
Liabilities and Net Parent Investment		
Accounts payable	$ 9,433	$ 5,953
Accrued and other liabilities	6,704	7,854
Total current liabilities	16,137	13,807
Long-term debt	46,456	46,454
Other long-term liabilities	948	904
Deferred income taxes	31,533	31,533
Total Liabilities	95,074	92,698
Net Parent Investment		
Accumulated net contributions from Parent	333,198	323,525
Total Net Parent Investment	333,198	323,525
Total Liabilities and Net Parent Investment	$ 428,272	$ 416,223

See accompanying notes to condensed combined financial statements.

Lafarge Target Business
(Carve-Out of Certain Operations of Lafarge North America Inc.)
Condensed Combined Statements of Cash Flows
(In thousands)

	Six Months Ended June 30	
	2012 Unaudited	2011 Unaudited
Cash flows from operating activities:		
Net loss	$ (6,172)	$ (9,174)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation and amortization	10,682	10,809
Other non-cash items	(156)	(48)
Amortization of original issue discount	2	12
Change in assets and liabilities:		
Receivables	(10,905)	(5,587)
Inventories	(5,957)	(6,875)
Prepaid assets	(645)	(1,105)
Other current assets	(97)	(208)
Other long-term assets	(539)	1
Accounts payable	3,480	2,654
Accrued and other liabilities	(1,150)	(943)
Other long-term liabilities	44	9
Net cash used in operating activities	(11,413)	(10,455)
Cash flows from investing activities:		
Purchases of property, plant and equipment	(4,432)	(1,277)
Net cash used in investing activities	(4,432)	(1,277)
Cash flows from financing activities:		
Net contributions from Parent	15,845	11,732
Net cash provided by financing activities	15,845	11,732
Net increase (decrease) in cash	-	-
Cash, beginning of period	-	-
Cash, end of period	$ -	$ -
Supplemental Cash Flow Information:		
Cash paid for Interest	$ 1,328	$ 1,328

See accompanying notes to condensed combined financial statements.

1. Background and Nature of Operations

The accompanying condensed combined financial statements include the historical accounts of the Lafarge Target Business (the "Business") of Lafarge North America Inc. ("Lafarge NA" or the "Parent"), which includes two cement manufacturing facilities, one located in Sugar Creek, Missouri and one located in Tulsa, Oklahoma. In addition to the two cement plants, Lafarge Target Business includes six terminals served by the cement plants, which are located in Kansas City, Missouri, Springfield, Missouri, Omaha, Nebraska, Wichita, Kansas, Iola, Kansas and Oklahoma City, Oklahoma; two aggregates quarries; eight concrete batch plants and the fly-ash business located in the Kansas City, Missouri area. Lafarge NA is a large diversified supplier of aggregate, concrete and concrete products, cement and cement-related products, gypsum drywall and other construction materials used for residential, commercial, institutional and public works construction. Lafarge NA is a wholly-owned subsidiary of Lafarge S.A. (the "Group"), which is domiciled in France.

2. Significant Accounting Policies

Basis of Presentation

The accompanying condensed combined financial statements are unaudited and have been prepared in accordance with accounting principles generally accepted in the United States (U.S. GAAP) from the consolidated financial statements and accounting records of Lafarge NA using the historical results of operations and historical cost basis of the assets and liabilities of Lafarge NA that comprise Lafarge Target Business. These financial statements have been prepared solely to demonstrate its historical results of operations, financial position, and cash flows for the indicated periods under Lafarge NA's management. All intercompany balances and transactions within Lafarge Target Business have been eliminated. Transactions and balances between Lafarge Target Business and Lafarge NA and its subsidiaries are reflected as related party transactions within these financial statements.

The accompanying combined financial statements include the assets, liabilities, revenues and expenses that are specifically identifiable to Lafarge Target Business. In addition, certain costs related to Lafarge Target Business have been allocated from the Parent. Those are derived from multiple levels of the organization including geographic business unit expenses, product line expenses, shared corporate expenses, and fees from the Group holding company. Lafarge Target Business receives service and support functions from Lafarge NA and its subsidiaries. Lafarge Target Business' operations are dependent upon Lafarge NA and its subsidiaries' ability to perform these services and support functions. The costs associated with these services and support functions (indirect costs) have been allocated to Lafarge Target Business using the most meaningful respective allocation methodologies which were primarily based on proportionate revenue, proportionate headcount, proportionate direct labor costs, or proportionate tonnage sold by Lafarge Target Business compared to Lafarge NA and/or its subsidiaries. These allocated costs are primarily related to corporate administrative expenses and reorganization costs, employee related costs including pensions and other benefits for corporate and shared employees, and rental and usage fees for shared assets for the following functional groups: information technology, legal services, accounting and finance services, human resources, marketing and contract support, customer support, treasury, facility and other corporate and infrastructural services.

The Business utilizes Lafarge NA's centralized processes and systems for cash management, payroll, purchasing and distribution. As a result, substantially all cash received by the Business was deposited in and commingled with Lafarge NA's general corporate funds and is not specifically allocated to Lafarge Target Business. The net results of these cash transactions between the Business and Lafarge NA are reflected as net parent investment within Equity in the accompanying balance sheets. In addition, the net parent investment represents Lafarge NA's interest in the recorded net assets of Lafarge Target Business and represents the cumulative net investment by Lafarge NA in Lafarge Target Business through the dates presented, inclusive of cumulative operating results.

Management believes the assumptions and allocations underlying the combined financial statements are reasonable and appropriate under the circumstances. The expenses and cost allocations have been determined on a basis considered by Lafarge NA to be a reasonable reflection of the utilization of services provided to or the benefit received by Lafarge Target Business during the periods presented relative to the total costs incurred by Lafarge NA. However, the amounts recorded for these transactions and allocations are not necessarily representative of the amount that would have been reflected in the financial statements had the Business been an entity that operated independently of Lafarge NA. Consequently, future results of operations, should Lafarge Target Business be separated from Lafarge NA, will include costs and expenses that may be materially different than Lafarge Target Business' historical results of operations, financial position and cash flows. Accordingly, the financial statements for these periods are not indicative of the Lafarge Target Business' future results of operations, financial position and cash flows.

Certain information and footnote disclosures normally included in annual financial statements prepared in accordance with US GAAP have been condensed or omitted. Management believes that these financial statements include all adjustments (which are normal and recurring in nature) necessary to present fairly the financial position of the Business and results of operations and cash flows for the periods presented.

The results of operations for the three and six months ended June 30, 2012 are not necessarily indicative of the results that may be expected for the year ending December 31, 2012. Seasonal changes and other weather related conditions can affect the production and sales volumes of Lafarge Target Business' products. Therefore, the financial results for any interim period do not necessarily indicate the results expected for the year.

These unaudited condensed combined financial statements should be read in conjunction with the Lafarge Target Business' audited consolidated financial statements and the notes thereto for the year ended December 31, 2011. Lafarge Target Business has continued to follow the accounting policies including the basis of presentation set forth in those consolidated financial statements.

Revenue Recognition

Revenue from the sale of cement, cement-related products, aggregates, ready-mixed concrete, and concrete products is recorded when title and ownership are transferred upon delivery of the products. Amounts billed to a customer in a sales transaction related to shipping and handling are included in "Net Sales", and costs incurred for shipping and handling are classified as "Cost of goods sold" in the combined statements of operations. The revenues reported in these financial statements relate to specifically identifiable historical activities of the plants, terminals, and other assets that comprise Lafarge Target Business. Lafarge Target Business assigns revenue to the original production facility of the product even if the product is transported and sold through a distribution facility outside of the scope of Lafarge Target Business, or sold in markets serviced by sales personnel outside of the scope of Lafarge Target Business. Similarly, if a product from a non-Lafarge Target Business plant is sold through a Lafarge Target Business distribution facility or in a Lafarge Target Business market, revenue originating from the transaction remains with the producing facility and is not considered as Lafarge Target Business revenue. Correspondingly, distribution and sales costs for these activities are also allocated to the producing plant.

Recent Accounting Pronouncements

In May 2011, the FASB issued guidance in ASU 2011-04 Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in US GAAP and IFRS which updates the definition of fair value and measurement criteria to bring them into agreement with IFRS's (which are also changed to agree with US GAAP). The guidance is effective for interim and annual periods beginning after December 15, 2011. Early adoption is not permitted. The adoption of this guidance did not have a significant impact on the Lafarge Target Business' financial statements.

In December 2011, the FASB issued guidance on ASU 2011-11 Disclosures about Offsetting Assets and Liabilities which requires entities to disclose both gross and net information about both instruments and transactions eligible for offset in the combined balance sheets and instruments and transactions subject to an agreement similar to a master netting agreement. The guidance is effective for annual periods beginning on or after January 1, 2013. Early adoption is not permitted, but this guidance shall be applied retrospectively for any period presented that begins before the date of initial recognition. The Business is currently evaluating the impact of the adoption of ASU 2011-11.

3. Receivables

Receivables consist of the following (*In thousands*):

	June 30, 2012	December 31, 2011
Trade receivables	$ 32,232	$ 21,327
Other receivables	76	5
Allowances	(931)	(860)
Total Receivables, net	$31,377	$ 20,472

Lafarge NA maintains accounts receivable securitization programs in both the U.S and Canada to provide additional sources of working capital and long-term financing. Under the program, Lafarge NA agrees to sell, on a revolving basis, all of its accounts receivable to wholly-owned, special purpose subsidiaries (the "SPS's"), which are consolidated in Lafarge NA consolidated financial statements. The SPS's in turn enter into agreements with an unrelated third-party commercial paper conduit to acquire long-term financing, using the accounts receivable as collateral.

Under the terms of Lafarge NA's securitization agreement, the company maintains effective control over the assets transferred. In accordance with ASC 860 Transfers and Servicing, the accounts receivable securitization transactions have not been accounted for as sales. The related accounts receivable are included in Lafarge NA financial statements and those directly attributable to Lafarge Target Business have been reflected in these financial statements.

4. Inventories

Inventories consist of the following (*In thousands*):

	June 30, 2012	December 31, 2011
Finished products	$ 7,111	$ 3,539
Work in process	4,338	2,344
Raw materials, commodities, and fuel	2,616	2,081
Spare parts, supplies and other	5,588	5,732
Total Inventories	$ 19,653	$ 13,696

Inventories valued using the LIFO method are reported net of reserves of $2.2 million at June 30, 2012 and December 31, 2011. Consistent with the manner in which revenue is recorded, Lafarge Target Business inventories relate to goods produced by Lafarge Target Business plants and not yet sold to a third party customer and may be located at Lafarge NA distribution facilities which are not part of Lafarge Target Business.

5. Property, Plant and Equipment

Property, plant and equipment consist of the following (*In thousands*):

	June 30, 2012	December 31, 2011
Land	$ 28,391	$ 28,519
Buildings, machinery and equipment	483,651	483,570
Construction in progress	12,640	9,611
Property, plant and equipment, at cost	524,682	521,700
Accumulated depreciation and depletion	(253,465)	(244,389)
Total Property, plant and equipment, net	$ 271,217	$ 277,311

Depreciation expenses were $5.4 million and $5.4 million for the three months ended June 30, 2012 and 2011, respectively and were $10.6 million and $10.7 million for the six months ended June 30, 2012 and 2011, respectively.

6. Accrued and Other Liabilities

Accrued and other liabilities consist of the following (*In thousands*):

	June 30, 2012	December 31, 2011
Suppliers	$ 3,475	$ 3,518
Bonuses	773	1,922
Rebates and other	2,456	2,414
Total Accrued and other liabilities	$ 6,704	$ 7,854

7. Long-Term Debt

In 1998, Lafarge NA entered into a series of agreements, amended in 2003, with the municipality of Sugar Creek, Missouri. Under the agreements, Lafarge leases the Sugar Creek plant under a lease from the municipality of Sugar Creek, which issued $150 million of tax-exempt Sugar Creek Revenue Bonds to finance the construction of the Sugar Creek plant. Approximately $103 million of the bonds (the so-called Series B bonds) are held by Lafarge NA, while $47 million (the so-called Series A bonds) are held by third party investors. Under the existing lease agreement, Lafarge is the obligor for the entire $150 million amount of bonds. However, given that Lafarge is also the holder of the Series B bonds, the financial statements only reflect the debt associated with the Series A bonds that are held by third party investors. The liability related to the Series A bonds amounted to $46.5 million, stated net of issue discount, at June 30, 2012 and December 31, 2011 due in 2037, bearing an annual interest rate of 5.7%.

8. Income Taxes

The Business is required at the end of each interim reporting period to make its best estimate of the annual effective tax rate for the full fiscal year and use that rate to provide for income taxes on a current year-to-date basis. As such, the 2011 annual effective tax rate was used to provide for income taxes in the combined statements of operations for the three and six months ended June 30, 2011. Management however determined that minor changes in the 2012 estimated annual ordinary income before taxes would have significant effects on the 2012 estimated annual effective tax rate, and thus concluded that it cannot make a reliable estimate of the 2012 annual effective tax rate for Lafarge Target Business. As such, the actual effective tax rates for the three and six months ended June 30, 2012 were used to provide for income taxes in the combined statements of operations for the three and six months ended June 30, 2012.

The Business is subject to audit examinations at federal, state and local levels by tax authorities in those jurisdictions. The tax matters challenged by the tax authorities are typically complex; therefore, the ultimate outcome of these challenges is subject to uncertainty. The Business does not believe that the carved-out operations gave rise to any material tax exposures and the Business and the Parent did not identify any issues that did not meet the recognition threshold or would be impacted by the measurement provisions of the uncertain tax position guidance.

9. Commitments and Contingencies

The Business leases certain land, buildings and equipment. Total expenses under operating leases were $0.1 million and $0.1 million for the three months ended June 30, 2012 and 2011, respectively and were $0.2 million and $0.2 million for the six months ended June 30, 2012 and 2011, respectively. The Business also has noncapital purchase commitments that primarily relate to gas, power, fuel and other significant raw material in the amount of $4.0 million and $7.9 million at June 30, 2012 and December 31, 2011, respectively. The table below shows the future minimum lease payments due under non-cancelable operating leases and purchase commitments at June 30, 2012 (*In thousands*):

	Years Ended December 31					
	Remaining 2012	2013	2014	2015	2016	Later Years
Operating leases	$ 233	$ 327	$ 212	$ 126	$ 1	$ -
Purchase commitments	4,032	6,842	3,392	3,542	3,588	17,500
Total commitments	$ 4,265	$ 7,169	$ 3,604	$ 3,668	$ 3,589	$ 17,500

In the ordinary course of business, the Business executes contracts involving indemnifications standard in the industry and indemnifications specific to a transaction such as sale of a business. These indemnifications might include claims relating to any of the following: environmental and tax matters; intellectual property rights; governmental regulations and employment-related matters; customer, supplier, and other commercial contractual relationships; and financial matters. While the maximum amount to which the Business may be exposed under such agreements cannot be estimated, it is the opinion of management that these guarantees and indemnifications are not expected to have a materially adverse effect on the Lafarge Target Business' financial condition, results of operations or liquidity.

The Environmental Protection Agency ("EPA") has issued new control regulations ("NESHAP") aimed at reducing the level of certain emissions from all Portland cement kilns operating in the United States. In late 2010, the Portland Cement Association ("PCA") and several cement producers, including Lafarge North America, sued the EPA asserting that the regulations in the proposed format were invalid and petitioned the United States Court of Appeals—District of Columbia Circuit to void the proposed regulations until corrected by the EPA. In December 2011, the Court ruled that it would not overturn the EPA standards but ordered the EPA to reconsider certain standards and re-issue the NESHAP rules. The EPA has undertaken reconsideration and has proposed rule revisions including changes to the standards applicable to particulate emissions and a change of the NESHAP compliance date for existing sources from September 2013 to September 2015. The EPA has expressed the intention to finalize the revisions through rulemaking by the end of 2012. While a change in compliance date will affect the timing of any expenditures required for compliance, Lafarge North America and the Business expect that Lafarge Target Business will need to expend capital or explore alternate means to license its facilities in order to maintain compliance. The amount already invested for Lafarge Target Business plants relating to NESHAP is approximately $5.0 million. Management expects additional capital investment spend will be needed in the future.

When the Business determines that it is probable that a liability for environmental matters, legal actions or other contingencies has been incurred and the amount of the loss is reasonably estimable, an estimate of the costs to be incurred is recorded as a liability in the financial statements. As of June 30, 2012, such liabilities are not material to the Lafarge Target Business' financial statements. While management believes its accruals for such liabilities are adequate, the Business may incur costs in excess of the amounts provided at June 30, 2012. Although the ultimate amount of liability at June 30, 2012 that may result from these matters or actions is not ascertainable, the Business believes that any amounts exceeding the recorded accruals will not materially affect its financial condition.

In the ordinary course of business, the Business is involved in certain legal actions and claims, including proceedings under laws and regulations relating to environmental and other matters. Because such matters are subject to many uncertainties and the outcomes are not predictable with assurance, the total liability for these legal actions and claims cannot be determined with certainty. Management believes that such actions and claims will be resolved without material adverse impact to the Lafarge Target Business' financial condition, results of operations or liquidity.

10. Related Party Transactions

Allocated Expenses
Lafarge Target Business has been allocated expenses from the Parent of $6.9 million and $6.7 million for the three months ended June 30, 2012 and 2011, respectively and $13.6 million and $13.5 million for the six months ended June 30, 2012 and 2011, respectively. These costs from the Parent are derived from multiple levels of the organization including geographic business unit expenses, product line expenses, shared corporate expenses, and fees from the Group holding company. These allocated costs are primarily related to corporate administrative expenses and reorganization costs, employee related costs including pensions and other benefits for corporate and shared employees, and rental and usage fees for shared assets for the following functional groups: information technology, legal services, accounting and finance services, human resources, marketing and contract support,

customer support, treasury, facility and other corporate and infrastructural services. The costs associated with these services and support functions (indirect costs) have been allocated to Lafarge Target Business using the most meaningful respective allocation methodologies which were primarily based on proportionate revenue, proportionate headcount, proportionate direct labor costs, or proportionate tonnage sold by Lafarge Target Business compared to Lafarge NA and/or its subsidiaries.

Included in the allocated expenses from the Parent are pension and other post-retirement benefits expense of approximately $1.8 million and $1.7 million for the three months ended June 30, 2012 and 2011, respectively and $3.3 million and $3.4 million for the six months ended June 30, 2012 and 2011, respectively, which has been reflected within cost of goods sold and selling and general administrative expenses in the accompanying statements of operations. Lafarge Target Business' salaried employees and union hourly employees participate in defined benefit pension plans sponsored by the Parent. These plans include other Parent employees that are not employees of the Business. The Parent also provides certain retiree health and life insurance benefits to eligible employees who have retired from the Business. Salaried participants generally become eligible for retiree health care benefits when they retire from active service at age 55 or later. Benefits, eligibility and cost-sharing provisions for hourly employees vary by location and/or bargaining unit. Generally, the health care plans pay a stated percentage of most medical and dental expenses reduced for any deductible, copayment and payments made by government programs and other group coverage. The related pension and post-retirement benefit liability has not been allocated to the Business and has not been presented in the accompanying balance sheet since the obligation is and will remain a liability of the Parent.

Lafarge SA has announced a new reorganization project designed to accelerate the Group's development and profitability. The project replaces the product line-based organization with a country-based organization which will include the removal of a layer of management and the reorganization of the Group's Executive Committee. As part of this project, Lafarge North America has been implementing a new country-based organization in 2012 which is still on-going as of September 25, 2012. While a majority of the changes to the organization are above the level of operations contained in Lafarge Target Business, there has been some impact to the Business. Certain functions previously performed at local operations will, after full implementation, be performed by the Parent as part of their administrative support. The Business is allocated a proportion of the overall cost of the reorganization. Lafarge Target Business' share of reorganization costs amounted to $1.2 million and $1.4 million during the three and six months ended June 30, 2012, respectively.

Sales/Purchases with unconsolidated affiliates
The Business purchases products from and sells products to certain Lafarge NA affiliates in which it does not have a controlling interest.

Such purchases totaled $1.3 million and $2.9 million for the three months ended June 30, 2012 and 2011, respectively; such sales totaled $0.3 million and $0.3 million for the three months ended June 30, 2012 and 2011, respectively.

Such purchases totaled $4.0 million and $6.3 million for the six months ended June 30, 2012 and 2011, respectively; such sales totaled $0.5 million and $0.5 million for the six months ended June 30, 2012 and 2011, respectively. Management believes all transactions with Lafarge Target Business' affiliates were on terms similar to those that would be obtained in transactions with unrelated parties.

11. Subsequent Events

The Business has evaluated its June 30, 2012 Condensed Combined Financial Statements for subsequent events through September 26, 2012, the date the Condensed Combined Financial Statements were available to be issued.

Unaudited Pro Forma Condensed Combined Financial Information

The following unaudited pro forma condensed combined financial statements give effect to the acquisition (the "Acquisition") by a wholly-owned subsidiary of Eagle Materials Inc. (the "Company") of certain assets used by the Lafarge Target Business (the carved-out operations of certain assets of Lafarge North America Inc.) (the "Lafarge Target Business"), which includes two cement manufacturing facilities, one located in Sugar Creek, Missouri and one located in Tulsa, Oklahoma. In addition to the cement plants, the Lafarge Target Business includes six terminals served by the cement plants, which are located in Sugar Creek and Springfield, Missouri; Omaha, Nebraska; Iola and Wichita, Kansas and Oklahoma City, Oklahoma; two aggregates quarries; eight ready-mix plants located in or near Kansas City, Missouri and a fly-ash business located in the Kansas City, Missouri area. The following unaudited pro forma condensed combined financial statements are based on the historical financial statements of the Company and the historical "carve-out" financial statements of the Lafarge Target Business.

The unaudited pro forma condensed combined financial information of the Company gives effect to the Acquisition as if it had occurred (i) on June 30, 2012 with respect to the unaudited pro forma condensed combined balance sheet as of June 30, 2012 and (ii) on April 1, 2011 with respect to the unaudited pro forma condensed combined statements of earnings for the fiscal year ended March 31, 2012 and for the three months ended June 30, 2012. The unaudited pro forma condensed combined statement of earnings for the fiscal year ended March 31, 2012 gives effect to the Lafarge Target Business acquisition as if it had occurred on April 1, 2011 and combines the Company's audited consolidated statement of earnings for the fiscal year ended March 31, 2012 with the Lafarge Target Business' audited combined statement of earnings for the fiscal year ended December 31, 2011. The Company's consolidated statement of earnings is derived from our audited financial statements as of and for the year ended March 31, 2012 included in the Company's annual report on Form 10-K filed with the Securities and Exchange Commission (the "Commission") on May 25, 2012. The Lafarge Target Business' condensed statement of earnings is derived from the combined carve-out financial statements included elsewhere in this Form 8-K. Certain amounts from the historical "carve-out" financial statements of the Lafarge Target Business have been reclassified to conform to the Company's presentation.

The unaudited pro forma condensed combined financial data is provided for comparative purposes only and does not purport to represent what the Company's financial position or results of operations would actually have been had the events noted above in fact occurred on the assumed dates or to project the Company's financial position or results of operations as of any future date or for any future period. This data should be read in conjunction with, and is qualified in its entirety by reference to:

- the Company's historical audited consolidated financial statements and related notes and the sections entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations" included in the Company's Annual Report on Form 10-K for the fiscal year ended March 31, 2012 and the Company's unaudited interim financial statements as of and for the three months ended June 30, 2012 included in the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2012, which are incorporated herein by reference; and
- the historical audited "carve-out" financial statements and related notes for the Lafarge Target Business for the years ended December 31, 2010 and 2011 included in Exhibit 99.1 to this Current Report on Form 8-K.

- the historical unaudited “carve-out” financial statements and related notes for the Lafarge Target Business for the six months ended June 30, 2012 included in Exhibit 99.2 to this Current Report on Form 8-K.

Eagle Materials Inc. and Subsidiaries

Unaudited Pro Forma Condensed Combined Statements of Earnings

For the Three Month Period Ended June 30, 2012

(dollars in thousands, except per share data)

	Historical Eagle Materials Inc.	Historical Lafarge Target Business	Adjustment of overhead allocation in carve-out	Ref	Pro Forma Adjustments	Ref.	Pro Forma Combined
Revenues	$ 154,042	$54,417	—				$ 208,459
					1,831	l	
Costs of Goods Sold	131,145	45,705	(1,323)	k	(1,211)	j	176,147
Gross Profit	22,897	8,712	1,323		(620)		32,312
Equity in Earnings of Unconsolidated Joint Venture	6,468		—				6,468
					(375)	k	
Corporate General and Administrative Expenses	(5,416)	(6,962)	5,506	k	1,831	l	(5,416)
Other Income (Expense)	(270)	(79)	—				(349)
Interest Expense, Net	(3,765)	(664)	—		(886)	b	(5,390)
					(75)	b	
Earnings Before Income Taxes	19,914	1,007	6,829		(125)		27,625
Income Taxes	(5,936)	(227)	(2,390)	c	43	c	(8,510)
Net Earnings	$ 13,978	$ 780	$ 4,439		$ (82)		$ 19,115
Comprehensive Earnings	$ 14,094	$ 780	$ 4,439		$ (82)		$ 19,231
EARNINGS PER SHARE							
Basic	$ 0.31	—	—		—		$ 0.40
Diluted	$ 0.31	—	—		—		$ 0.40
AVERAGE SHARES OUTSTANDING							
Basic	44,670,359	—	—		3,000,000	d	47,670,359
Diluted	45,078,734	—	—		3,000,000	d	48,078,734

See notes to the unaudited pro forma condensed combined financial statements.

Eagle Materials Inc. and Subsidiaries

Unaudited Pro Forma Condensed Combined Statements of Earnings

For the Fiscal Year Ended March 31, 2012

(dollars in thousands, except per share data)

	Historical Eagle Materials Inc.	Historical Lafarge Target Business	Adjustment of overhead allocation in carve-out	Ref	Pro Forma Adjustments	Ref.	Pro Forma Combined
Revenues	$ 495,023	$165,378	—				$ 660,401
					6,609	l	
					394	j	
Costs of Goods Sold	454,546	154,426	(5,526)	k	(5,515)	a	604,934
Gross Profit	40,477	10,952	5,526		(1,488)		55,467
Equity in Earnings of Unconsolidated Joint Venture	28,528	—	—				28,528
					(1,500)	k	
Corporate General and Administrative Expenses	(19,617)	(27,426)	22,317	k	6,609	l	(19,617)
Other Income (Expense)	356	(29)	—		—		327
Other Non-Operating Expense	(9,117)	—	—		—		(9,117)
Loss on Debt Retirement	(2,094)	—	—		—		(2,094)
Interest Expense, Net	(16,621)	(2,679)			(3,519)	b	(23,124)
					(305)	b	
Earnings Before Income Taxes	21,912	(19,182)	27,843		(203)		30,370
Income Taxes	(3,180)	8,158	(9,745)	c	71	c	(4,696)
Net Earnings	$ 18,732	$ (11,024)	$ 18,098		$ (132)		$ 25,674
Comprehensive Earnings	$ 16,109	$ (11,024)	$ 18,098		$ (132)		$ 23,051
EARNINGS PER SHARE							
Basic	$ 0.42	—	—		—		$ 0.54
Diluted	$ 0.42	—	—		—		$ 0.54
AVERAGE SHARES OUTSTANDING							
Basic	44,224,924	—	—		3,000,000	d	47,224,924
Diluted	44,515,981	—	—		3,000,000	d	47,515,981

See notes to the unaudited pro forma condensed combined financial statements.

Eagle Materials Inc. and Subsidiaries
Unaudited Pro Forma Condensed Combined Balance Sheet
At June 30, 2012
(dollars in thousands, except per share data)

	Historical Eagle Materials Inc.	Historical Lafarge Target Business	Purchase Adjustments	Ref.	Pro Forma Adjustments	Ref.	Pro Forma Combined
Current Assets -							
Cash	$ 3,707	$ —	$ —		$ —		$ 3,707
Accounts and Note Receivable	73,304	31,377	250	m	—		104,931
					2,163	i	
Inventories	114,441	19,653	1,468	g	812		138,537
Prepaid and Other Assets	3,366	4,175	—		—		7,541
Total Current Assets	194,818	55,205	1,718		2,975		254,716
Property, Plant and Equipment	1,145,195	524,682	(157,520)	g	(812)		1,511,545
Less: Accumulated Depreciation	(572,351)	(253,465)	253,465	g	—		(572,351)
Property, Plant and Equipment, net	572,844	271,217	95,945	g	(812)		939,194
Notes Receivable	3,360	—	—		—		3,360
Investment in Joint Venture	39,407	—	—		—		39,407
Goodwill and Intangible Assets	150,743	101,850	(61,850)	a,g	—	—	190,743
Other Assets	19,224	—	—		—		19,224
	$ 980,396	$ 428,272	$ 35,813		$ 2,163		$1,446,644
Current Liabilities -							
Accounts Payable	$ 34,517	$ 9,433	$ —		$ —		$ 43,950
Accrued Liabilities	30,275	6,704	(2,400)	n	—		34,579
Income Taxes Payable	8,192	—	—		—		8,192
Current Portion of Long-Term Debt	4,677	—	—		—		4,677
Total Current Liabilities	77,661	16,137	(2,400)		—		91,398
					319,900	b	
Long-Term Debt	249,259	46,456	(46,456)	e	—		569,159
Other Long-Term Liabilities	39,774	948	52		—		40,774
Deferred Income Taxes	129,760	31,533	(31,022)	h	—		130,271
Total Liabilities	496,454	95,074	(79,826)		319,900		831,602
Shareholders' Equity-							
Preferred Stock	—	—	—		—		—
Common Stock	454	—			30	d	484
Capital in Excess of Par Value	39,564	—			131,070	d	170,634
Accumulated Other Comprehensive Losses	(5,400)	—	—				(5,400)
Retained Earnings	449,324	333,198	(335,361)		2,163	i	449,324
Total Stockholders' Equity	483,942	333,198	(335,361)		133,263	f	615,042
	$ 980,396	$ 428,272	$(415,187)		$ 453,163		$1,446,644

See notes to the unaudited pro forma condensed combined financial statements.

Eagle Materials Inc. and Subsidiaries
Notes To Unaudited Pro Forma
Condensed Combined Financial Statements

(A) Basis of Pro Forma Presentation

The unaudited pro forma condensed combined financial information of the Company gives effect to the Acquisition as if it had occurred (i) on June 30, 2012 for the purposes of the unaudited pro forma condensed combined balance sheet as of June 30, 2012 and (ii) on April 1, 2011 for the purposes of the unaudited pro forma condensed combined statements of income for the fiscal year ended March 31, 2012 and for the three months ended June 30, 2012. The unaudited pro forma condensed combined statement of earnings for the fiscal year ended March 31, 2012 gives effect to the Lafarge Target Business acquisition as if it had occurred on April 1, 2011 and combines Eagle's consolidated statement of earnings for the fiscal year ended March 31, 2012 with the Lafarge Target Business's audited combined statement of earnings for the fiscal year ended December 31, 2011. Certain amounts from the historical "carve-out" financial statements of the Lafarge Target Business have been reclassified to conform to the Company's presentation.

General

The pro forma adjustments reflecting the Acquisition are based on certain estimates and assumptions. The unaudited pro forma adjustments may be revised as additional information becomes available. The actual adjustments and the allocation of the final purchase price will depend on a number of factors, including additional financial information available at such time. Therefore, the actual adjustments will differ from the pro forma adjustments and it is possible that the differences may be material. The Company's management believes that its assumptions provide a reasonable basis for presenting all of the significant effects of the transactions contemplated and that the pro forma adjustments give appropriate effect to those assumptions and are properly applied in the unaudited pro forma condensed combined financial information.

The unaudited pro forma condensed combined financial information does not include financial benefits or expenses from operating expense efficiencies or revenue enhancements arising from the Acquisition. Additionally, the Company estimates that it will incur transaction costs of approximately $3.0 million to $4.0 million associated with the Acquisition, which are not reflected in the unaudited pro forma condensed combined financial statements.

The unaudited pro forma condensed combined financial information is not intended to reflect the results of operations or the financial position that would have resulted had the Acquisition been effected on the dates indicated and if the Company and the Lafarge Target Business had been managed as one entity. The unaudited pro forma condensed combined financial information should be read in conjunction with the historical condensed financial statements of the Company included in the Company's Annual Report on Form 10-K for the fiscal year ended March 31, 2012 and Quarterly Report on Form 10-Q for the quarter ended June 30, 2012 and the historical "carve-out" financial statements of the Lafarge Target Business included as an Exhibit to this Current Report on Form 8-K.

(B) Preliminary Estimate of Consideration Expected to be Transferred

The Company has entered into an agreement to purchase the Lafarge Target Business for a purchase price of $446.0 million in cash, including working capital subject to customary post-closing adjustments. The target working capital will be adjusted to reflect the actual working capital acquired upon the close of the Acquisition, and any increases in working capital will increase the purchase price, while decreases in working capital will decrease the purchase price. The Acquisition is expected to be financed through a combination of borrowings under the Company's bank credit facility and the issuance of approximately $131.1 million in equity. The new debt is expected to be drawn from our existing credit facility, which was recently amended to increase available borrowings from $300.0 million to $400.0 million.

The Acquisition will be accounted for under the acquisition method of accounting. While the Company intends to have a third-party appraisal of the assets acquired and liabilities assumed, this appraisal process has not yet begun. Accordingly, the Company has estimated the purchase price allocation based on its own initial valuation of the major assets acquired, as determined primarily by a discounted cash flow analysis. This valuation is very preliminary in nature, and is provided solely for the purposes of preparing the unaudited pro forma condensed combined income statement and balance sheet.

The preparation of the valuation required the use of significant assumptions and estimates. Critical estimates included, but were not limited to, future expected cash flows, including projected revenues and expenses, and applicable discount rates. These estimates were based on assumptions that the Company believes to be reasonable. However, actual results may significantly differ from these estimates.

Under the acquisition method of accounting, the total estimated purchase price is allocated to the Lafarge Target Business's net tangible and intangible assets and assumed liabilities based on their estimated fair values at September 26, 2012. Based on the Company's preliminary valuation of the fair value of tangible and intangible assets acquired and liabilities assumed, which are based on estimates and assumptions that are subject to change, the preliminary purchase price is allocated as follows:

Purchase price allocation at acquisition date (in thousands)	As of September 26, 2012
Cash and cash equivalents	$ —
Accounts Receivable	31,627
Inventories	24,096
Prepaid and Other Assets	4,175
Property and Equipment	366,350
Intangible Assets	40,000
Accounts Payable	(9,433)
Accrued Liabilities	(4,304)
Other Long-term Liabilities	(1,000)
Deferred Taxes	(511)
Total Net Assets	451,000
Goodwill	—
Total Estimated Purchase Price	$ 451,000

As stated above, the purchase price allocation is preliminary. The Company has estimated that the final purchase price will increase to $451.0 million taking into account the expected effect of certain transactions and arrangements related to the acquisition. The Company is in the process of engaging a third-party firm to perform a full appraisal of all assets acquired and liabilities assumed. Adjustments to the allocation of fair value to the assets acquired and liabilities assumed likely will occur until such time as a final valuation report has been received. Such adjustments could be significant.

(C) Reclassifications

Historically the Lafarge Target Business classified certain repair parts as inventory and others as property, plant and equipment, while the Company classifies all repair parts as inventory. The reclassification above is made to conform the Lafarge Target Business's presentation to the Company's presentation by including all repair parts in inventory in the unaudited pro forma condensed combined financial statements.

Eagle classifies all expenses of its operating subsidiaries as cost of sales in its statement of earnings. Accordingly, all general and administrative expenses of the Lafarge Target Business have been reclassified to cost of sales in the pro forma presentation.

(D) Elimination of Overhead Allocation in Carve-out

The carve out financial statements of the Lafarge Target Business include an allocation of the estimated cost incurred by Lafarge Target Business' parent to provide services and support functions to the Lafarge Target Business. These allocated costs are primarily related to corporate administrative expenses and reorganization costs, employee related costs including pensions and other benefits for corporate and shared employees, and rental and usage fees for shared assets for certain functional groups. Because the cost structure of Eagle is significantly different than Lafarge Target Business' parent, we have adjusted the allocation to represent the costs expected to be incurred on behalf of the Lafarge Target Business by the Company, which total approximately $0.4 million and $1.5 million for the three months ended June 30, 2012 and the fiscal year ended March 31, 2012, respectively. These costs have been calculated based on the average of overhead costs incurred at our other cement plants of similar size. Further, we have assumed the addition of certain plant level personnel who will provide services similar to those included in Lafarge Target Business' allocation. This adjustment is forward-looking and not necessarily indicative of actual costs that will be incurred.

(E) Pro Forma Adjustments

a) To record the net increase in depreciation expense based on depreciation of the estimated fair market value of the plant and equipment purchased over the new estimated useful life, less historical depreciation incurred over the period. To record the net increase in amortization expense based on amortization of the estimated fair market value of the intangible assets purchased over the new estimated useful life, less historical amortization incurred over these periods:

	Three Months Ended June 30, 2012	
	Property, Plant and Equipment	Intangible Assets
	(dollars in thousands)	
Estimated fair value	$ 366,350	$ 40,000
Estimated fair value of land	(30,000)	—
Depreciable/Amortizable value	336,350	40,000
Estimated life (in years)	25	15
Estimated annual depreciation/amortization	13,454	2,667
	4	4
Estimated quarterly depreciation/amortization	3,364	667
Less historical quarterly depreciation/amortization	(5,242)	—
	$ (1,878)	$ 667

	Fiscal Year Ended March 31, 2012	
	Property, Plant and Equipment	Intangible Assets
	(dollars in thousands)	
Estimated fair value	$ 366,350	$ 40,000
Estimated fair value of land	(30,000)	—
Depreciable/Amortizable value	336,350	40,000
Estimated life (in years)	25	15
Estimated annual depreciation/amortization	13,454	2,667
Less historical depreciation/amortization	(21,636)	—
	$ (8,182)	$ 2,667

Identifiable intangible assets include permits and the fair value of a long-term supply agreement with Lafarge North America.

b) To record interest expense based on the estimated increased borrowings under our existing bank credit facility of $319.9 million to fund a portion of the purchase price owed in the Acquisition. The estimated interest rate on these borrowings is calculated based on the interest rate that would have been charged under the bank credit facility line of credit and the pro forma earnings before interest, taxes, depreciation and amortization and the pro forma debt as of the date of the Acquisition. A one-eighth percent hypothetical change in the interest rate would have increased or decreased pro forma interest expense by $0.1 million and $0.4 million during the three months ended June 30, 2012 and fiscal year ended March 31, 2012, respectively. This adjustment also includes the amortization of debt issue costs of $1.5 million incurred in connection with the additional borrowing, amortized over the remaining life of the related debt agreements, which averaged approximately 62 months as of April 2011.

The interest that the Company will ultimately pay on the borrowings under our bank credit facility could vary greatly from what is assumed in these unaudited pro forma condensed combined financial statements and will depend on the actual timing and amount of borrowings and repayments, and changes in the variable interest rate, among other factors.

c) To adjust the tax provision to reflect the aggregate pro forma increase in earnings before income taxes at the statutory tax rate of 35%.

d) To recognize 3,000,000 shares of common stock, par value of $.01, expected to be issued by the Company in connection with the proposed equity offering. The proposed offering is expected to generate net proceeds of approximately $131.1 million, after payment of the underwriting discount and other direct offering costs. The expected proceeds from the anticipated equity offering are based on an assumed average per share price of $46.00. The foregoing information assumes no exercise of the underwriters’ option to purchase additional shares.

Below is a reconciliation of shares used in computing pro forma earnings per share. The shares of common stock to be offered in the proposed equity offering have been treated as if they were issued at the beginning of each respective period.

	June 30, 2012	March 31, 2012
Weighted-Average Shares of Common Stock Outstanding	44,670,359	44,224,924
Shares assumed sold in the equity offering	3,000,000	3,000,000
Basic shares outstanding	47,670,359	47,224,924
Effect of Dilutive Shares:		
Assumed Exercise of Outstanding Dilutive Options	1,146,584	800,748
Less Shares Repurchased from Assumed Proceeds of Assumed Exercised Options	(954,464)	(652,046)
Restricted Shares	216,255	142,355
Weighted-Average Common and Common Equivalent Shares Outstanding	48,078,734	47,515,981

e) To eliminate debt of the Lafarge Target Business that is not being assumed in the Acquisition.

f) To eliminate the Lafarge Target Business historical shareholders' equity.

g) Reflects the net impact of the increase in accounts receivable ($250), inventory ($4,443), property, plant and equipment ($95,133), and intangible assets ($40,000), offset by the elimination of historical goodwill and intangible assets ($101,850).

h) To reflect the deferred tax impact on the fair value adjustment to inventory ($511) and to eliminate historical deferred taxes of the Lafarge Target Business.

i) To eliminate the LIFO reserve from the historical financial statements of the Lafarge Target Business.

j) To eliminate the change in the LIFO reserve of the Lafarge Target Business during the twelve month period ended June 30, 2012.

k) To reflect projected overhead costs on a pro forma basis for the Lafarge Target Business, and to eliminate the overhead allocated to the carve-out business by the parent company. Below is a reconciliation of the amounts allocated to the Lafarge Target Business that are not reflective of the expected results of operations going forward, along with the estimate of the overhead amounts expected to be realized by the new business.

	For the Three Months Ended June 30, 2012 (dollars in thousands)		
	Overhead Allocated in carve-out	Estimate of Future Expense	Net Adjustment
Cost of Sales	$ 1,323	$ —	$ (1,323)
Corporate Selling and Administrative	5,506	(375)	(5,131)
Total Expense	$ 6,829	$ (375)	$ (6,454)

	For the Fiscal Year Ended March 31, 2012 (dollars in thousands)		
	Overhead Allocated in carve-out	Estimate of Future Expense	Net Adjustment
Cost of Sales	$ 5,526	$ —	$ (5,526)
Corporate Selling and Administrative	22,317	(1,500)	(20,817)
Total Expense	$ 27,843	$ (1,500)	$ (26,343)

The estimates of futures expenses were derived by comparing this amount to the historical overhead expenses at our other cement plants, noting the amount was consistent with plants of similar size. This adjustment is forward looking and not necessarily indicative of actual costs that will be incurred.

l) General and administrative expenses remaining after the elimination of the overhead allocation have been reclassified to cost of sales to conform to the Company's presentation. See Note (C) for more information.

m) To recognize receivables being purchased that is not currently part of the Lafarge Target Business.

n) To eliminate liabilities of the Lafarge Target Business not being assumed in the Acquisition.