EAGLE MATERIALS INC
Form DEF 14A
June 22, 2012
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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the

Securities Exchange Act of 1934

(Amendment No.   )

Filed by the Registrant x   Filed by a Party other than the Registrant ¨

Check the appropriate box:

¨ Preliminary Proxy Statement

¨ **Confidential, for Use of the Commission only (as permitted by Rule 14a-6(e)(2))**

x Definitive Proxy Statement

¨ Definitive Additional Materials

¨ Soliciting Material Pursuant to § 240.14a-12

EAGLE MATERIALS INC.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

x No fee required.

¨ Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and 0-11.

1) Title of each class of securities to which transaction applies:

2) Aggregate number of securities to which transaction applies:

3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

4) Proposed maximum aggregate value of transaction:

5) Total fee paid:

¨ Fee paid previously with preliminary materials.

¨ Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

1) Amount Previously Paid:

2) Form, Schedule or Registration Statement No.:

3) Filing Party:

4) Date Filed:

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3811 Turtle Creek Blvd, Suite 1100

Dallas, Texas 75219-4487

June 22, 2012

Dear Fellow Stockholder:

It is my pleasure to invite you to our Annual Meeting of Stockholders, which will be held on Tuesday, August 7, 2012, at the Sheraton Suites Market Center, 2101 North Stemmons Freeway, Dallas, Texas 75207, at 8:00 a.m. We hope that you will attend the meeting, but we encourage you to vote by proxy whether or not you plan to attend the meeting in person.

This year we are again taking advantage of the Securities and Exchange Commission rules that allow companies to furnish their proxy materials over the Internet. As a result, beginning on June 22, 2012, we are mailing to many of our stockholders a Notice Regarding the Availability of Proxy Materials, or Notice, instead of a paper copy of the materials for the Annual Meeting. The Notice contains instructions on how to access the proxy materials over the Internet and vote online, as well as how stockholders can elect to receive paper copies of the materials. We believe that this process should expedite stockholders receipt of proxy materials and provide stockholders with the information they need, while being consistent with our objective of conserving our natural resources and reducing the costs of printing and distributing our proxy materials.

If you attend the Annual Meeting and desire to vote your shares personally rather than by proxy, you may withdraw your proxy at any time before it is exercised. **Your vote is very important, whether you own one share or many.**

Thank you for your continued support and interest in Eagle.

Sincerely,

Steven R. Rowley

President and Chief Executive Officer

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EAGLE MATERIALS INC.

3811 Turtle Creek Blvd, Suite 1100

Dallas, Texas 75219-4487

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

To Be Held August 7, 2012

To the Stockholders of Eagle Materials Inc.:

The annual meeting of stockholders of Eagle Materials Inc., which we refer to as the Company, will be held at the Sheraton Suites Market Center, located at 2101 North Stemmons Freeway, Dallas, Texas 75207 at 8:00 a.m., local time, on Tuesday, August 7, 2012. At the meeting, stockholders will vote on:

(1) Election of the three Class III directors identified in the accompanying proxy statement, each to hold office for three years.

(2) Approval of an advisory resolution regarding the compensation of our named executive officers.

(3) Approval of the expected appointment of Ernst & Young LLP as the Company s independent auditors for the fiscal year ending March 31, 2013.

(4) Any other matters properly brought before the annual meeting, or any adjournment thereof.

The Company s Board of Directors has fixed the close of business on June 11, 2012 as the record date for the determination of stockholders entitled to notice of and to vote at the meeting or any adjournment thereof. Only record holders of the Company s common stock, par value $0.01 per share, which we refer to as our Common Stock, at the close of business on the record date are entitled to notice of and to vote at the annual meeting. A list of holders of Common Stock will be available for examination by any stockholder at the meeting and, during the ten-day period preceding the meeting date at the executive offices of the Company located at 3811 Turtle Creek Blvd., Suite 1100, Dallas, Texas 75219-4487.

For further information regarding the matters to be acted upon at the annual meeting, I urge you to carefully read the accompanying proxy statement. If you have questions about these proposals or would like additional copies of the proxy statement, please contact: Eagle Materials Inc., Attention: James H. Graass, Secretary, 3811 Turtle Creek Blvd., Suite 1100, Dallas, Texas 75219-4487 (telephone: (214) 432-2000).

You are cordially invited to attend the annual meeting. Your vote is important. Whether or not you expect to attend the annual meeting in person, please vote through the Internet (as described in the Notice) or by telephone or fill in, sign, date and promptly return the accompanying form of proxy in the enclosed postage-paid envelope so that your shares may be represented and voted at the annual meeting. This will not limit your right to attend or vote in person at the annual meeting. Your proxy will be returned to you if you choose to attend the annual meeting and request that it be returned. Shares will be voted in accordance with the instructions contained in your proxy, but if any proxies that are signed and returned to us do not specify a vote on any proposal, such proxies will be voted in the manner, if any, recommended by the Board.

By Order of the Board of Directors

JAMES H. GRAASS

Executive Vice President,

General Counsel and Secretary

Dallas, Texas

June 22, 2012

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR

THE ANNUAL MEETING OF STOCKHOLDERS TO BE HELD ON AUGUST 7, 2012.

Our proxy statement and 2012 annual report to stockholders

are available to you on the Internet at www.proxyvote.com.

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EAGLE MATERIALS INC.

3811 Turtle Creek Blvd., Suite 1100

Dallas, Texas 75219-4487

PROXY STATEMENT

INTRODUCTION

The accompanying proxy, mailed or provided online, together with this proxy statement, is solicited by and on behalf of the Board of Directors of Eagle Materials Inc., which we refer to as the Company, for use at the annual meeting of stockholders of the Company and at any adjournment or postponement thereof. References in this proxy statement to we, us, our or like terms also refer to the Company. References to our Board of Directors or Board refer to the Board of Directors of the Company. The Notice Regarding the Availability of Proxy Materials, this proxy statement and accompanying proxy were first mailed to our stockholders on or about June 22, 2012.

Date, Time and Place of the Annual Meeting

The 2012 annual meeting of our stockholders will be held at the Sheraton Suites Market Center, located at 2101 North Stemmons Freeway, Dallas, Texas 75207 at 8:00 a.m., local time, on Tuesday, August 7, 2012.

Purposes of the Annual Meeting and Recommendations of our Board of Directors

At the meeting, action will be taken upon the following matters:

(1) *Election of Directors.* Stockholders will be asked to elect the three Class III directors identified in this proxy statement, each to hold office for a term of three years.

Our Board of Directors recommends that you vote for the election of its three nominees for director named in this proxy statement.

(2) *Advisory Vote on Compensation of our Named Executive Officers.* We are asking you to approve a non-binding advisory resolution regarding the compensation of our named executive officers as reported in this proxy statement.

Our Board of Directors recommends that you vote for the non-binding advisory resolution approving the compensation of our named executive officers.

(3) *Approval of the Expected Appointment of Ernst & Young LLP.* We are asking you to approve the expected appointment by our Audit Committee of Ernst & Young LLP as the Company s independent auditors for the fiscal year ending March 31, 2013.

Our Board of Directors recommends that you vote for the approval of the expected appointment of Ernst & Young LLP as the Company s independent auditors for the fiscal year ending March 31, 2013.

(4) *Other Business.* In addition, you may be asked to vote upon such other matters, if any, as properly come before the annual meeting, or any adjournment thereof.

Our Board of Directors does not know of any matters to be acted upon at the meeting other than the matters set forth in items (1) through (3) above.

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR

THE ANNUAL MEETING OF STOCKHOLDERS TO BE HELD ON AUGUST 7, 2012.

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ABOUT THE MEETING

Who Can Vote

The record date for the determination of holders of the Company s Common Stock, par value $0.01 per share, which we refer to as our Common Stock, entitled to notice of and to vote at the meeting, or any adjournment or postponement of the meeting, is the close of business on June 11, 2012. In this proxy statement, we refer to this date as the record date. As of the record date, there were 45,281,317 shares of our Common Stock issued and outstanding and entitled to vote at the meeting. Our stock transfer books will not be closed in connection with the meeting. Our Common Stock is listed on the New York Stock Exchange, or NYSE, under the symbol EXP.

How Proxies Will be Voted

Shares represented by valid proxies will be voted at the meeting in accordance with the directions given. If the enclosed proxy card is signed and returned without any direction given, the shares will be voted in the manner, if any, recommended by the Board. The Board does not intend to present, and has no information indicating that others will present, any business at the annual meeting other than as set forth in the attached Notice of Annual Meeting of Stockholders. However, if other matters requiring the vote of our stockholders properly come before the meeting, it is the intention of the persons named in the accompanying form of proxy to vote the proxies held by them in accordance with their best judgment in such matters.

How to Revoke Your Proxy

You have the unconditional right to revoke your proxy at any time prior to the voting thereof by submitting a later-dated proxy, by attending the meeting and voting in person, or by written notice to us addressed to: Eagle Materials Inc., Attention: James H. Graass, Secretary, 3811 Turtle Creek Blvd., Suite 1100, Dallas, Texas 75219-4487. No such revocation shall be effective, however, unless and until received by the Company at or prior to the meeting.

Quorum and Required Vote

The presence at the meeting, in person or represented by proxy, of the holders of a majority of the voting power of the shares of our capital stock entitled to vote on any matter shall constitute a quorum for purposes of such matter. Abstentions and broker non-votes will be included in determining the presence of a quorum at the meeting. The holders of Common Stock will be entitled to one vote per share on each matter that may properly be brought before the meeting or any adjournment thereof. There is no cumulative voting.

Proposal	Required Vote	Effect of Abstentions and Broker Non-Votes
Election of Directors	Majority of votes cast	No effect on outcome of vote
Advisory vote on compensation of our named executive officers	Majority of votes cast	No effect on outcome of vote
Approval of the expected appointment of Ernst & Young LLP as our independent auditors for the fiscal year ending March 31, 2013	Affirmative vote of a majority of the shares of Common Stock present in person or represented by proxy at the meeting	Same effect as votes against proposal

In the past, brokers had discretion to vote in the election of directors if they did not receive instructions from the beneficial owner. Due to a change in the rules of the NYSE, the election of directors is no longer considered a routine matter and thus brokers no longer have this discretionary authority. The advisory vote regarding executive compensation is also not considered routine, and brokers may not vote your shares with respect to such matters without instructions from you.

Expenses of Soliciting Proxies

The cost of soliciting proxies for the meeting will be borne by the Company. Solicitations may be made on behalf of our Board by mail, personal interview, telephone or other electronic means by officers and other employees of the Company, who will receive no additional compensation therefor. To aid in the solicitation of proxies, we have retained the firm of Georgeson Shareholder Communications, Inc., which will receive a fee of approximately $9,000, in addition to the reimbursement of out-of-pocket expenses. We will request banks, brokers, custodians, nominees, fiduciaries and other record holders to forward copies of this proxy statement to persons on whose behalf they hold shares of Common Stock and to request authority for the exercise of proxies by the record holders on behalf of those persons. In compliance with the regulations of the Securities and Exchange Commission, or SEC, and the NYSE, we will reimburse such persons for reasonable expenses incurred by them in forwarding proxy materials to the beneficial owners of our Common Stock.

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How You Can Vote

You can vote your shares at the meeting, by telephone, over the Internet or by completing, signing, dating and returning your proxy in the enclosed envelope.

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PROPOSAL NO. 1: ELECTION OF DIRECTORS AND RELATED MATTERS

General

Our Board of Directors is the ultimate decision-making body of the Company, except with respect to those matters reserved to our stockholders. The primary responsibilities of our Board include:

- the selection, compensation and evaluation of our Chief Executive Officer and oversight over succession planning;
- oversight of our strategic planning;
- approval of all our material transactions and financings;
- oversight of processes that are in place to promote compliance with law and high standards of business ethics;
- advising management on major issues that may arise; and
- evaluating the performance of the Board and its committees, and making appropriate changes where necessary.

Members of our Board of Directors are divided into three classes based on their term of office (Class I, II and III). The directors in each such class hold office for staggered terms of three years each. At present, we have two Class I directors, three Class II directors and three Class III directors. Our Board has determined that the Board shall consist of eight directors.

The following table shows the composition of our Board after the annual meeting, assuming the election of the proposed slate of director nominees:

Class	Directors
Class I: Term expires at the 2013 annual meeting and every three years thereafter	Robert L. Clarke Steven R. Rowley
Class II: Term expires at the 2014 annual meeting and every three years thereafter	Laurence E. Hirsch Michael R. Nicolais Richard R. Stewart
Class III: Term expires at the 2015 annual meeting and every three years thereafter	F. William Barnett Ed H. Bowman David W. Quinn

Director Independence

NYSE corporate governance rules require that our Board of Directors be comprised of a majority of independent directors. Our Board of Directors has determined, upon the recommendation of our Corporate Governance and Nominating Committee, which we refer to as our Governance Committee, that all members of our Board of Directors, other than Mr. Rowley, are independent within the meaning of the independence requirements of the Securities Exchange Act of 1934, as amended, which we refer to as the Exchange Act, and the corporate governance rules of the NYSE.

In determining that seven of our eight directors are independent, our Board of Directors considered the following facts:

- Messrs. F. William Barnett, Ed H. Bowman, Robert L. Clarke and Richard R. Stewart have no relationship with the Company that potentially affects their independence.

- From 1987 until his retirement in March 2002, Mr. David W. Quinn was an officer of Centex Corporation, our former parent, which we refer to as Centex. Because it has been over five years since his retirement as an officer of Centex and in light of the absence of any other material relationship with the Company (other than as a director of the Company), our Board of Directors has determined that Mr. Quinn has no material relationship with the Company.

- From 1985 until his retirement in March 2004, Mr. Laurence E. Hirsch was an officer of Centex. Mr. Hirsch was also our interim Chief Executive Officer for approximately six months from April 2003 until September 2003 prior to the appointment of Mr. Rowley as Chief Executive Officer in September 2003. Because it has been over five years since Mr. Hirsch retired from Centex or served as an officer of the Company on an interim basis, and in light of the absence of any other material relationship with the Company (other than as a director of the Company), our Board of Directors has determined that Mr. Hirsch has no material relationship with the Company.

Mr. Michael R. Nicolais entered into an employment relationship with a company owned by another member of our Board of Directors, Laurence E. Hirsch, in 2004. In particular, in April 2004, Mr. Nicolais accepted employment as president of Highlander Partners L.P., or Highlander Partners, a private investment partnership of which Mr. Hirsch is the sole equity owner. In view of, among other things: (1) the fact that Mr. Nicolais has never served as an officer or employee of the Company or any of its parents or subsidiaries; (2) the employment relationship between Mr. Nicolais and Highlander Partners commenced after the completion of the spin-off of the Company from Centex and after the date Mr. Hirsch retired as an executive officer and director of Centex; (3) the investment services provided by Mr. Nicolais to Highlander Partners are largely unrelated to the Company (except to the extent that such services involve investment services relating to a portion of the shares of our Common Stock beneficially owned by Mr. Hirsch); and (4) the fact that, as described above, our Board of Directors has determined that Mr. Hirsch himself has no material relationship with the Company, our Board of Directors determined that Mr. Nicolais has no material relationship with the Company.

Nominees

Each of the nominees listed below is currently a member of our Board of Directors. Each of these nominees has been recommended for nomination by our Governance Committee (with Mr. Barnett abstaining as to his own nomination) after considering the criteria described below under the heading Corporate Governance and Nominating Committee. We have no reason to believe that any of the listed nominees will become unavailable for election, but if for any reason that should be the case, proxies may be voted for substitute nominees. Because this is an uncontested election of directors, a majority of votes cast by the holders of our Common Stock (number of shares voted for a director nominee must exceed the number of votes cast against the director nominee) will be required to elect the nominees for director in accordance with our Bylaws and our Corporate Governance Guidelines. (A plurality voting standard would apply in a contested election.) If an incumbent director is not re-elected, such director will promptly tender his or her resignation to the Chairman of the Board, and a special committee of independent directors will consider the resignation and make a recommendation to the Board as to whether to accept or reject such resignation. The Board will then publicly disclose its decision regarding the resignation and the rationale behind the decision.

Although each of the nominees is standing for election to a three-year term, under the Company s director retirement policy, Mr. Quinn must retire from the Board at the next annual meeting to occur after his 72nd birthday. Therefore, if elected, Mr. Quinn will retire from the Board at the 2014 annual meeting.

Recommendation of the Board

Our Board of Directors recommends that holders of Common Stock vote for the election of the nominees listed below to serve as Class III directors for a three-year term ending at our 2015 annual meeting of stockholders:

F. William Barnett

Ed H. Bowman

David W. Quinn

Director Qualifications

Set forth below is information about the nominees standing for election at our 2012 annual meeting, as well as our continuing directors whose terms of office do not expire at such annual meeting. The biographical information appearing below regarding the nominees for director and continuing directors has been furnished to us by the respective nominees and directors. Also included below is a brief description of how each individual s experience qualifies him to serve as a director of the Company.

Nominees for Director Whose Terms Expire at our 2012 Annual Meeting

(Class III Directors)

Name	Age	Year First Elected	Business Experience and Principal Occupation; Directorships in Public Corporations and Investment Companies
F. William Barnett	65	2003	

Mr. Barnett retired in 2003 from his position as a Director in the Dallas office of McKinsey & Company, Inc., an international consulting firm, after 23 years of employment, where he led the firm s Strategy Practice. Mr. Barnett also served as a

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			director of Papa John s International, Inc. from 2003 until March 2009, and has been an Adjunct Professor at the Yale School of Management and the Jesse H. Jones Graduate School of Business at Rice University. Mr. Barnett currently chairs our Governance Committee.
			Mr. Barnett brings to the Board and the Governance Committee his corporate governance and strategy development and implementation experience gained from his long career in management consulting and his service on another board.
Ed H. Bowman	65	2011	Mr. Bowman served as Chief Executive Officer, President and a director of SOURCECORP from 1996 until 2012. Prior to 1996, Mr. Bowman was a senior executive at First Data Corporation. Mr. Bowman joined our Board in May 2011. Mr. Bowman serves on the advisory board of the J. Mack Robinson College of Business at Georgia State University.
			Mr. Bowman brings to the Board his proven leadership and business experience as the recently retired CEO of an expanding company. Mr. Bowman also brings corporate governance, finance and compensation knowledge gained from his experience at other public companies.
David W. Quinn	70	1994	Mr. Quinn served as a director of Centex from 1989 until its merger with Pulte in 2009, as Vice Chairman of the Board of Directors of Centex from May 1996 to March 2002, as Executive Vice President of Centex from February 1987 to May 1996, and Chief Financial Officer of Centex from February 1987 until June 1997 and again from October 1997 until May 2000. Mr. Quinn is the chairman of the Audit Committee of our Board of Directors.
			Mr. Quinn brings to the Board and the Audit Committee his extensive management, financial and audit experience gained from his 17 years as CFO and/or Vice Chairman of the Company s former parent company and through prior experience as a partner with a major accounting firm. Mr. Quinn also brings corporate governance experience gained from membership on the boards of other public and private companies.

Continuing Directors Whose Terms Expire at our 2013 Annual Meeting

(Class I Directors)

Name	Age	Year First Elected	Business Experience and Principal Occupation; Directorships in Public Corporations and Investment Companies
Robert L. Clarke	69	1994	Mr. Clarke was a partner in the law firm of Bracewell & Giuliani LLP (formerly known as Bracewell & Patterson) from 1971 to December 1985, returned to the firm as a partner in March 1992 and currently is a senior partner in that firm. From December 1985 to February 1992, he was Comptroller of the Currency of the United States. Mr. Clarke is also a director of Stewart Information Services Corporation. Mr. Clarke is a member of the Audit Committee and Compensation Committee of our Board of Directors.
			Mr. Clarke brings to the Board, the Audit Committee and the Compensation Committee extensive financial and legal experience and knowledge of corporate governance and financial oversight gained from his long legal career, his membership on the boards of other public companies and his service as

			Comptroller of the Currency of the United States.
Steven R. Rowley	59	2003	Mr. Rowley has been the Company s President and Chief Executive Officer and a member of our Board of Directors since September 2003. Mr. Rowley is also a member of the Executive Committee of our Board of Directors. Mr. Rowley joined the Company in 1991 as a plant manager at its Nevada cement operations and subsequently became Executive Vice President of the Company s Illinois Cement Company subsidiary in June of 1995. Mr. Rowley was named the Company s Executive Vice President-Cement in 1998. In 2001, Mr. Rowley s operational responsibilities were expanded to include concrete and aggregates. Mr. Rowley was the Company s Chief Operating Officer from October 2002 until September 2003.

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Mr. Rowley brings to the Board his extensive executive and operations experience in the construction products industry, including over 20 years of service with the Company.

Continuing Directors Whose Terms Expire at our 2014 Annual Meeting

(Class II Directors)

Name	Age	Year First Elected	Business Experience and Principal Occupation; Directorships in Public Corporations and Investment Companies
Laurence E. Hirsch	66	1985	Mr. Hirsch is chairman of Highlander Partners, a private investment company. He has served as chairman of our Board of Directors from July 1999 to the present and also served in that capacity from January 1994 through December 1997. He was our interim Chief Executive Officer from April 2003 through September 2003. Mr. Hirsch is a member of the Executive Committee of our Board of Directors. Until his retirement on March 31, 2004, Mr. Hirsch served Centex Corporation in various capacities, including as President beginning in 1985, as Chief Executive Officer beginning in July 1988 and as chairman of its board of directors beginning in July 1991. Mr. Hirsch served as a director of Belo Corp. from August 1999 through January 2008 and continued as a director of A. H. Belo until May 2011. Mr. Hirsch served as a director of the Federal Home Loan Mortgage Corp. (Freddie Mac) from November 2009 until February 2012. Mr. Hirsch is currently Chairman of the Center for European Policy Analysis.
			Mr. Hirsch brings to the Board his extensive executive experience gained through his service as the CEO of a public company. In addition, Mr. Hirsch brings extensive knowledge of the Company through having served as our Chairman for most of the last 15 years. Mr. Hirsch also brings valuable experience as an executive officer within the construction products industry and his knowledge of corporate governance and financial oversight gained from his membership on the boards of other public companies.
Michael R. Nicolais	54	2001	In April 2004, Mr. Nicolais became president of Highlander Partners. From August 2002 until March 2004, Mr. Nicolais served as managing director of Stephens, Inc., an investment banking firm. Prior to joining Stephens, Inc., he was a partner in the private investment firm of Olivhan Investments, L.P. from March 2001 until August 2002. From August 1986 to December 2000, he was employed by Donaldson, Lufkin & Jenrette Securities Corporation s Investment Banking Division, most recently in the position of Managing Director and co-head of that firm s Dallas office. Mr. Nicolais has been a member of our Board of Directors since 2001. He also serves as a member of the Compensation Committee and the Governance Committee.
			Mr. Nicolais brings to the Board, the Governance Committee and the Compensation Committee his extensive knowledge of capital markets, financial analysis and financial oversight gained through his experience as an investment banker and investment manager.
Richard R. Stewart	62	2006	From 1998 until 2006 Mr. Stewart served as President and CEO of GE Aero Energy, a division of GE Power Systems and as an officer of General Electric Company. Mr. Stewart retired from General Electric in 2006. Mr. Stewart s career at General Electric began in 1998 as a result of General Electric s acquisition of the gas turbine business of Stewart & Stevenson Services, Inc. Mr. Stewart began his career at Stewart & Stevenson in 1972 and while at Stewart & Stevenson served in various positions including as Group President and member of the board of directors. Mr. Stewart also served as a director of Plug Power Inc. from July of 2003 to March of 2006. Mr. Stewart became a director of Kirby Corporation in 2008 and a director of Lufkin Industries, Inc. in 2009. Mr. Stewart serves as chairman of the Compensation Committee of our Board of Directors.

Mr. Stewart brings to the Board and the Compensation Committee his proven leadership and business experience as the former CEO of a manufacturing company. Mr. Stewart also brings corporate governance and compensation experience gained from membership on the boards of other public companies and as an officer with General Electric.

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Board Meetings and Attendance Records

During the Company s fiscal year ended March 31, 2012, our Board of Directors held four regularly scheduled meetings and no special meetings. During such fiscal year, all of the incumbent directors attended at least 75% of the meetings of the Board and the committees of the Board on which they served. In accordance with our informal policy, we anticipate that all continuing directors and nominees will attend our 2012 annual stockholders meeting. All of our directors attended our 2011 annual meeting. We strongly encourage all directors to attend our stockholder meetings. Our non-employee directors (which currently constitute all our directors, except for Mr. Rowley) meet immediately after all Board meetings without management present. Mr. Hirsch presides at all executive sessions of the non-employee directors.

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BOARD COMPENSATION

Board compensation is generally set for the next 12 months at our Board of Directors meeting following our annual meeting of stockholders. In August 2011, our Board of Directors approved the same compensation levels paid last year by adopting a director compensation structure in which directors who are not employees of the Company or any of our subsidiaries received compensation for their services during the next 12 months (for the period from August 2011 through July 2012) by electing one of the following two compensation package alternatives: (1) total compensation valued at $150,000 per year, of which $75,000 is paid in cash and the remainder is provided in the form of an equity grant valued at $75,000; or (2) an equity grant valued at $170,000. The equity grant under either alternative is comprised of options to purchase Common Stock. In accordance with the terms of the Eagle Materials Inc. Incentive Plan, the exercise price of stock options is set at closing price of the Common Stock on the NYSE on the date of grant. The number of option shares is determined as of the date of grant by using the Black-Scholes method. All the options granted to directors in August 2011 were fully exercisable when granted and have a ten-year term.

Non-employee directors who chair committees of the Board of Directors receive additional annual compensation. The Governance Committee Chair receives a fee of $10,000 per year. The chairs of the Audit Committee and the Compensation Committee each receive a fee of $15,000 per year. The Chairman of the Board receives a fee of $50,000 per year. Chairpersons who elect to receive all Board compensation in the form of equity may also elect to receive this additional compensation in the form of options to purchase Common Stock, in which case a 26.67% premium is added to such fees when valuing the number of options to be received by such chairperson.

If directors hold restricted stock units, which we refer to as RSUs, granted as part of director compensation in prior fiscal years (which includes all directors other than Ed Bowman and Richard Stewart), these directors will accrue dividend equivalent units as and when the Company pays a cash dividend on the Common Stock in accordance with the terms of the RSUs.

All directors are reimbursed for reasonable expenses of attending meetings.

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Non-Employee Director Compensation for Fiscal Year 2012

The table below summarizes the compensation paid by the Company to our non-employee directors for the fiscal year ended March 31, 2012.

Name	Fees Earned or Paid in Cash	Stock Awards ($)	Option Awards ($)(1)	Non-Equity Incentive Plan Compensation ($)	Change in Pension Value and Nonqualified Deferred Compensation	All Other Compensation ($)	Total ($)
F. William Barnett(2)			$ 182,667				$ 182,667
Ed H. Bowman(3)(4)	$ 30,645		170,000				200,645
Robert L. Clarke(3)			170,000				170,000
Laurence E. Hirsch(5)			233,335				233,335
Frank W. Maresh(6)	25,000						25,000
Michael R. Nicolais(7)	75,000		75,000				150,000
David W. Quinn(8)			189,001				189,001
Richard R. Stewart(9)	90,000		75,000				165,000

(1) The amounts in this column reflect the value of option awards made to the directors in the fiscal year ended March 31, 2012 and are consistent with the grant date fair value of the award computed in accordance with FASB ASC Topic 718. For assumptions used in determining these values, refer to footnote (I) to the Company s audited financial statements for the fiscal year ended March 31, 2012 included in the Company s Annual Report on Form 10-K filed with the SEC on May 25, 2012, or Fiscal 2012 Form 10-K.

(2) Mr. Barnett is the Chair of the Governance Committee. He elected to receive 100% of his director compensation fiscal 2012 in the form of equity (including his chairperson fee).

(3) Messrs. Bowman and Clarke elected to receive 100% of their director compensation for fiscal 2012 in the form of equity.

(4) Mr. Bowman was appointed to the Board in May 2011 and received cash compensation for his service as a director from the date of his appointment through July 2011.

(5) Mr. Hirsch elected to receive 100% of his director compensation for fiscal 2012 in the form of equity (including his Chairman of the Board fee).

(6) Mr. Maresh retired as a director effective August 4, 2011.

(7) Mr. Nicolais elected to receive 50% of their director compensation for fiscal 2012 in the form of equity and 50% in cash.

(8) Mr. Quinn is the Chair of the Audit Committee. He elected to receive 100% of his director compensation for fiscal 2012 in the form of equity (including his chairperson fee).

(9) Mr. Stewart is the Chair of the Compensation Committee. He elected to receive 50% of his director compensation for fiscal 2012 in the form of equity and 50% in the form of cash. Mr. Stewart also elected to receive his committee chairperson fee in cash.

The following chart shows the number of outstanding stock options and RSUs held by each director as of March 31, 2012.

Name	Stock Options(1)	RSUs(2)
F. William Barnett	119,299	8,448
Ed H. Bowman	18,831	
Robert L. Clarke	103,679	8,448
Laurence E. Hirsch	138,457	10,961
Michael R. Nicolais	54,555	3,715
David W. Quinn	109,491	6,303
Richard R. Stewart	39,322	

(1) All of these stock options are fully exercisable.

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(2) The RSUs granted to non-employee directors are vested in full on the date of grant but are not payable until the non-employee director s service on the board terminates because of the director s death or the director s retirement in accordance with the Company s director retirement policy, or under such circumstances as are approved by the Compensation Committee. The number of RSUs reflected in this column includes the following aggregate dividend equivalent units, which are accrued by holders of our RSUs at any time we pay a cash dividend on our Common Stock: Mr. Barnett 936 RSUs; Mr. Clarke 936 RSUs; Mr. Hirsch 1,218 RSUs; Mr. Nicolais 415 RSUs; and Mr. Quinn 681 RSUs.

Board Leadership Structure and Role in Risk Oversight

The positions of Chairman of the Board and CEO are performed by two different persons. Mr. Rowley, our CEO, focuses on the day-to-day operation of the Company s businesses and participates in both operational and long-term strategy and development. Mr. Hirsch, our Chairman, oversees the Company s general strategic direction and leads and manages the Board.

As part of its primary risk management function, the Audit Committee oversees the preparation by management of a risk report on a quarterly basis. However, our entire Board of Directors is also charged with, and is actively involved in, identifying, evaluating and managing risks on behalf of the Company, and the Board undertakes to hold discussions on these topics with management and the Audit Committee throughout the year. Further, the independent directors address risk management in executive sessions without management present. As appropriate in the context of their chartered roles, the Board s other committees also perform risk management and oversight activities during the year. For example, the Governance Committee is responsible for overseeing governance issues that may create governance risks, such as board composition, director selection and other governance policies and practices that are critical to the success of the Company.

Risk Assessment in Compensation Programs

Consistent with SEC disclosure requirements, management, the Compensation Committee and the Board have assessed the Company s compensation programs. Based upon all of the facts and circumstances available to the Company at the time of the filing of this Proxy Statement, the Board has concluded that there are no risks arising from the Company s compensation policies and practices that are reasonably likely to have a material adverse effect on the Company or encourage unnecessary and excessive risk-taking. This assessment was overseen by the Compensation Committee, in consultation with management. We reviewed the compensation policies and practices in effect for our executive officers, senior management and other employees and assessed the features we have built into the compensation programs to discourage excessive risk-taking. These features include, among other things, a balance between different elements of compensation, use of different time periods and performance metrics for different elements of compensation, restrictions on pricing authority, review and approval of material contracts, and stock ownership guidelines for senior management.

Board Committees

The standing committees of our Board of Directors include the Audit Committee, the Compensation Committee, the Governance Committee and the Executive Committee. The following table lists the chairpersons and members of each committee as of March 31, 2012, and the number of meetings held by each committee during the fiscal year ended March 31, 2012:

Director	**Audit**	**Compensation**	**Governance**	**Executive**
F. William Barnett			Chair	
Ed H. Bowman	Member	Member		
Robert L. Clarke	Member		Member	
Laurence E. Hirsch				Chair
Michael R. Nicolais		Member	Member	
David W. Quinn	Chair			
Steven R. Rowley				Member
Richard R. Stewart		Chair		
Number of Meetings in Fiscal 2012	9	8	4	0

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Audit Committee

Our Board has a standing Audit Committee, composed of three independent directors. Our Audit Committee assists the Board in fulfilling its responsibility to oversee the integrity of our financial statements, our compliance with legal and regulatory requirements, the qualifications and independence of our independent auditors and the performance of our internal audit function and independent auditors. Our Audit Committee is governed by an amended and restated Audit Committee charter, a copy of which may be viewed on our website at *www.eaglematerials.com* and will be provided free of charge upon written request to our Secretary at our principal executive office.

Our Board has determined that each member of our Audit Committee is independent within the meaning of applicable (1) corporate governance rules of the NYSE and (2) requirements set forth in the Exchange Act and the applicable SEC rules. In addition, our Board has determined that each member of our Audit Committee satisfies applicable NYSE standards for financial literacy and that, based on his auditing and financial experience, including over seventeen (17) years as CFO and/or Vice Chairman of the Company s former parent company and through prior experience as a partner with a major accounting firm, Mr. Quinn is an audit committee financial expert within the meaning of the rules of the SEC.

Unless otherwise determined by the Board, no member of our Audit Committee may serve as a member of an audit committee of more than two other public companies.

Certain key functions and responsibilities of our Audit Committee are to:

- select, appoint, compensate, evaluate, retain and oversee the independent auditors engaged for purposes of preparing or issuing an audit report or related work or performing other audit, review, or attestation services for us;

- obtain and review, at least annually, a formal written statement from our independent auditors describing all relationships between our auditors and the Company and engage in a dialogue with our auditors with respect to any disclosed relationships or services that may impact the objectivity and independence of the auditors and to recommend appropriate action in response to the reports to our Board;

- pre-approve all audit engagement fees and terms and all permissible non-audit services provided to us by our independent auditors, in accordance with the committee s policies and procedures for pre-approving audit and non-audit services;

- establish procedures for (i) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters and (ii) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters;

- discuss our annual audited financial statements, quarterly financial statements and other significant financial disclosures with management and our independent auditors;

- discuss with management the types of information to be disclosed and the types of presentations to be made in our earnings press releases, as well as the financial information and earnings guidance we provide to analysts and rating agencies;

- annually review and assess the performance of the Audit Committee and the adequacy of its charter;

- discuss policies with respect to risk assessment and risk management; and prepare the report that is required to be included in our annual proxy statement regarding review of financial statements and auditor independence.

Our Audit Committee s report on our financial statements for the fiscal year ended March 31, 2012 is presented below under the heading Audit Committee Report.

Our Audit Committee meets separately with our independent auditors and with members of our internal audit staff outside the presence of the Company s management or other employees to discuss matters of concern, to receive recommendations or suggestions for change and to exchange relevant views and information.

Compensation Committee

Our Board s Compensation Committee is composed of independent directors who meet the corporate governance standards of the NYSE, qualify as non-employee directors within the meaning of Rule 16b-3(b)(3) of the Exchange Act and as outside directors within the meaning of the Internal Revenue Code. Under its amended and restated charter, which you may review on our

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web site at *www.eaglematerials.com* (and a copy of which will be provided to you free of charge upon written request to our Secretary at our principal executive office), the primary purposes of our Compensation Committee are to assist the Board in discharging its responsibilities relating to compensation of our Chief Executive Officer and other senior executives and to direct the preparation of the reports regarding executive compensation that the rules of the SEC require to be included in our annual proxy statement. The Compensation Committee is authorized to hire outside advisors. For additional information regarding outside advisors engaged by the Compensation Committee, please see Compensation Discussion and Analysis beginning on page 18 of this proxy statement.

Certain key functions and responsibilities of our Compensation Committee are to:

- periodically review and make recommendations to our Board as to our general compensation philosophy and structure, including reviewing the compensation programs for senior executives and all of our benefit plans to determine whether they are properly coordinated and achieve their intended purposes;

- annually review and approve corporate goals and objectives relevant to the compensation of our Chief Executive Officer, evaluate his or her performance as measured against such goals and objectives and to set the salary and other cash and equity compensation for our Chief Executive Officer based on such evaluation;

- review and, after the end of the fiscal year and in consultation with our Chief Executive Officer, approve the compensation of our senior executive officers who are required to make disclosures under Section 16 of the Exchange Act, who we refer to as our senior executive officers ;

- administer the Company s compensation plans for which it is named as plan administrator, including our Incentive Plan;

- report on compensation policies and practices with respect to our executive officers as required by SEC rules; and

- review and assess the performance of the Compensation Committee and the adequacy of its charter annually and recommend any proposed changes to the Board.

In accordance with the terms of our Incentive Plan, the Compensation Committee has delegated to the Special Situation Stock Option Committee (whose sole member is our CEO) the authority to grant time-vesting stock options in special circumstances. Under this authorization, the Special Situation Stock Option Committee may grant stock options to newly-hired employees and newly-promoted employees. This authority, which expires on May 31, 2013, is limited to an aggregate of 60,000 option shares, no one individual may receive more than 30,000 option shares, and the CEO may not receive options pursuant to this authority. Stock options granted under this delegation of authority vest 20% per year commencing on the first anniversary of the grant date. During fiscal 2012 no stock options were granted to employees under this authority.

Our Compensation Committee s report for the fiscal year ended March 31, 2012 is presented below under the heading Compensation Committee Report beginning on page 17 of this proxy statement.

Our Compensation Committee meets as often as it deems appropriate, but no less than twice per year.

Governance Committee

Our Board s Governance Committee is composed of independent directors who meet the corporate governance standards of the NYSE. The primary purposes of this committee are: (1) to advise and counsel our Board and management regarding, and oversee our governance, including our Board s selection of directors; (2) to develop and recommend to the Board a set of corporate governance principles for the Company; and (3) to oversee the evaluation of our Board and management. Our Governance Committee has adopted a written charter, and our Board has also adopted Corporate Governance Guidelines. Both the Governance Committee charter and the Corporate Governance Guidelines may be viewed on our web site at *www.eaglematerials.com* and will be provided free of charge upon written request to our Secretary at our principal executive office.

Certain key functions and responsibilities of our Governance Committee are to:

- develop, periodically review and recommend a set of corporate governance guidelines for the Company to the Board;
- periodically review corporate governance matters generally and recommend action to the Board where appropriate;
- review and assess the adequacy of its charter annually and recommend any proposed changes to our Board for approval;
- monitor the quality and sufficiency of information furnished by management to our Board;
- actively seek, recruit, screen, and interview individuals qualified to become members of the Board, and consider management s recommendations for director candidates;

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- evaluate the qualifications and performance of incumbent directors and determine whether to recommend them for re-election to the Board;
- establish and periodically re-evaluate criteria for Board membership;
- recommend to the Board the director nominees for each annual stockholders meeting; and
- recommend to the Board nominees for each committee of the Board.

The Governance Committee initiates and oversees an annual evaluation of the effectiveness of the Board and each committee, as well as the composition, organization (including committee structure, membership and leadership) and practices of the Board. This evaluation is confidential as to each member of the Board and its committees. Part of the Governance Committee s self-evaluation process involves an assessment of the effectiveness of the Company s corporate governance policies, which includes the Company s policies surrounding diversity.

Among the criteria the Governance Committee uses in evaluating the suitability of individual nominees for director (whether such nominations are made by management, a stockholder or otherwise) are their integrity, experience, achievements, judgment, intelligence, personal character, ability to make independent analytical inquiries, willingness to devote adequate time to Board duties and the likelihood that he or she will be able to serve on the Board for a sustained period. In connection with the selection of nominees for director, the Governance Committee gives due consideration to diversity in perspectives, backgrounds, business experiences, professional expertise, gender and ethnic background among the Board members.

Members of the Governance Committee, other members of the Board or executive officers may, from time to time, identify potential candidates for nomination to our Board. All proposed nominees, including candidates recommended for nomination by stockholders in accordance with the procedures described below, will be evaluated in light of the criteria described above and the projected needs of the Board at the time. As set forth in its charter, the Governance Committee may retain a search firm to assist in identifying potential candidates for nomination to the Board of Directors.

Our Governance Committee will consider candidates recommended by stockholders for election to our Board. A stockholder who wishes to recommend a candidate for evaluation by our Governance Committee should forward the candidate s name, business or residence address, principal occupation or employment and a description of the candidate s qualifications to the Chairman of the Governance Committee at the following address: Eagle Materials Inc., Attention: Secretary, 3811 Turtle Creek Boulevard, Suite 1100, Dallas, Texas 75219-4487.

Our Bylaws provide that, to be considered at the 2013 annual meeting, stockholder nominations for the Board of Directors must be submitted in writing and received by our Secretary at the executive offices of the Company during the period beginning on February 8, 2013 and ending May 9, 2013, and must contain the information specified by and otherwise comply with the terms of our Bylaws. Any stockholder wishing to receive a copy of our Bylaws should direct a written request to our Secretary at the Company s principal executive offices.

No nominees for election to the Board at our 2012 annual meeting of stockholders were submitted by stockholders or groups of stockholders owning more than 5% of our Common Stock.

Executive Committee

The principal function of our Board s Executive Committee is to exercise all of the powers of the Board to direct our business and affairs between meetings of the Board, except that the Executive Committee may not amend our Certificate of Incorporation or Bylaws, adopt an agreement of merger or consolidation under Delaware law, recommend the sale of all or substantially all of our assets or recommend the dissolution of the Company or the revocation of a dissolution. In addition, unless authorized by resolution of our Board of Directors, the Executive Committee may not declare a dividend, authorize the issuance of stock or adopt a certificate of ownership and merger under Delaware law.

Compensation Committee Interlocks and Insider Participation

No member of our Compensation Committee had a relationship during the fiscal year ended March 31, 2012 that requires disclosure as a Compensation Committee interlock.

How to Contact Our Board

Shareholders and other interested parties can communicate directly with our Board, a committee of our Board, our independent directors as a group, our Chairman of the Board or any other individual member of our Board by sending the communication to Eagle Materials Inc., 3811 Turtle Creek Blvd., Suite 1100, Dallas, Texas 75219-4487, to the attention of the

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director or directors of your choice (e.g., Attention: Chairman of the Board of Directors or Attention: All Independent Directors, etc.). We will relay communications addressed in this manner as appropriate. Communications addressed to the attention of the entire Board are forwarded to the Chairman of the Board for review and further handling.

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EXECUTIVE OFFICERS WHO ARE NOT DIRECTORS

The following list sets forth the names, ages as of the date of this proxy statement and principal occupations of each person who was an executive officer of the Company during the fiscal year ended March 31, 2012 and who is not also a member of our Board. Except as noted below, all of these persons have been elected to serve until the next annual meeting of our Board or until their earlier resignation or removal.

Name	Age	Title
D. Craig Kesler	36	Executive Vice President Finance and Administration and Chief Financial Officer (has held current office since August 2009; Vice President Investor Relations and Corporate Development from March 2005 through August 2009; Audit Manager of Ernst & Young LLP from April 2002 through September 2005).
Gerald J. Essl	62	Executive Vice President Cement/Aggregates and Concrete (has held current office since January 2003; President of Texas Lehigh Cement Company from 1985 through December 2002).
James H. Graass	54	Executive Vice President, General Counsel and Secretary (Executive Vice President and General Counsel since November 2000; Mr. Graass was named Secretary of the Company in July 2001).
David B. Powers	62	Executive Vice President Gypsum and President of American Gypsum Company (has held current office since January 2005; Executive Vice President Marketing, Sales and Distribution of American Gypsum Company from June 2002 through December 2004; Vice President, Customer Service of USG Corporation from 2000 through 2002; Vice President, Specialty Products and Architectural Systems Business of USG Corporation from 1998 through 2000).
Robert S. Stewart	58	Executive Vice President Strategy, Corporate Development and Communications (has held current office since August 2009; Senior Vice President of Centex Corporation from 2000 through August 2009).
William R. Devlin	46	Senior Vice President, Controller and Chief Accounting Officer (has held current office since August 2009; Vice President and Controller from October 2005 through August 2009; Director of Internal Audit from September 2004 through September 2005; Senior Manager of PricewaterhouseCoopers LLP from July 1999 through August 2004).

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COMPENSATION COMMITTEE REPORT

The Compensation Committee has reviewed and discussed the Compensation Discussion and Analysis contained in this Proxy Statement with management, which has the responsibility for preparing the Compensation Discussion and Analysis. Based on such review and discussion, the Compensation Committee recommended to the Board of Directors that the Compensation Discussion and Analysis be included in this Proxy Statement.

Compensation Committee

Richard R. Stewart, *Chairman*

Ed H. Bowman

Michael R. Nicolais

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COMPENSATION DISCUSSION AND ANALYSIS

Executive Summary

Our Strong Performance

Because Eagle Materials operates in the highly cyclical construction products industry, our performance relative to our industry peers is a critical consideration when evaluating management performance. Peer comparisons help to distinguish the effects of management performance from the more general effects of business cycle trends, thereby providing important information that has bearing on management rewards. We believe that comparisons to the performance of our industry peers can be more meaningful than comparisons to peer groups generated by proxy advisory firms, which may use classifications such as GICS codes to generate groups that contain only a very small sample of our actual industry competitors and include companies whose businesses are unrelated to construction products and therefore subject to a significantly different economic and business environment. For purposes of the discussion that follows, our direct peers are four domestic public company competitors, our industry peers are the direct peers plus international industry participants, and our compensation peers are the direct peers plus supplemental peers, in each case as described more fully in the Benchmarking section below.

The Compensation Committee believes that certain operational/financial metrics, including those that are relevant to a company s position as a low-cost producer, are important to maintaining a long-term competitive advantage in commodity businesses like those in which Eagle participates and are key factors in assessing the Company s performance against its industry peers. Proxy advisory firms focus almost entirely on short-term metrics related only to share performance (one-year and three-year total shareholder return) factors which our Compensation Committee considers as well, along with long-term share performance. In line with our belief, in setting compensation for our fiscal year ended March 31, 2012, our Compensation Committee reviewed the Company s performance against its direct peers and industry peers using several different metrics, including five-year-average return on equity (against our direct peers and industry peers), five-year average return on assets (against our direct peers and industry peers), one-year and three-year-average operating margin (against our direct peers), and one-year, three-year and ten-year total shareholder return (against our direct peers). ***The review of these metrics by the Compensation Committee showed that the Company s performance was at the 100th percentile in every operational/financial category (i.e., every category other than total shareholder return), and at or above the 75th percentile in all categories.***

During our fiscal year ended March 31, 2012, the Company generally outperformed its direct peers. The Company was able to generate operating earnings of $69.4 million in fiscal 2012, during which time most of our direct peers reported operating losses. In fact, Eagle is one of the few companies in the construction products industry that has remained profitable every year throughout the continued and sustained global economic decline that started in 2007. The following graphs demonstrate Eagle s superior performance relative to its peers over time:

Source: Longnecker & Associates. All measures are trailing 12 months as of 6/1/12, except for ROTC which is based on last fiscal year end.

Direct Peers: Martin Marietta, Texas Industries Inc., USG Corp., Vulcan Materials

Industry Peers: Martin Marietta, Texas Industries Inc., USG Corp., Vulcan Materials, Titan Cement Co. S.A., CRH, Buzzi Unicem S.p.A., Holcim Ltd., HeidelbergCement AG, Lafarge S.A., Cementos Bio-Bio S.A., Cementos Portland Valderrivas, Cemex S.A.B. de C.V., Italcementi S.p.A., Cementos Argos S.A., Headwaters Incorporated

Our Compensation Committee believes that these results may be attributed in part to management s prudent use of debt, its avoidance of risky acquisitions, and its low-cost position in its markets all factors which presented issues for our industry peers to varying degrees. This disciplined approach has left Eagle well-positioned to capitalize on new opportunities when the conditions in the construction products industry improve.

Our Compensation Practices

Pay-for-performance is a longstanding core tenet of our compensation philosophy and one of the keys to Eagle s long-term success. For years, our executive compensation programs have incorporated pay-for-performance and many other compensation best practices, including the following:

No employment agreements with our executives.

No tax gross-up agreements with our executives.

No defined benefit plans are provided to our executives.

Our incentive plan prohibits the re-pricing of options.

Over the past eight fiscal years, the majority of the equity utilized in our annual long-term compensation program has been performance-based.

Our executives are provided very limited perquisites.

The benefits provided to our executives under the defined contribution Profit Sharing and Retirement Plan are determined on the same basis as the benefits provided all salaried employees.

Our stock ownership guidelines require management to align their long-term interests with those of our stockholders.

Under our insider trading policy, employees and executives are prohibited from speculating in our securities or engaging in transactions designed to hedge their ownership interests.

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At Eagle Materials, we do not view our employees as merely an expense of the Company. Instead, we strive to invest in our people and their futures as a means of delivering more long-term value to our stockholders and customers.

Fiscal 2012 Compensation Highlights

The following highlights of our executive compensation program in fiscal 2012 exemplify our long-standing commitment to sound compensation practices, including pay-for-performance.

The various components of the compensation payable to our Named Executive Officers, or NEOs, during fiscal 2012 are as follows:

The base salaries for fiscal 2012 for our NEOs are on average at or below the median base salary of our compensation peer group.

Approximately 61% of the total target compensation of our CEO and our other NEOs for fiscal 2012 was performance-based.

100% of our cash annual incentive bonus for our NEOs for fiscal 2012 was performance-based in that it was tied to operating earnings. For example, the Eagle Annual Incentive Program bonus pool (in which three of our NEOs participate, along with other executives) was $835,324 in fiscal 2012, compared with $737,359 in fiscal 2011 and $3,716,614 in fiscal 2007 (record earnings year). Also, cash annual incentive bonuses were structured in all cases so that they could be adjusted downward by the Compensation Committee at the end of the fiscal year based on an individual NEO s performance.

75% of the value of our annual long-term equity awards made during fiscal 2012 was in the form of performance-based restricted stock. This grant was to be earned if the Company attained a target level average return on invested capital for the ten years ended March 31, 2012. In May 2012, the Compensation Committee determined that this performance target had been satisfied, at which point one-fifth of the shares became vested. The remaining shares will vest ratably on March 31 of 2013, 2014, 2015 and 2016 (assuming continued service by the relevant officer).

25% of the value of our annual long-term equity awards made during fiscal 2012 was in the form of time-vesting stock options. One-third of the stock options will vest in June 2012, one-third will vest in June 2013 and one-third will vest in June 2014 (assuming continued service by the relevant officer). Eagle views time-vesting stock options as pay-for-performance awards because they are of value only if and to the extent that the share price at the time of exercise exceeds the market price on the date of grant executives receive nothing if the price of our stock does not rise.

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Some key features of our CEO s fiscal 2012 compensation:

- Our CEO s base salary increased by 4.9% in fiscal 2012, after having a 2.5% increase and no increase, respectively, the two previous fiscal years.

- The allocation of our CEO s total compensation among compensation categories is in line with the fiscal 2012 average for our NEOs shown above.

- 63% of our CEO s total compensation for fiscal 2012 was performance-based.

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Named Executive Officers

This Compensation Discussion and Analysis is intended to provide investors with a more complete understanding of our compensation policies and decisions during fiscal 2012 for the following persons who were Named Executive Officers during such fiscal year:

Steven R. Rowley	President and Chief Executive Officer
D. Craig Kesler	Executive Vice President Finance and Administration and Chief Financial Officer
Gerald J. Essl	Executive Vice President Cement/Aggregates and Concrete
David B. Powers	Executive Vice President Gypsum
James H. Graass	Executive Vice President, General Counsel and Secretary

Compensation Philosophy

Our compensation philosophy is based on the principles that executive compensation should:

- Align the interests of our executives with those of our stockholders,
- Reflect the Company s performance as well as the executive s individual performance,
- Motivate management to achieve the Company s operational and strategic goals,
- Reward performance by both our executives and the Company relative to our peers performance in light of business conditions, and
- Be designed to attract, retain and motivate highly qualified, and talented executives over time.

We believe that a significant portion of an executive s compensation should be at risk that is, dependent upon our operational and financial performance and the individual s performance. The key features of our executive compensation program include the following:

(1) We seek to align the interests of executives with those of our stockholders by:

- Creating a direct and substantial link between the executive s annual cash incentive bonus and our annual operating earnings,
- Structuring long-term compensation as equity awards, so that executives have an appropriate incentive to contribute to the creation of long-term stockholder value, and
- Requiring executives to meet stock ownership guidelines that will result in each executive holding a meaningful equity stake in the Company.

(2) We seek to encourage improved performance by:

- Basing our annual incentive bonus on both our earnings and individual performance, and

- Tying the vesting of a substantial majority of our equity-based awards to the achievement of financial and/or operating goals.

To achieve our compensation objectives for fiscal 2012, our executive compensation program used a combination of short-term and long-term elements: (1) annual salary, (2) annual incentive bonus, and (3) long-term incentive compensation in the form of stock options and restricted stock. Each element of long-term and short-term compensation is discussed more fully below under the heading Elements of Executive Compensation.

No Employment Agreements; No Change-in-Control Agreements. We do not currently have employment agreements or change-in-control agreements with any Named Executive Officer; however, under the terms of our award agreements, unvested equity awards become fully vested and exercisable in the event of a change in control. See Change in Control Benefits below.

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Advisory Vote on Executive Compensation

At the 2011 Annual Meeting of Stockholders, the Company s stockholders voted to approve a non-binding advisory resolution approving the compensation paid to our Named Executive Officers as disclosed in the proxy statement for the 2011 Annual Meeting of Stockholders. The vote was 97.6% in favor, 2.3% against (with 0.1% abstaining). The Committee took into account the result of the stockholder vote in determining executive compensation policies and decisions since the 2011 Annual Meeting of Stockholders. The Committee views the 2011 vote as an endorsement of the compensation philosophy of the Company, and an expression of the stockholders general satisfaction with the Company s current executive compensation programs.

Compensation Risk

Although the majority of potential compensation to our executive officers is performance-based, we do not believe that our compensation policies, principles, objectives and practices are structured to promote inappropriate risk taking by our executives. We believe that the focus of our overall compensation program encourages management to take a balanced approach that focuses on increasing and sustaining our profitability. See Board Leadership Structure and Role in Risk Oversight Risk Assessment in Compensation Programs above.

Role of the Compensation Committee and Management in Executive Compensation

Our Compensation Committee has certain duties and responsibilities relating to the compensation of the CEO and the other senior executive officers. See Board Committees Compensation Committee above. The senior executive officers include all of the Named Executive Officers. In particular, the Compensation Committee is charged with the responsibility to:

- Review and make recommendations regarding our general compensation philosophy and structure,
- Annually review and approve corporate goals and objectives relevant to the compensation of our CEO,
- Evaluate our CEO s performance in light of such goals and objectives,
- Set the salary and other cash and equity compensation for our CEO based on such evaluation,
- Review and approve the compensation of our other senior executive officers,
- Administer each of our plans for which our Compensation Committee has administrative responsibility,
- Grant cash awards (including annual incentive bonuses) under our annual bonus programs and equity awards (including options, restricted stock and restricted stock units) under our long-term Incentive Plan to our officers and other key employees,
- Review and recommend to the Board the compensation of our non-employee directors, and
- Recommend to the Board stock ownership guidelines for our executive officers.

The Compensation Committee consists solely of directors who are independent under the NYSE listing standards and Section 162(m) of the Internal Revenue Code, and who are non-employee directors under Rule 16b-3 of the Exchange Act. The Compensation Committee is authorized to hire such outside advisors as it deems appropriate. The Compensation Committee s charter may be found in the Investor

Relations/Corporate Governance section of our website *www.eaglematerials.com*.

The Compensation Committee sets compensation for the Named Executive Officers on an annual basis. In general, the process for setting compensation involves the following steps:

As early as practicable after the beginning of each fiscal year, the Compensation Committee determines (1) the salary of each Named Executive Officer for such fiscal year, (2) the overall size of the annual incentive bonus pools based on operating earnings in which the Named Executive Officers will have the opportunity to participate during such year and the percentage of the pool assigned to each Named Executive Officer, (3) whether the Compensation Committee will make any long-term incentive compensation awards in such fiscal year, (4) if the Compensation Committee decides to make long-term compensation awards for such fiscal year, the nature of and terms applicable to such awards, including the form any such awards will take (e.g., options, restricted stock and/or restricted stock units), the individual long-term compensation potential for awards to be made to each Named Executive Officer, the performance- or time-vesting criteria (or both) that will apply to any such awards, and the exercisability or payment schedules that will apply to any such awards if the performance criteria are satisfied, and (5) the Eagle Materials Special Situation Program for such fiscal year and the overall funding levels for such program based on operating earnings. For fiscal 2012, the Compensation Committee made these determinations at five separate meetings held in April, May and June 2011.

After the end of the fiscal year, the Compensation Committee (1) approves the calculation of operating earnings used for purposes of determining annual incentive bonus potential, (2) determines the extent to which the performance criteria for the prior fiscal year applicable to any long-term incentive awards were satisfied, (3) determines the amount of the downward adjustment, if any, to be made to the annual incentive bonus payment to each Named Executive Officer based on individual performance, and (4) if applicable, makes awards under the Eagle Materials Special Situation Program. The Compensation Committee made these determinations for fiscal 2012 at three separate meetings held in April and May 2012.

Our CEO, Mr. Rowley, participates to a certain extent in the administration of our compensation program for Named Executive Officers, other than himself. At the end of each fiscal year, Mr. Rowley provides input to the Compensation Committee on the performance of each of the other Named Executive Officers and recommends compensation adjustments (salary adjustments for the current fiscal year, any downward adjustments to annual incentive bonus levels for the recently completed fiscal year, and annual incentive bonus levels for the current fiscal year) and, if applicable, long-term incentive award levels for such Named Executive Officers. Mr. Rowley also provides input on the structure of our long-term incentive awards (if any) for such Named Executive Officers, including the long-term incentive award levels and the performance or other criteria that determine vesting and other terms and conditions applicable to the awards. The Compensation Committee considers Mr. Rowley s input, along with other information presented by its compensation consultants or otherwise available to it, in making its final compensation decisions with respect to the Named Executive Officers.

Benchmarking

In an effort to ensure that our executive compensation program for fiscal 2012 was competitive, the Compensation Committee engaged Mercer to compare our total compensation (salary, incentive bonus and long-term compensation) to a peer group of companies, including companies in the construction products industry, which we refer to as our direct peers, and housing-construction-related companies with similar market values, which we refer to as our supplemental peers.

The Compensation Committee, with input from Mercer and our management, selected our direct peers from companies within the construction materials sector. Included in the direct peer group were companies from each of our operating segments (wallboard, cement, concrete and aggregates), but none of the companies operates in all of our segments. Because there is a very limited number of publicly-traded direct competitors in the construction materials sector and because most of the companies in our direct peer group have larger revenues than we do, the Compensation Committee, in conjunction with Mercer, supplemented the initial selection of companies with additional companies in other areas of the housing-construction-related industry with market capitalizations ranging from $333 million to $3.8 billion. We collectively refer to our direct peer group and supplemental peer group as our compensation peer group or compensation peers.

For fiscal 2012 the compensation peer group consisted of the following 16 companies:

Armstrong Holdings Inc.	Quanex Building Products
Astec Industries	Simpson Manufacturing
Gibraltar Industries	Temple Inland Inc.
Granite Construction	Texas Industries Inc.*
Headwaters Incorporated	Universal Forest Products, Inc.
Louisiana-Pacific	USG Corp.*
Martin Marietta Materials Inc.*	Valspar Corp.
Potlatch Corporation	Vulcan Materials Co.*

* Direct peer.

Because Eagle Materials operates in the highly cyclical construction products industry, the Compensation Committee believes that our performance relative to our industry peers is a critical consideration when evaluating management performance. Peer comparisons help to distinguish the effects of management performance from the more general effects of business cycle trends, thereby providing important information bearing on management rewards. This peer group, which we refer to as our industry peers is comprised of the direct peers noted above, plus the following international industry participants: Titan Cement Co. S.A., CRH, Buzzi Unicem S.p.A., Holcim Ltd., HeidelbergCement AG, Lafarge S.A., Cementos Bio-Bio S.A., Cementos Portland Valderrivas, Cemex S.A.B. de C.V., Italcementi S.p.A., Cementos Argos S.A., and Headwaters Incorporated.

We are aware that institutional shareholder advisors, such as Institutional Shareholder Services, Glass Lewis and others, utilize methodologies to determine peer groups that may differ from our process. We believe that the methodologies they use may result in a peer group that does not provide a close fit for Eagle. For example, if the institutional shareholder advisor relies upon GICS codes to identify potential peers, the resulting peer group would include many companies whose operations are dissimilar to ours. We believe that the compensation peer group and the industry peer group identified by our Compensation Committee for fiscal 2012 provide a more appropriate and meaningful basis for assessing our executive compensation and performance.

The Compensation Committee used the survey of the compensation peer group prepared by Mercer, which we refer to as our benchmarking study, and the performance comparisons to the industry peers described under Long-Term Incentive Compensation Fiscal 2012 Grants below, to guide it in establishing the main components of Named Executive Officer compensation: salaries, annual incentive bonus opportunity and long-term compensation awards. Because of the limited number of direct peers, the Compensation Committee focused its attention on the entire compensation peer group. The benchmarking study was presented by Mercer to the Compensation Committee in May 2011, and was based on the most recent available data at the time, which in many cases consisted of data for the calendar year ended December 31, 2010.

Elements of Executive Compensation

In addition to the health benefit plans and programs generally available to all employees, our executive compensation program includes the following elements:

- Base salary
- Annual incentive bonus
- Long-term incentive compensation
- Salary continuation plan

Base Salary

Salaries of the Named Executive Officers are reviewed annually as well as at the time of a promotion or significant change in responsibilities. As described above, the Compensation Committee engaged Mercer to conduct the benchmarking study at the beginning of fiscal 2012. For fiscal 2012, the Committee set the base salary level for the CEO and the other Named Executive Officers so that on average the base salaries for the Named Executive Officers were at or below the median of the salary levels for equivalent positions at the companies reviewed in the compensation peer group, which is consistent with our philosophy that a significant portion of total compensation should be at risk. Other considerations that may influence the salary level for a Named Executive Officer include individual performance, the Named Executive Officer s skills or experience, our operating performance and the nature and responsibilities of the position.

Annual Incentive Bonus

The Compensation Committee is responsible for approving the annual incentive bonus for our CEO and the other Named Executive Officers. Annual incentive bonuses paid to our Named Executive Officers for fiscal 2012 were made under (1) the Eagle Materials Inc. Salaried Incentive Compensation Program for Fiscal Year 2012, which we refer to as the Eagle Annual Incentive Program, (2) annual incentive compensation programs for fiscal 2012 established for particular operating divisions of the Company, which we refer to as Divisional Annual Incentive Bonus Programs, and (3) the Eagle Materials Inc. Special Situation Program for Fiscal Year 2012, which we refer to as the SSP. In general, the Named Executive Officers whose responsibilities extend to the Company as a whole (Messrs. Rowley, Kesler and Graass) participate in the Eagle Annual Incentive Program, and the Named Executive Officers whose responsibilities relate primarily to a particular operating division (Messrs. Essl and Powers) participate in relevant Divisional Annual Incentive Bonus Programs. All of our Named Executive Officers are eligible to participate in the SSP. These programs were structured to create financial incentives and rewards that are directly related to corporate performance and the participating Named Executive Officer s individual performance during the fiscal year.

The Compensation Committee believes these programs are consistent with our compensation philosophy in that they place a significant portion of the executive s compensation at risk. Generally, under these programs, a significant portion of the executive s total compensation is dependent upon the performance of the Company (or our operating divisions) as well as the individual s performance. The Company s annual incentive bonus programs also reflect the Committee s philosophy of aligning the interests of our executives with those of the shareholders. These programs create this alignment by providing that an officer s annual bonus potential varies directly with our operating earnings (in the case of the Eagle Annual Incentive Plan) or the operating earnings of a division (in the case of a Divisional Annual Incentive Bonus Program). Although individual performance and achievement of goals (as discussed in more detail below under Annual Performance Evaluation) affect the actual incentive bonus amount, our programs are structured in such a way that the executive officer s incentive bonus potential can vary considerably as earnings change from year to year. For example, the maximum annual bonus potential (as calculated in the manner described below after the end of the fiscal year) for Mr. Rowley (a participant in the Eagle Annual Incentive Program) decreased 78% from fiscal 2007 (record earnings year) to fiscal 2012, as a result of the decline in Eagle s earnings and a corresponding reduction in the size of the Eagle Annual Incentive Program pool. Similarly, the maximum bonus potential (as calculated in the manner described below after the end of the fiscal year) for Messrs. Essl and Powers (participants in our Divisional Incentive Programs) decreased 61% and 97%, respectively, from fiscal 2007 to fiscal 2012, as a result of the decline in their respective divisions earnings.

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Eagle Annual Incentive Program

For fiscal 2012, Messrs. Rowley, Kesler and Graass were participants in the Eagle Annual Incentive Program. Under this program, during the first quarter of each fiscal year, a percentage of our operating earnings is designated by the Compensation Committee as a pool for bonuses, and each participating Named Executive Officer is assigned a share of such pool, representing the executive s maximum bonus opportunity. At the end of the fiscal year, the size of the pool is determined, based on the amount of operating earnings generated during such fiscal year, and annual incentive bonuses are paid to each participating executive in the form of a lump sum cash payment reflecting his share of the pool, subject to the exercise of negative discretion by the Compensation Committee to reduce (but not increase) the amount of the cash payment based on the executive s individual performance during the fiscal year. The amount of the annual incentive bonus paid to an executive is based on the level of our operating earnings, the share of the pool designated for such executive, and an assessment of such executive s individual performance.

In the first quarter of fiscal 2012, the Compensation Committee approved the designation of 1.2% of annual operating earnings for annual incentive bonuses for all executives participating in the Eagle Annual Incentive Program, including the Named Executive Officers. The Committee believes that operating earnings is an appropriate measurement for annual incentive bonuses because this measure is tied more closely to operations and does not take into account certain items of non-operating income and expense. The bonus pool is not subject to a separate cap or maximum, but is merely a function of multiplying the pre-determined percentage by our operating earnings for the applicable fiscal year. Based on this calculation, the aggregate amount available for the Eagle Annual Incentive Program for fiscal 2012 was $835,324, which was not quantifiable until the end of fiscal 2012 and includes amounts available for payment to officers and employees other than the Named Executive Officers. For comparison purposes, the aggregate pool available for payment under such program for fiscal 2011 was $737,359, and in fiscal 2007 (record earnings year) the available pool was $3,716,614. The pool remained at historically low levels in fiscal 2012 due in large part to the adverse market conditions in which the Company operated as described above. In deciding to keep the percentage of earnings which would fund the pool for the Eagle Annual Incentive Program the same as used in prior years (including the record earnings year of fiscal 2007), the Compensation Committee considered several factors, including our compensation philosophy that a significant portion of the executive s compensation should be at risk and subject to the Company s success (level of earnings).

In June 2011, the Compensation Committee set the annual incentive bonus potential for the participants in the Eagle Annual Incentive Program. In allocating the pool, the Compensation Committee did not rely on mathematical formulas or apply any specific quantitative performance measures. Rather, the Compensation Committee s determination was based on the amount of annual incentive bonus compensation payable to executives in other companies who fulfill similar roles as illustrated in the benchmarking study prepared by Mercer and the share of the pool historically allocated to officers in such roles by the Company, Mr. Rowley s recommendation for each participant (other than himself), as well as the Compensation Committee s assessment of the executive s importance and contribution to the organization, the executive s importance in driving the achievement of Company goals and profitability, and the executive s level of responsibility. The Compensation Committee set the bonus potential for the Named Executive Officers as follows:

Mr. Rowley s annual incentive bonus potential was set at 40% of the bonus pool.

Mr. Kesler s annual incentive bonus potential was set at 16% of the bonus pool.

Mr. Graass s annual incentive bonus potential was set at 16% of the bonus pool.

Divisional Annual Incentive Bonus Programs

During fiscal 2012, each of Messrs. Essl and Powers participated in a Divisional Annual Incentive Bonus Program. Under these programs, a percentage of a division s operating earnings is allocated to the bonus pool and each participating employee is assigned a share of the pool, representing the employee s maximum bonus opportunity. At the end of the fiscal year, the size of the pool is determined and annual bonuses are paid to participating employees in the form of a lump sum cash payment in accordance with their shares of the pool, subject to the exercise of negative discretion by our CEO (or, in the case of bonuses paid to Named Executive Officers, the Compensation Committee) based on the employee s individual performance during the fiscal year.

Because of his responsibilities for our Cement and Concrete and Aggregates operations, Mr. Essl participated in both the Eagle Materials Inc. Cement Companies Salaried Incentive Compensation Program for Fiscal Year 2012 and the Eagle Materials Inc. Concrete and Aggregates Companies Incentive Compensation Program for Fiscal Year 2012. Under these plans, the bonus pools equaled 2.25% of our concrete and aggregates subsidiaries operating earnings for fiscal 2012 and 2.25% of our cement subsidiaries operating earnings for fiscal 2012 (or, in the case of our 50% owned cement joint venture, 2.25% of our portion of that entity s operating earnings for fiscal 2012), which in each case is also the same percentage the Compensation Committee has set for several years. In deciding to keep the percentage of operating earnings which would fund these bonus pools the same as the prior year, the Compensation Committee considered several factors, including our compensation philosophy that a significant portion of the executive s compensation should be at risk and subject to the Company s success (level of earnings).

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For fiscal 2012, Mr. Powers participated in the Eagle Materials Inc. American Gypsum Company Salaried Incentive Compensation Program for Fiscal Year 2012. Under this plan, the bonus pool equaled 2.25% of American Gypsum s operating earnings for fiscal 2012, which is the same percentage the Compensation Committee has set for several years. In deciding to keep the percentage of operating earnings which would fund these bonus pools the same as the prior year, the Compensation Committee considered several factors, including our compensation philosophy that a significant portion of the executive s compensation should be at risk and subject to the Company s success (level of earnings).

The divisional bonus pools are not subject to a separate cap or maximum, but are merely a function of multiplying the pre-determined percentage by the applicable operating earnings for the applicable fiscal year. The aggregate amounts available for these programs for fiscal 2012 were as follows: $420,105 (Cement); $1,473 (Concrete and Aggregates); and $136,503 (American Gypsum); which in each case were not quantifiable until the end of fiscal 2012 and include amounts available for payment to officers and employees other than the Named Executive Officers. For comparison purposes, the equivalent amounts in fiscal 2011 were $505,786 (Cement); $28,661 (Concrete and Aggregates); and $28,586 (American Gypsum); and in fiscal 2007 (record earnings year) the available pools were $1,347,374 (Cement); $385,390 (Concrete and Aggregates); and $4,581,079 (American Gypsum).

In June 2011, the Compensation Committee set the annual incentive bonus potential for Messrs. Essl and Powers under these Divisional Annual Incentive Bonus Programs. In determining their respective allocation of the pools, the Compensation Committee did not rely on mathematical formulas or apply any specific quantitative performance measures. Rather, the Compensation Committee s determination took into consideration Mr. Rowley s recommendation, the portion of the pools historically allocated to their respective positions and the Compensation Committee s assessment of their importance and contribution to their respective divisions performance, their importance as an officer within their respective divisions in driving the achievement of divisional goals and profitability and their respective levels of responsibility. The Compensation Committee set Mr. Essl s annual incentive bonus potential at 20% of his divisional bonus pools, plus an amount equal to 20% of 2.25% of our half of Texas Lehigh s fiscal 2012 earnings, and the Compensation Committee set Mr. Powers s incentive bonus potential at 20% of his divisional bonus pool.

Fiscal 2011 Special Situation Program

In the first quarter of fiscal 2012 (June 2011), the Compensation Committee approved the SSP, which is a special annual incentive program intended to recognize outstanding individual performance during the fiscal year. The SSP provides flexibility to reward performance when special circumstances arise in which our CEO determines that an individual has not been adequately compensated pursuant to other components of compensation, including instances where an individual s compensation has been adversely affected by market conditions such as a cyclical downturn. Awards under the SSP are not predetermined for any individuals at the beginning of the fiscal year. All full-time employees of Eagle Materials Inc. or any of our subsidiaries are eligible to receive awards under this program. At the beginning of fiscal 2012, the Compensation Committee determined that 0.35% of our operating earnings for the ensuing fiscal year would fund the SSP. In deciding to keep the percentage of earnings which would fund the SSP the same as the prior year, the Compensation Committee considered several factors, including the anticipated operating earnings for fiscal 2012. Of the Named Executive Officers, only Mr. Powers received an award under the SSP for fiscal 2012, as described under Approving the Annual Incentive Bonus Mr. Powers below.

Approving the Annual Incentive Bonus

In May 2012, the Compensation Committee approved the fiscal 2012 operating earnings calculation for the Company and the operating earnings calculations for each Divisional Annual Incentive Bonus Program. This allowed the Compensation Committee to quantify the annual incentive bonus potential for each of the Named Executive Officers. In addition, at the end of fiscal 2012, Mr. Rowley provided performance evaluations of each Named Executive Officer (other than himself) to the Compensation Committee, which evaluations included an assessment (both subjective and objective) of the achievement of their individual goals and objectives, along with his recommendation for the annual incentive bonus for each such Named Executive Officer. With respect to Mr. Rowley himself, the Compensation Committee, with input from the entire Board, performed its own evaluation of his performance and the extent to which the goals and objectives established for him for fiscal 2012 had been achieved.

Mr. Rowley

Mr. Rowley s goals and objectives for fiscal 2012 (none of which were quantitative) related to: operational execution; financial execution; maintaining effective communication with our Board; maintaining alignment between the Company s stockholders and employees; maintaining the Company s ability to execute its operating strategy; executing the Company s investor relations strategy, including maintaining an appropriate level of communication with investors; and continuing development of the Company s long-term business strategy. At the end of fiscal 2012, the Compensation Committee conducted its performance evaluation of Mr. Rowley after receiving input from the entire Board. Mr. Rowley also provided input on his achievement of his goals and objectives for fiscal 2012 under the Eagle Annual Incentive Program. Based on this evaluation, the Compensation Committee believes Mr. Rowley performed at a high level during fiscal 2012 and met or exceeded his goals and objectives. That evaluation

resulted in Mr. Rowley receiving 100% of his bonus potential for fiscal 2012. The Compensation Committee approved an annual incentive bonus for Mr. Rowley under the Eagle Annual Incentive Program of $334,130, which is reflected in the Non-Equity Incentive Plan Compensation column of the Summary Compensation Table located on page 34 of this proxy statement. In making this determination, the Compensation Committee did not apply specific quantitative performance measures or assign a specific weight to any of the above goals. Rather, the Compensation Committee used its judgment to determine the appropriate award level after consideration of Mr. Rowley s performance in the following areas (among others) over the past fiscal year:

- Mr. Rowley s navigation of the Company through the worst economic downturn in many years maintaining positive cash flow and earnings while improving both the capital structure of the company and positioning it for future growth;
- Mr. Rowley s success in driving management s continuing focus on maintaining a healthy balance sheet and the continued reduction of debt;
- Mr. Rowley s leadership in continual operating improvements which drove additional operating profitability;
- Mr. Rowley s success in leading the management team in determining what opportunities for strategic growth best fit the company s core expertise; and
- Mr. Rowley s leadership based on a detailed knowledge of all aspects of the business, and demonstration of a hands-on leadership style on the most important matters requiring his attention, balanced with appropriate delegation of responsibilities in Eagle s decentralized organization.

Mr. Kesler

Early in fiscal 2012, the Compensation Committee established goals and objectives for Mr. Kesler for fiscal 2012 (none of which were quantitative). At the end of fiscal 2012, Mr. Rowley reviewed Mr. Kesler s performance, finding that Mr. Kesler had achieved his goals during the fiscal year. Based in part on this review, the Compensation Committee determined that Mr. Kesler had met his goals and awarded Mr. Kesler 100% of his incentive bonus potential, approving an annual incentive bonus for Mr. Kesler under the Eagle Annual Incentive Program of $133,652, which is reflected in the Non-Equity Incentive Plan Compensation column of the Summary Compensation Table located on page 34 of this proxy statement. In making this determination, the Compensation Committee did not rely on mathematical formulas or assign any specific weights to his goals and objectives. The Committee used its judgment to determine the appropriate award level after taking into consideration Mr. Rowley s input regarding Mr. Kesler s performance and his achievement of the following factors related to his goals and objectives: Mr. Kesler s timely and effective completion and communication of required financial planning and analysis; his participation in strategic planning regarding the growth of the Company; his assistance in continuing to develop the Company s investor relations strategy and participation in industry-related investor conferences; his role in managing the Company s SEC filings and communications; and his leadership in continuing to analyze the Company s capital structure, including successfully establishing a private shelf with John Hancock and repurchasing a portion of our outstanding senior notes.

Mr. Essl

Early in fiscal 2012, the Compensation Committee established goals and objectives for Mr. Essl for fiscal 2012, 50% of which were non-quantitative goals and 50% were discretionary. At the end of fiscal 2012, Mr. Rowley reviewed Mr. Essl s performance. Based in part on this review, the Compensation Committee awarded Mr. Essl 100% of his incentive bonus potential and approved an annual incentive bonus for Mr. Essl under the Eagle Materials Inc. Cement Companies Salaried Incentive Compensation Program for Fiscal Year 2012 and the Eagle Materials Inc. Concrete and Aggregate Companies Incentive Compensation Program for Fiscal Year 2012 of $212,693, which is reflected in the Non-Equity Incentive Plan Compensation column of the Summary Compensation Table located on page 34 of this proxy statement. In making this determination, the Compensation Committee did not rely on mathematical formulas or assign any specific weights to his goals and objectives. The Committee used its judgment to determine the appropriate award level after taking into consideration Mr. Rowley s input regarding Mr. Essl s performance and his achievement of the following factors related to his goals and objectives: Mr. Essl s success in maintaining the emphasis on low-cost production at all cement, concrete and aggregates companies; his effective involvement with various marketing and sales efforts; his maintenance of a stringent capital project review process; his successful efforts related to business expansion opportunities.

Mr. Powers

Early in fiscal 2012, the Compensation Committee established goals and objectives for Mr. Powers for fiscal 2012, 40% of which were based on quantitative goals, 10% on other non-quantitative goals and 50% were discretionary. At the end of fiscal 2012, Mr. Rowley reviewed Mr. Powers s performance. Based in part on this review, the Compensation Committee awarded Mr. Powers 96% of his incentive bonus potential and approved an annual incentive bonus for Mr. Powers under the American Gypsum Salaried Incentive Compensation Program for Fiscal Year 2012 of $26,208, which is reflected in the Non-Equity Incentive Plan Compensation column of the Summary Compensation Table located on page 34 of this proxy statement. In making this

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determination with regard to the non-quantitative portion of the goals, the Compensation Committee did not rely on mathematical formulas or assign any specific weights to his goals and objectives. The Committee used its judgment to determine the appropriate award level after taking into consideration Mr. Rowley s input regarding Mr. Powers s performance and his achievement of the following factors related to his goals and objectives: his achievement of targets related to sales, safety, plant efficiency and cost reduction; his execution of American Gypsum s long-term strategy; his successful sales and marketing efforts with customers; his participation in various industry and energy efficiency groups. In addition, in light of American Gypsum s exceptional performance during a difficult operating environment, the Compensation Committee approved the payment of some SSP funds into the American Gypsum pool. The amount received by Mr. Powers attributable to this SSP contribution is reflected in the Bonus column of the Summary Compensation Table located on page 34 of this proxy statement.

Mr. Graass

Early in fiscal 2012, the Compensation Committee established goals and objectives for Mr. Graass for fiscal 2012 (none of which were quantitative). At the end of fiscal 2012, Mr. Rowley reviewed Mr. Graass s performance, finding that Mr. Graass achieved his goals during the fiscal year. Based in part on this review, the Compensation Committee determined that Mr. Graass had met his goals and awarded Mr. Graass 100% of his incentive bonus potential, approving an annual incentive bonus for Mr. Graass under the Eagle Annual Incentive Program of $133,652, which is reflected in the Non-Equity Incentive Plan Compensation column of the Summary Compensation Table located on page 34 of this proxy statement. In making this determination, the Compensation Committee did not rely on mathematical formulas or assign any specific weights to his goals and objectives. The Committee used its judgment to determine the appropriate award level after taking into consideration Mr. Rowley s input regarding Mr. Graass s performance and his achievement of the following factors related to his goals and objectives: his assistance in advancing certain strategic matters; the completion of our proxy statement for our Annual Meeting of Shareholders; the completion of all SEC filings and assistance to the Board in monitoring corporate governance issues; his assistance to management in preparing and completing Board materials in a timely manner; his management of our material contract policy, the continued conducting of Disclosure Committee meetings at appropriate times and the development of legal group senior counsel; the development of training materials by the legal group and the conducting of training seminars; assistance of subsidiaries with environmental issues; the continued progress in obtaining our legal entitlement to mine at one of our aggregates subsidiaries; and his assistance in contract negotiations and litigation management for our subsidiaries.

Long-Term Incentive Compensation

Consistent with the Compensation Committee s philosophy of linking compensation to our performance, our long-term incentive compensation program has been structured to link the vesting of equity awards to the achievement by the Company of specific performance levels.

<u>*Burn Rate*</u>

Our three-year average burn rate (a measure of historical dilution) is well below our industry norms. The Company s three-year average burn rate (which is based on the number of awards granted or, in the case of performance awards, awards earned in each fiscal year, divided by the weighted-average common shares outstanding for such fiscal year) is 1.82%. The 2012 cap for our industry published by ISS is 3.08%. The burn rate data for our last three fiscal years are as follows:

Fiscal Year Ended March 31,	Time-Vested or Immediately Vested Options Granted	Performance Options Granted	Performance Options Earned	Options[1]	Time-Vested or Immediately Vested Full-Value Shares Granted	Performance Full-Value Shares Granted	Performance Full-Value Shares Earned	Full-Value Shares[1]	Weighted-Average Common Shares Outstanding for Year	Burn Rate[2]
2012	474,124			474,124		412,164	412,164	412,164	44,515,981	2.09%
2011	106,502	163,000	127,213	233,715		481,666	422,506	422,506	44,251,276	2.92%
2010	138,651			138,651	30,000			30,000	44,038,401	0.45%

(1) For the purpose of the burn rate calculation, performance awards (awards that vest subject to the achievement of performance criteria) are deemed granted in the year in which they are earned. Therefore, the numbers in these columns represent time-vested or immediately vested

awards from such fiscal year, plus performance awards earned during such fiscal year.

(2) Calculated as the quotient of (a) the sum of Options, plus the product of Full-Value Shares times a Multiplier, divided by (b) the Weighted-Average Common Shares Outstanding. The Multiplier converts full-value shares into option equivalents and is based on the Company s stock price volatility. The Multiplier was 2.0 in fiscal 2010, 2.5 in fiscal 2011 and 2.0 in fiscal 2012.

Grant Practice

All of the Named Executive Officers participate in our long-term equity-based incentive compensation program. In fiscal 2012, the Compensation Committee approved equity grants as described below. The date on which an equity award is granted is the date specified in the resolutions of the Compensation Committee authorizing the grant. The grant date must fall on or after the date on which the resolutions are adopted by the Committee. As provided in the Incentive Plan, for stock options, the exercise price is the closing price of our Common Stock on the grant date, as reported by the NYSE.

In addition, the Compensation Committee, as provided in our Incentive Plan, has delegated to the Special Situation Stock Option Committee (whose sole member is our CEO) the authority to grant stock options to newly-hired employees and newly-promoted employees, with terms approved by the Compensation Committee. This authority, which expires on May 31, 2013, is limited to an aggregate of 60,000 option shares; no one individual may receive more than 30,000 option shares in a given year; and Section 16 reporting persons may not receive awards pursuant to this authority. Stock options granted under this delegation of authority vest 20% per year commencing on the first anniversary of the grant date. During fiscal 2012 no stock options were granted to employees under this authority.

Fiscal 2012 Grants

In June 2011, the Compensation Committee made annual long-term incentive equity grants under our long-term Incentive Plan. As noted in Benchmarking above, the Compensation Committee utilized the industry peer group in evaluating management s performance. The industry peer group is comprised of the direct peers, plus international industry participants. The Compensation Committee reviewed the Company s strong performance in the following contexts:

- five-year-average return on equity (against the direct peers and the industry peers).
- five-year-average return on assets (against the direct peers and the industry peers).
- one-, three- and ten-year total shareholder return (against the direct peers).
- one- and three-year-average operating margin (against the direct peers).

The Company s performance was at the 100^{th} percentile in every operational/financial category (i.e., every category other than total shareholder return), and at or above the 75^{th} percentile in all categories.

The Committee also reviewed data showing total value accumulation associated with equity awards made during the last five years to the Company s executive officers, including whether applicable performance criteria had ever been met or could likely ever be met during the life of the awards, the level of retention incentives for such executives and the degree of shareholder alignment. Finally, the Committee reviewed data from the Mercer compensation survey showing the Company s total direct compensation relative to the companies in the entire compensation peer group.

The aggregate value of the equity granted to the Named Executive Officers (that is, the maximum value assuming 100% vesting of the awards) was arrived at by targeting a total direct compensation value consistent with the 75^{th} percentile of the average total direct compensation paid to the top executives at similar positions in our compensation peer group. In determining the value of the equity to be granted, the Compensation Committee took into consideration the factors described above, as well as the fact that a substantial majority of the long-term incentive equity grants was performance-based. The value granted was allocated approximately 25% to time-vesting stock options and 75% to performance-vesting restricted stock. The Committee views stock options as pay-for-performance because they are of value only if and to the extent that the share price at the time of exercise exceeds the price on the date of grant. The values were determined by the Compensation Committee (with input from Mr. Rowley on all individuals other than himself) based on the Mercer benchmarking study, the Company s strong performance relative to its industry peers as evidenced by the measures described above, the Compensation Committee s assessment of the executive s importance and contribution to the organization, and the executive s level of responsibility.

Restricted Stock Grant

Upon completion of the process outlined above, on June 27, 2011, the Compensation Committee approved restricted stock awards under the long-term Incentive Plan to a group of its key employees, including its Named Executive Officers. The awards are comprised of shares of restricted stock which vest based upon the achievement by the Company of an average return on invested capital for the ten years ended March 31, 2012 in excess of 12.00%, and, if earned, become fully vested one-fifth upon the initial vesting determination date and one-fifth on March 31 for each of the following four years (in each case assuming continued service through such dates).

The terms and conditions of the restricted stock are substantially the same as the restricted stock grants made in fiscal 2011, except that the performance criterion is as described above and vesting of earned shares will occur ratably as described above. Any shares of restricted stock that were not earned at the end of fiscal 2012 were to be forfeited. As in the case of prior equity awards, the restricted stock will also vest upon a change in control of the Company. See Change in Control Benefits below.

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The number of shares of restricted stock granted was determined by reference to the market price of our Common Stock on the date of grant. The following table shows the restricted stock granted to each of the Company s Named Executive Officers on June 27, 2011:

Name	Shares of Restricted Stock
Steven R. Rowley	103,524
D. Craig Kesler	29,968
Gerald J. Essl	33,373
David B. Powers	33,373
James H. Graass	31,330

In May 2012, the Compensation Committee certified that 100% of the restricted stock was earned, based on the Company s 12.53% average return on invested capital for the ten years ended March 31, 2012. One-fifth of the shares were vested on the certification date, and the remaining four-fifths will vest ratably on March 31 of 2013, 2014, 2015 and 2016.

Stock Option Grant

As part of the long-term equity grant, the Compensation Committee also approved stock option awards under the long-term Incentive Plan to a group of its key employees, including its Named Executive Officers. The awards are comprised of stock options which vest ratably over three years on June 27, 2012; June 27, 2013; and June 27, 2014 (in each case assuming continued service through such dates). The Compensation Committee believes that the percentage of total long-term compensation represented by these options (25%) is consistent with competitive pay practices, preserves the Company s compensation philosophy that a significant portion of an executive s pay should be at risk, while at the same time creating a strong incentive for management to grow the Company.

The terms and conditions of the stock options are substantially the same as the stock option grants in fiscal 2011, except that the options are time vesting. As in the case of prior equity awards, the stock options will also vest upon a change in control of the Company. See Change in Control Benefits below. In accordance with the terms of the Company s Incentive Plan in effect on the date of grant, the exercise price of the stock options is the closing price of the Company s Common Stock on the date of grant, June 27, 2011 ($27.53).

The number of option shares granted to our Named Executive Officers was determined by valuing the options on the date of grant using the Black-Scholes method. The following table shows the stock options granted to each of the Named Executive Officers on June 27, 2011:

Name	Number of Stock Options
Steven R. Rowley	88,620
D. Craig Kesler	25,653
Gerald J. Essl	28,569
David B. Powers	28,569
James H. Graass	26,820

Profit Sharing and Retirement Plan

Each of the Named Executive Officers is a participant in our Profit Sharing and Retirement Plan, which we refer to as our PSRP. The PSRP is a qualified defined contribution plan covering substantially all salaried employees of the Company and our subsidiaries. Participants in this plan may elect to make pre-tax contributions of up to 70% of their base salary subject to the limit under Internal Revenue Code Section 402(g) (currently $17,000), employee after-tax contributions of up to 10% of base salary and, if the participant is at least age 50, catch-up contributions up to the statutory limit under Internal Revenue Code Section 414(v) (currently $5,500). In addition, the PSRP provides for a discretionary employer profit sharing contribution that is a percentage of base salary for the year. Participants are fully vested to the extent of their pre-tax and after-tax contributions and become vested in the employer profit sharing contribution over a six-year period (i.e., 20% per year beginning with the second year of service). Prior to fiscal 2008, employer profit sharing contributions vested over a seven-year period, but changes in tax laws led to the shorter current vesting period. All of the Named Executive Officers have been employed by the Company or our affiliates long enough to be fully vested. Participants are entitled to direct the investment of contributions made to the PSRP on their behalf in various investment funds, including up to 15% in a common stock fund. Such amounts are payable upon a participant s termination of employment,

disability or death in the form of a lump sum, installments or direct rollover to an eligible retirement plan, as elected by the participant. At the participant s election, amounts invested in the Common Stock fund are distributable in shares of our Common Stock. Employer profit sharing contributions made to the PSRP on behalf of our Named Executive Officers in fiscal 2012 are reflected in the Summary Compensation Table located on page 34 of this proxy statement. A list of the investment funds provided under the PSRP is provided in the footnotes to the Nonqualified Deferred Compensation Table located on page 40 of this proxy statement.

SERP

In fiscal 1995, the Board approved our Supplemental Executive Retirement Program, which we will refer to as our SERP, for certain employees participating in the PSRP. Internal Revenue Code Section 401(a)(17) limits the amount of annual compensation (currently $250,000) that may be considered in determining our contribution to the PSRP for the account of an eligible participant. The SERP was established to eliminate the adverse treatment that higher-salaried employees receive as a result of such limit by making a contribution for each participant in an amount substantially equal to the additional employer profit sharing contribution that he or she would have received under the PSRP had 100% of his or her base salary been eligible for a profit sharing contribution. As in the case of the PSRP, annual incentive bonuses paid to participants are not included when determining the amount of contributions to the SERP. The Compensation Committee believes that the SERP therefore allows us to confer the full intended benefit of the employer profit sharing contribution under the PSRP without the arbitrary limitation of the Internal Revenue Code rules noted above. Contributions accrued under the SERP for the benefit of the higher-salaried employees vest under the same terms and conditions as under the PSRP (i.e., over a six-year period) and may be invested by the participant in several of the same investment options as offered under the PSRP. Benefits under the SERP are payable upon the participant s termination of employment in a lump sum or installments as elected by the participant in accordance with the terms of the SERP, subject to the six month delay in payment for key employees under Internal Revenue Code Section 409A to the extent applicable. As with the PSRP, all of the Named Executive Officers have been employed by the Company or our affiliates long enough to be fully vested. Employer contributions to the SERP of our Named Executive Officers in fiscal 2012 are reflected in the Summary Compensation Table located on page 34 of this proxy statement. A list of the investment funds provided under the PSRP is provided in the footnotes to the Nonqualified Deferred Compensation Table located on page 40 of this proxy statement.

Salary Continuation Plan

The Named Executive Officers, along with other officers and key employees, are participants in our Salary Continuation Plan, which we refer to as the SCP. Under this plan, in the event of the death of a participating employee, we will pay such employee s beneficiaries one full year of base salary in the first year following death and 50% of base salary each year thereafter until the date such employee would have reached normal Social Security retirement age, subject to a maximum amount of $1.5 million. Payments are made to the employee s beneficiary on a semi-monthly basis. The purpose of the plan is to provide some financial security for the families of the participating employees, which assists the Company in attracting and retaining key employees. Benefit amounts under the plan are intended to provide a basic level of support for beneficiaries.

Amounts potentially payable to the beneficiaries of our Named Executive Officers pursuant to the SCP are described in Potential Payments Upon Termination or Change in Control beginning on page 41 of this proxy statement. To cover these potential obligations, we pay the premiums on life insurance policies covering the life of each participating employee. Such policies are owned by the Company and proceeds from such policies would be initially paid to the Company. Premiums paid on policies covering our Named Executive Officers in fiscal 2012 are reflected in the Summary Compensation Table located on page 34 of this proxy statement.

Change in Control Benefits

Equity awards under our Incentive Plan are generally subject to accelerated vesting, without regard to whether any applicable performance criteria have been or will be satisfied, upon the occurrence of a change in control as defined in the applicable award agreement. Under the award agreements, a change in control is defined as (i) the acquisition by any person or entity of 50% or more of the outstanding shares of any single class of our Common Stock or 40% or more of outstanding shares of all classes of our Common Stock; (ii) a change in the composition of our Board such that the current members of the Board cease to constitute a majority of the Board; or (iii) the consummation of a merger, dissolution, asset disposition, consolidation or share exchange, unless (1) more than 50% of the stock following such transaction is owned by persons or entities who were stockholders of the Company prior to such transaction, (2) following such transaction, no person or entity owns 40% or more of the common stock of the corporation resulting from such transaction, and (3) a least a majority of the members of the resulting corporation s board of directors were members of our Board. If a change in control occurs, any unvested outstanding stock options, restricted stock or restricted stock units would generally become immediately fully vested, and, in the case of stock options, exercisable or, the case of RSUs, payable, in each case without regard to whether any applicable performance criteria have been or will be satisfied. See Potential Payments Upon Termination or Change in Control on page 41 of this proxy statement. We believe the provision of these change in control benefits is generally consistent with market practice among our peers, is a valuable executive talent retention incentive and is consistent with the objectives of our overall executive compensation program. For example, the equity vesting provides employees with the same opportunities as stockholders, who are generally free to sell their equity at the time of the change in control event and thereby realize the value created at the time of the transaction.

Stock Ownership Guidelines

In order to align the interests of the Named Executive Officers with our stockholders, and to promote a long-term focus for the officers, the Board of Directors has adopted executive stock ownership guidelines for the officers of the Company and our subsidiaries.

The guidelines for the Named Executive Officers are expressed as a multiple of base salary as set forth below (with actual ownership reflected as of the record date for the annual meeting):

Name	Multiple of Salary Ownership Guidelines	Number of Shares of Common Stock(1)	Actual Ownership(2)
Steven R. Rowley	5X	83,400	521,500
D. Craig Kesler	3X	26,900	81,797
Gerald J. Essl	3X	22,200	96,962
David B. Powers	3X	22,200	77,484
James H. Graass	3X	22,200	128,097

(1) Our stock ownership guidelines for executives are expressed as a number of shares of our Common Stock. The number of shares is determined by multiplying the executive s annual base salary on the date the executive becomes subject to the stock ownership guidelines by the applicable multiple and then dividing the product by the closing price of our Common Stock on the NYSE on the date the executive becomes subject to the policy. The amount is then rounded to the nearest 100 shares.

(2) Types of ownership counted toward the guidelines include the following:

- Stock holdings in our PSRP;
- Direct holdings;
- Indirect holdings, such as shares owned by a family member residing in the same household; and
- Shares represented by restricted stock or earned RSUs.

Once established, a participant s ownership requirement generally does not change as a result of changes in his or her compensation or fluctuations in the price of our Common Stock but could change in the event of a promotion. Newly elected officers have five years to meet the applicable ownership requirement. Compliance with the ownership guidelines is reviewed annually by the Compensation Committee. Based on the current holdings of the Named Executive Officers, all of the Named Executive Officers have already achieved their stock ownership goal.

Limitations on Tax Deductibility of Compensation

Section 162(m) of the Internal Revenue Code generally disallows a tax deduction for public corporations for compensation over $1,000,000 paid in any fiscal year to the corporation s chief executive officer and four other most highly compensated executive officers. However, this law exempts performance-based compensation from the deduction limit if certain requirements are met.

Our Incentive Plan has been approved by our stockholders and Compensation Committee and otherwise meets the requirements for performance-based compensation under Internal Revenue Code Section 162(m). The Eagle Annual Incentive Program is adopted under the structure of our Incentive Plan and is subject to the terms and conditions of that plan, including the requirements for performance-based compensation. The Compensation Committee generally seeks whenever possible to structure annual incentive and long-term incentive compensation awards, such as stock option and restricted stock grants under our Incentive Plan, in a manner that satisfies the Section 162(m) requirements, but reserves the right to award nondeductible compensation as it deems appropriate. Further, because of ambiguities and uncertainties as to the application and interpretation of Section 162(m) and the related regulations, no assurance can be given that compensation intended by the Compensation Committee to satisfy the requirements for deductibility under section 162(m) does in fact do so. All other compensation paid to the CEO and the other Named Executive Officers was below the limit described above.

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EXECUTIVE COMPENSATION

Summary Compensation Table

The following table summarizes all fiscal 2010, 2011 and 2012 compensation earned by or paid to our Named Executive Officers, who consist of our Chief Executive Officer, our Chief Financial Officer and the three most highly compensated executive officers (other than the Chief Executive Officer and Chief Financial Officer) who were serving as executive officers at fiscal year-end**.**

Name and Principal Position	Fiscal Year Ended March 31,	Salary[(1)] ($)	Bonus[(2)] ($)