EAGLE MATERIALS INC
Form DEF 14A
June 22, 2018
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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   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))

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):

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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2018

Proxy Statement and Notice of

Annual Meeting of Stockholders

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3811 Turtle Creek Blvd, Suite 1100

Dallas, Texas 75219-4487

June 22, 2018

Dear Fellow Stockholder:

It is my pleasure to invite you to our Annual Meeting of Stockholders, which will be held on Thursday, August 2, 2018, at Arlington Hall at Oak Lawn Park, 3333 Turtle Creek Blvd., Dallas, Texas 75219, 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, 2018, we are mailing a Notice Regarding the Availability of Proxy Materials, or Notice, to many of our stockholders 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,

DAVID B. POWERS

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 2, 2018

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 Arlington Hall at Oak Lawn Park, 3333 Turtle Creek Blvd., Dallas, Texas 75219, at 8:00 a.m., local time, on Thursday, August 2, 2018. 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, 2019.

(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 5, 2018 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, 2018

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS

FOR THE ANNUAL MEETING OF STOCKHOLDERS TO BE HELD ON AUGUST 2, 2018.

Our proxy statement and 2018 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 B 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, 2018.

Date, Time and Place of the Annual Meeting

The 2018 annual meeting of our stockholders will be held at Arlington Hall at Oak Lawn Park, 3333 Turtle Creek Blvd., Dallas, Texas 75219, at 8:00 a.m., local time, on Thursday, August 2, 2018.

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, 2019.

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, 2019.

(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 2, 2018.

Our proxy statement and 2018 annual report to

stockholders are available to you on the Internet at

www.proxyvote.com.

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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 5, 2018. In this proxy statement, we refer to this date as the record date. As of the record date, there were 48,007,337 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, 2018	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

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Pursuant to the rules of the NYSE, brokers do not have discretionary authority to vote in the election of directors if they did not receive instructions from the beneficial owner because the election of directors is not considered a routine matter. The advisory vote regarding executive compensation is also not considered routine, and brokers may not vote your shares with respect to such matter 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 Okapi Partners, which will receive a fee of approximately $9,500, 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.

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, each class has three directors. The following table shows the composition of our Board after the annual meeting, assuming the election of the proposed slate of Class III director nominees:

Class	Term Expires	Directors
I	2019	George J. Damiris
		Martin M. Ellen
		David B. Powers
II	2020	Margot L. Carter
		Michael R. Nicolais

		Richard R. Stewart
III	2021	F. William Barnett
		Richard Beckwitt
		Ed H. Bowman

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. Powers, are independent within the meaning of the specific provisions 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 eight of our nine directors are independent, our Board of Directors considered that Ms. Margot L. Carter and Messrs. F. William Barnett, Richard Beckwitt, Ed H. Bowman, George J. Damiris, Martin M. Ellen, Michael R. Nicolais and Richard R. Stewart have no relationship with the Company that potentially affects their independence.

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Our Board includes a diverse group of leaders in their respective fields. The diagram below illustrates some of the key skills and qualifications that our directors bring to the Board:

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 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, Messrs. Barnett and Bowman may (if elected) retire from the Board before the completion of their full term in accordance with the Company s director retirement policy.

Recommendation of the Board

Our Board of Directors recommends that holders of Common Stock vote FOR the election of the three nominees listed below to serve as Class III directors for a three-year term ending at our 2021 annual meeting of stockholders:

F. William Barnett

Richard Beckwitt

Ed H. Bowman

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Director Qualifications

Set forth below is information about the nominees standing for election at our 2018 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 or her to serve as a director of the Company.

Nominees Whose Terms Expire at our 2018 Annual Meeting

(Class III Directors)

F. William Barnett

Director Since:	2003
Age:	71
Committees:	Governance (Chair)
	Compensation

Career Highlights: 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 has previously served as an Adjunct Professor at the Yale School of Management and currently teaches at the Jesse H. Jones Graduate School of Business at Rice University. Mr. Barnett s book, *The Strategic Career: Let Business Principles Guide You*, was released in 2015.

Skills and Qualifications: Mr. Barnett brings to the Board and the committees on which he serves his corporate governance and strategy development and implementation experience gained from his long career in management consulting.

Richard Beckwitt

Director Since:	2014
Age:	59
Committees:	Audit

Governance

Other Public Boards: Lennar Corporation

Five Point Holdings LLC

Career Highlights: Mr. Beckwitt is the Chief Executive Officer of Lennar Corporation. He also serves on the Lennar Board of Directors. He joined Lennar in March 2006 as an Executive Vice President, became President in April 2011 and was promoted to CEO in April 2018. Mr. Beckwitt served

on the Board of Directors of D.R. Horton, Inc. from 1993 to November 2003. From 1993 to March 2000, he held various executive officer positions at D.R. Horton, including President of the Company. From March 2000 to April 2003, Mr. Beckwitt was the owner and principal of EVP Capital, L.P., a venture capital and real estate advisory company. From 1986 to 1993, Mr. Beckwitt worked in the Mergers and Acquisitions and Corporate Finance Departments at Lehman Brothers.

Skills and Qualifications: Mr. Beckwitt brings to the Board and the committees on which he serves his extensive executive experience gained through his service as the President and executive officer of public companies within the homebuilding industry, as well as finance-related experience with a major investment banking firm.

Ed H. Bowman

Director Since: 2011

Age: 71

Committees: Compensation (Chair)

Career Highlights: Mr. Bowman served as Chief Executive Officer, President and a director of SOURCECORP from 1996 until 2011. Prior to 1996, Mr. Bowman was a senior executive at First Data Corporation. Mr. Bowman serves as an Executive Partner with Teakwood Capital and on the board of iiPay, LTD.

Skills and Experience: Mr. Bowman brings to the Board and the Compensation Committee his proven leadership and business experience as the retired CEO of an expanding company. Mr. Bowman also brings corporate governance, finance and compensation knowledge gained from his experience at other public companies.

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Continuing Directors Whose Terms Expire at our 2019 Annual Meeting

(Class I Directors)

George J. Damiris

Director Since:	2016
Age:	58
Committees:	Compensation
Other Public Boards:	HollyFrontier Corporation
	Holly Energy Partners, L.P.

Career Highlights: Mr. Damiris has served as Chief Executive Officer and President of HollyFrontier Corporation since January 2016 and as a director since December 2015. He previously served as Executive Vice President and Chief Operating Officer from September 2014 to January 2016 and as Senior Vice President, Supply and Marketing from January 2008 until September 2014. Mr. Damiris has also served as a director of Holly Logistics Services, L.L.C., the general partner of the general partner of Holly Energy Partners, L.P., since February 2016, as CEO since November 2016 and as President since February 2017.

Skills and Qualifications: Mr. Damiris brings to the Board and the Compensation Committee his extensive management and operational experience gained from his time as a senior executive at a large, public industrial company.

Martin M. Ellen

Director Since:	2013
Age:	64
Committees:	Audit (Chair)

Career Highlights: Mr. Ellen has served as Chief Financial Officer and Executive Vice President at Dr Pepper Snapple Group, Inc. since April 2010.

Mr. Ellen also served as the Chief Financial Officer and Senior Vice President Finance of Snap-on Inc. from November 2002 to March 2010.

Skills and Qualifications: Mr. Ellen brings to the Board and the Audit Committee his extensive management, finance and audit experience gained from over 25 years serving as chief financial officer with public and private companies and prior experience with a major public accounting firm.

David B. Powers

Director Since: 2016

Age: 68

Committees: Executive

Career Highlights: Mr. Powers was appointed the Company s President and Chief Executive Officer on March 31, 2016, at which time he was also appointed to the Board. Prior to his promotion to President and Chief Executive Officer of the Company, Mr. Powers served as Executive Vice President Gypsum of the Company and as President of American Gypsum Company LLC, a subsidiary of the Company (American Gypsum), since January 2005. Mr. Powers previously served as Executive Vice President Marketing, Sales and Distribution of American Gypsum, beginning in June 2002.

Skills and Qualifications: Mr. Powers brings to the Board his extensive executive and operations experience in the construction products industry, including over 35 years of experience in the gypsum industry.

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Directors Whose Terms Expire at our 2020 Annual Meeting

(Class II Directors)

Margot L. Carter

Director Since: 2017

Age: 50

Committees: Audit

Governance

Other Public Boards: Installed Building

Products, Inc.

Career Highlights: Since 2014, Ms. Carter has been a director of Installed Building Products, Inc., an installer of insulation and complementary building products. She currently serves as IBP s lead independent director, the Chair of its Nominating and Governance Committee and a member of the Audit Committee. Ms. Carter is also a director of Freeman Company, a brand experience business. From 2010 to 2015, Ms. Carter served as Executive Vice President, Chief Legal Officer and Secretary for RealPage, Inc.

Skills and Qualifications: Ms. Carter brings to the Board and the committees on which she serves her proven leadership and business experience gained as a general counsel and director at other public companies. Ms. Carter also brings strategy development and implementation experience and corporate governance and finance knowledge gained from over 20 years of experience at other public companies.

Michael R. Nicolais

(Vice Chairman of the Board)

Director Since: 2001

Age: 60

Committees: Executive

Compensation

Career Highlights: In January 2017, Mr. Nicolais became Vice Chairman and Chief Executive Officer of Highlander Partners L.P., an investment partnership. From April 2004 through December 2016, Mr. Nicolais served as President of Highlander Partners, L.P. 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.

Skills and Qualifications: Mr. Nicolais brings to the Board and the committees on which he serves his extensive knowledge of capital markets, mergers and acquisitions and financial analysis and financial oversight experience gained through his work as an investment banker and investment manager.

Richard R. Stewart

(Chairman of the Board)

Director Since:	2006
Age:	68
Committees:	Executive
Other Public Boards:	Kirby Corporation

Career Highlights: 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 was a director of Lufkin Industries, Inc. from 2009 until its acquisition by GE Oil & Gas in 2013 and served a director of Exterran Corp. from 2015 to 2018.

Skills and Qualifications: Mr. Stewart brings to the Board and the committees on which he serves his proven leadership and business experience as the former CEO of a manufacturing company. Mr. Stewart also brings corporate governance 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, 2018, our Board of Directors held four regularly scheduled meetings and two 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 2018 annual stockholders meeting. All of our then-current directors attended our 2017 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. Powers) meet immediately after all Board meetings without management present. The Chairman presides at all executive sessions of the non-employee directors.

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BOARD COMPENSATION

Board compensation for the 12-month period from August 2017 through July 2018 was approved by our Board of Directors in August 2017. The Board adopted 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 12-month period from August 2017 through July 2018 by electing one of the following two compensation package alternatives:

(1) total compensation valued at $187,000, of which $93,500 is paid in cash and the remainder is provided in the form of an equity grant valued at $93,500; or

(2) an equity grant valued at $215,000.

The grant date value of the equity grant under either alternative is allocated between restricted stock and options to purchase Common Stock (based upon the recommendation of the Compensation Committee) with respect to each non-employee director.

In accordance with the terms of the Eagle Materials Inc. Amended and Restated Incentive Plan, which we refer to as our Incentive Plan, the exercise price of stock options is set at the closing price of the Common Stock on the NYSE on the date of grant. The number of option shares granted is determined as of the date of grant by using the Black-Scholes method. All the options granted to directors in August 2017 were fully exercisable when granted and have a ten-year term.

The number of shares of restricted stock is determined as of the date of grant using the closing price of the Common Stock on the NYSE on the date of grant. The restricted stock granted to directors in August 2017 was earned at the time of grant; however, the shares did not become fully vested

(unrestricted) until the earliest to occur of (i) February 3, 2018; (ii) the recipient s retirement from the Board in accordance with the Company s director retirement policy, or under such circumstances as are approved by the Compensation Committee; or (iii) the recipient s death. During the restriction period the director will have the right to vote the shares. In addition, the director will also be entitled to cash dividends as and when the Company issues a cash dividend on the Common Stock.

Non-employee directors who chair committees of the Board of Directors receive additional annual compensation. The Governance Committee Chair receives a fee of $15,000 per year. The chairs of the Audit Committee and the Compensation Committee each receive a fee of $20,000 per year. The Vice Chairman of the Board receives a fee of $50,000 per year, and the Chairman of the Board receives a fee of $125,000 per year. Chairpersons who choose compensation package alternative one (part equity and part cash) receive this additional compensation in the form of cash. Chairpersons who choose compensation package alternative two (all equity) receive this additional compensation in the form of equity, in which case a 30% premium is added to such fees when valuing the equity to be received by such chairperson.

If non-employee directors hold unvested restricted stock units, which we refer to as RSUs, granted as part of director compensation in prior fiscal years (which currently includes Messrs. Barnett and Nicolais), these directors will receive 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.

Non-Employee Director Compensation for Fiscal Year 2018

The table below summarizes the compensation paid by the Company to our non-employee directors for the fiscal year ended March 31, 2018.

Name	Fees Earned or Paid in Cash ($)	Stock Awards ($)[1]	Option Awards ($)[2]	Non-Equity Incentive Plan Compensation ($)	Change in Pension Value and Nonqualified Deferred Compensation Earnings ($)	All Other Compensation ($)[3]	Total ($)
F. William Barnett[4]		$ 234,529				$ 4,667	$ 239,196
Richard Beckwitt[5]		215,085				2,225	217,310
Ed H. Bowman[6]		241,041				4,713	245,754
Margot L. Carter[7]	$ 46,750						46,750
George Damiris[8][9]	124,667	93,588				202	218,457
Martin M. Ellen [9][10]	113,501	93,588				942	208,031
Laurence E. Hirsch[11]						1,332[12]	1,332
Michael R. Nicolais[13]		140,010	$ 140,009			2,449	282,468
Richard R. Stewart[9][14]	218,501	46,794	46,752			1,521	313,568

(1) The amounts in this column reflect the value of restricted stock awards made to the directors in the fiscal year ended March 31, 2018 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 (J) to the Company s audited financial statements for the fiscal year ended March 31, 2018 included in the Company s Annual Report on Form 10-K filed with the SEC on May 23, 2018, or Fiscal 2018 Form 10-K.

(2) The amounts in this column reflect the value of option awards made to the directors in the fiscal year ended March 31, 2018 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 (J) to the Company s audited financial statements for the fiscal year ended March 31, 2018 included in the Fiscal 2018 Form 10-K.

(3) The amounts in this column represent dividend payments made in fiscal 2018 to the directors with respect to restricted stock awarded to such directors, except as otherwise noted.

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

(5) Mr. Beckwitt elected to receive 100% of his director compensation in the form of equity.

(6) Mr. Bowman is the Chair of the Compensation Committee. He elected to receive 100% of his director compensation in the form of equity (including his chairperson fee).

(7) Ms. Carter was appointed to the Board in October 2017 and will receive cash compensation for her services as a director from the date of her appointment through July 2018.

(8) Mr. Damiris selected the compensation package where he receives a portion of his director compensation in the form of equity and a portion in cash.

(9)

A portion of the cash received by Messrs. Damiris, Ellen and Stewart relates to director compensation for the prior board year ended July 2017.

(10) Mr. Ellen is Chair of the Audit Committee. He selected the compensation package where he receives a portion of his director compensation in the form of equity and a portion in cash. Mr. Ellen received his committee chairperson fee in cash.

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(11) Mr. Hirsch retired from the Board effective August 3, 2017.
(12) Includes $640 of dividend equivalent cash payments made to Mr. Hirsch in connection with restricted stock awarded to Mr. Hirsch.
(13) Mr. Nicolais is Vice Chairman of the Board. He elected to receive 100% of his director compensation in the form of equity (including his chairperson fee).
(14) Mr. Stewart is the Chairman of the Board. He selected the compensation package where he receives a portion of his director compensation in the form of equity and a portion in cash. Mr. Stewart received his chairperson fee in cash.

The following chart shows the number of outstanding stock options, RSUs and shares of restricted stock held by each non-employee director as of March 31, 2018.

Name	**Stock Options(1)**	**RSUs(2)**	**Restricted Stock(3)**
F. William Barnett	33,821	8,743	10,405
Richard Beckwitt	2,070		4,405
Ed H. Bowman	6,293		10,485
Margot L. Carter			
George Damiris			
Martin M. Ellen	6,917		1,852
Michael R. Nicolais	15,526	3,845	5,368
Richard R. Stewart	9,942		3,550

(1) All of these stock options were fully exercisable as of March 31, 2018.
(2) The RSUs granted to non-employee directors 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 1,231 RSUs; and Mr. Nicolais 545 RSUs.
(3) The restrictions on the restricted stock granted to non-employee directors will not lapse 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. Any cash dividends declared and paid by the Company during the restricted period are paid in cash with respect to such restricted stock.

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Board Leadership Structure and Role in Risk Oversight

The positions of Chairman of the Board and CEO are performed by two different persons. Mr. Powers, 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. Stewart, our Chairman, oversees the Company s general strategic direction and leads and manages the Board. Mr. Nicolais, our Vice Chairman, fulfills the Chairman s duties in the event that Mr. Stewart is unavailable.

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 risks arising from the Company s compensation policies and practices are not 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. The Board reviewed the compensation policies and practices in effect for our executive officers, senior management and other employees and assessed the features the Company has 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.

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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 chairperson and members of each committee as of March 31, 2018, and the number of meetings held by each committee during the fiscal year ended March 31, 2018:

Director	Audit	Compensation	Governance	Executive
F. William Barnett			Chair	
Richard Beckwitt				
Ed H. Bowman		Chair		
Margot L. Carter				
George Damiris				
Martin M. Ellen	Chair			
Michael R. Nicolais				
David B. Powers				
Richard R. Stewart				Chair
Number of Meetings in Fiscal 2018	6	6	5	0

Audit Committee

Our Board has a standing Audit Committee, composed of at least 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 and appointment 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 25 years of experience as a chief financial officer with public and private companies and prior experience with a major public accounting firm, Mr. Ellen 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.

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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, 2018 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 including the enhanced NYSE independence requirements for directors serving on compensation committees, 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 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 advisers after taking into account all factors relevant to the adviser s independence from management. For additional information regarding outside advisers engaged by the Compensation Committee, please see Compensation Discussion and Analysis beginning on page 21 of this proxy statement.

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

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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;

review and recommend to the Board the compensation of non-employee directors;

recommend stock ownership guidelines and monitor compliance therewith; 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, under terms set by the Compensation Committee. This authority for fiscal 2019, which expires on May 31, 2019, is limited to an aggregate of 60,000 option shares, no one individual may

receive more than 15,000 option shares, 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 2018, no stock options were granted to employees under this authority out of a maximum of 60,000.

Our Compensation Committee s report for the fiscal year ended March 31, 2018 is presented below under the heading Compensation Committee Report beginning on page 20 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;
- 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 anonymous 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, giving due consideration to diversity in perspectives, backgrounds, business experiences, professional expertise, gender and ethnic background. Subject to its fiduciary duties and applicable laws and regulations, when searching for new directors, the Governance Committee is charged with endeavoring to identify highly qualified diverse candidates, including women and individuals from minority groups, to include in the pool of candidates from which director nominees are chosen.

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 2019 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 7, 2019 and ending May 8, 2019, 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 2018 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

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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, 2018 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 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, 2018 and who is not also a member of our Board. All of these persons have been elected to serve until the next annual meeting of our Board or until their earlier resignation or removal.

D. Craig Kesler

Age: 42

Position: 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 with Ernst & Young LLP from April 2002 through September 2004).

Michael Haack

Age: 45

Position: Executive Vice President and Chief Operating Officer (has held current office since December 2014; Mr. Haack was employed at Halliburton Energy Services for the 17 years prior to joining the Company, most recently as Global Operations Manager at Halliburton s Sperry Drilling division).

Gerald J. Essl

Age: 68

Position: Executive Vice President Cement (has held current office since April 2016; Executive Vice President Cement/Aggregates and Concrete from January 2003 through March 2016; President of Texas Lehigh Cement Company from 1985 through December 2002).

Keith W. Metcalf

Age: 60

Position: President American Gypsum Company LLC (has held current office since April 2016; Executive Vice President of Sales & Marketing from

January 2016 through March 2016; Senior Vice President of Sales & Marketing from July 2009 through December 2015; and Vice President of Sales, Marketing & Distribution from May 2001 through June 2009).

James H. Graass

Age: 60

Position: 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).

Robert S. Stewart

Age: 64

Position: Executive Vice President Strategy, Corporate Development and Communications (has held current office since August 2009; Senior Vice President of Centex from 2000 through August 2009).

William R. Devlin

Age: 52

Position: 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 with PricewaterhouseCoopers LLP from July 1999 through August 2004).

Rahul Desai

Age: 53

Position: Senior Vice President Cement (has held current office since April 2016; Vice President Cement from October 2013 through March 2016; Plant Manager Sugar Creek from November 2012 through September 2013; Mr. Desai was employed in various operational roles within Lafarge, S.A. over the 16 years prior to the Company s acquisition of the Sugar Creek plant).

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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

Ed H. Bowman, *Chairman*

F. William Barnett

George J. Damiris

Michael R. Nicolais

This report of the Compensation Committee does not constitute soliciting material and should not be deemed filed or incorporated by reference into any of the other Company filings under the Securities Act of 1933 or the Securities Exchange Act of 1934, except to the extent the Company specifically requests that the information be treated as soliciting material or specifically incorporates this report by reference therein.

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COMPENSATION DISCUSSION AND ANALYSIS

Executive Summary

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 currently in effect 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.
- A substantial portion of our annual long-term compensation awards are 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.

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 2018 Compensation Highlights

The following highlights of our executive compensation program in fiscal 2018 exemplify our long-standing commitment to sound compensation practices, including pay-for-performance.

The various components of the compensation payable to our Chief Executive Officer, or CEO, and the executive officers named in our Summary Compensation Table, or Named Executive Officers, during fiscal 2018 are as follows:

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The base salaries for fiscal 2018 for our Named Executive Officers are on average between the median and the 75th percentile base salary in the compensation study prepared by our compensation consultant as described on page 25 below.

Approximately 55% of the total compensation of our Named Executive Officers, on average, for fiscal 2018 was performance-based (annual cash incentive bonus, performance-based restricted stock and performance-based stock options).

100% of our cash annual incentive bonus for our Named Executive Officers for fiscal 2018 was performance-based in that the bonus pool amount is tied to, and varies with, our operating earnings. 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 Named Executive Officer s performance.

50% of the value of our annual long-term awards made to Named Executive Officers during fiscal 2018 was in the form of performance-based equity (restricted stock and/or stock options). These grants were to be earned if the Company attained a target level average return on equity for the fiscal year ended March 31, 2018. In May 2018, the Compensation Committee determined that the Company s return on equity was approximately 96.2% of the maximum performance level (or approximately 115.4% of the target performance level), and the earned equity was determined accordingly. All unearned performance-based equity was forfeited. One-fourth of the earned performance-based equity vested upon the certification by the Compensation Committee, and the remaining earned performance-based equity will vest ratably on March 31 of 2019, 2020 and 2021 (assuming continued service by the relevant officer).

50% of the value of our annual long-term awards made to Named Executive Officers during fiscal 2018 was in the form of time-vesting equity (stock options and/or restricted stock), which will vest ratably over the next four fiscal year-ends after the date of grant (assuming continued service by the relevant officer).

Some key features of the fiscal 2018 compensation for David B. Powers, our CEO:

The base salary of Mr. Powers was set at $850,000, which is slightly below the median of the compensation study.

Almost 60% of the cash compensation of Mr. Powers for fiscal 2018 was performance-based.

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Advisory Vote on Executive Compensation; Stockholder Engagement

We regularly communicate with our stockholders throughout the fiscal year to better understand their opinions on our business strategy and objectives and to obtain feedback regarding other matters of investor interest, such as executive compensation. Throughout this process, the investor feedback related to compensation indicated broad support for the Company s executive compensation program.

At the 2017 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 2017 Annual Meeting of Stockholders. This say-on-pay vote was 95.02% in favor, 4.93% against (with 0.03% abstaining).

In light of the significant stockholder support of the executive compensation program (reflected through both the stockholder engagement feedback and the 2017 say-on-pay vote results), no substantive changes were made to the executive compensation program for fiscal 2018.

The Compensation Committee is firmly committed to providing its executives with compensation opportunities that are tied to Company performance and stockholder value creation. We encourage you to review the complete description of the Company s executive compensation program prior to casting your vote on this year s say-on-pay advisory vote proposal (Proposal No. 2).

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 2018 for the following persons who were Named Executive Officers during such fiscal year:

David B. Powers	President and Chief Executive Officer
D. Craig Kesler	Executive Vice President Finance and Administration and Chief Financial Officer
Michael Haack	Executive Vice President and Chief Operating Officer
Robert S. Stewart	Executive Vice President Strategy, Corporate Development and Communications
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:

- Establishing our annual incentive bonus maximums based on our earnings, with the ability for the Committee to reduce the bonus based on individual performance goals, and

- Tying the ability to earn a substantial portion of our equity-based awards to the achievement of financial goals.

To achieve our compensation objectives for fiscal 2018, 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.

Compensation Risk

Although a significant portion 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 and monitor compliance therewith.

The Compensation Committee consists solely of directors who are independent under the NYSE listing standards (including the enhanced independence requirements for compensation committee members) and Section 162(m) of the

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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 amount, nature of and terms applicable to such awards, including the form any such awards will take (e.g., options, restricted stock, restricted stock units and/or cash), the individual grant date fair value 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 2018, the Compensation Committee made these determinations at two separate meetings held in May 2017.

After the end of the fiscal year, the Compensation Committee:

(1) reviews and approves the annual incentive bonus pools,

(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 2018 at a meeting held in May 2018.

Our CEO 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, the CEO 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. The CEO 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 the CEO 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.

Engagement of a Compensation Consultant

Late in fiscal 2017 (January 2017), the Compensation Committee again retained Longnecker & Associates (L&A), an independent compensation consulting firm based in Houston, Texas, to review levels and incentive components of our executives

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compensation in an effort to align the compensation of our officers competitively with the market for fiscal 2018. The primary role of L&A was to provide the Compensation Committee with market data and information regarding compensation trends in our industry and to make recommendations regarding base salaries, the design of our incentive programs and executive compensation levels. Our management did not direct or oversee the retention or activities of L&A with respect to our executive compensation program. The Compensation Committee has assessed the independence of L&A pursuant to SEC and NYSE rules and concluded that no conflict of interest exists that would prevent L&A from independently advising the Compensation Committee.

Compensation Peers

The data used by L&A in its survey of compensation, which we refer to as the compensation study, was weighted so that 50% was from published surveys from Towers Watson, Economic Research Institute, Mercer, Pay Factors, Kenexa and WorldatWork and 50% was from disclosure in compensation peer group proxy statements. At the beginning of fiscal 2017 (spring of 2016) L&A reviewed the Company s current peer group for appropriateness and provided the Compensation Committee with recommendations for any additional peers to be included. L&A analyzed the Company s peer group and potential additional companies based on (1) other similar companies within similar industries, (2) revenue, (3) market capitalization, (4) enterprise value, (5) asset size (6) net income, (7) EBITDA and (8) one-year and three-year total shareholder return (TSR).

Based on this analysis, L&A recommended the Company maintain its fiscal 2017 compensation peer group in analyzing fiscal 2018 compensation. Based on L&A s recommendation, the Compensation Committee therefore utilized the following 15-company peer group in analyzing fiscal 2018 compensation (compensation peer group):

Armstrong Worldwide Industries, Inc.

Continental Building Products, Inc.

EnPro Industries, Inc.

Headwaters Incorporated

James Hardie Industries plc

KapStone Paper and Packaging Corporation

Lennox International Inc.

Louisiana-Pacific Corp.

Martin Marietta Materials Inc.

Silgan Holdings, Inc.

Summit Materials, Inc.

USG Corporation

U.S. Concrete, Inc.

U.S. Silica Holdings, Inc.

Vulcan Materials Company

L&A delivered its compensation peer analysis report to the Compensation Committee in February 2017, utilizing trailing 12 months financials for revenue, net income and EBITDA; asset value as of the latest quarterly report on Form 10-Q filed by the company; and market capitalization, enterprise value and TSR as of February 9, 2017. The Company s ranking within the compensation peer group in each of the categories utilized by L&A was as follows:

Category	**Company Percentile Rank**
Revenue	29th
Assets	51st
Market Capitalization	70th
Enterprise Value	69th
Net Income	66th
EBITDA	57th
One-year TSR	88th
Three-year TSR	38th
OVERALL AVERAGE	**58th**

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 we view as sufficiently dissimilar to ours

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as to make comparisons significantly less meaningful. Additionally, if the institutional shareholder advisor constructs a peer group based solely on revenues, the resulting peer group can create a poor fit for two reasons. First, because of accounting rules we are unable to include our 50/50 Texas Lehigh joint venture s revenues in our revenue line item we instead account for that entity in a separate line item valuing the equity interest in an unconsolidated joint venture. Our revenue is, in effect, understated. Second, in our industry, with large up-front capital projects, we believe that cash flow and earnings are more important than revenues when evaluating peers.

For these reasons and in light of the peer analysis described above, we believe that the compensation peer group identified by our Compensation Committee for fiscal 2018 provides a more appropriate and meaningful basis for assessing our executive compensation.

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 L&A to conduct the compensation study at the beginning of fiscal 2018. L&A s compensation study was delivered to the Compensation Committee in May 2017.

The fiscal 2018 base salaries for the Named Executive Officers were set as follows:

Name	**Base Salary**
David B. Powers	$ 850,000
D. Craig Kesler	$ 434,000
Michael Haack	$ 546,000
Robert S. Stewart	$ 434,000
James H. Graass	$ 412,000

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. Following the base salary adjustments, the salaries of the Named Executive Officers were, on average, between the median and the 75th percentile of the L&A compensation study.

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 2018 were made under the Eagle Materials Inc. Salaried Incentive Compensation Program for Fiscal Year 2018, which we refer to as the Eagle Annual Incentive Program. These incentive 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. Our Incentive Plan provides an absolute cap on cash that any employee may receive in any fiscal year under such programs ($5 million).

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 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. Although individual performance and achievement of goals (as discussed in more detail below under Approving the

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Annual Incentive Bonus) may 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 operating earnings change from year to year.

Eagle Annual Incentive Program

For fiscal 2018, each of our Named Executive Officers was a participant in the Eagle Annual Incentive Program. Under this program, during the first quarter of the 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.

The Eagle Annual Incentive Program was adopted by the Compensation Committee in May 2017, and it mirrored the structure of the fiscal 2017 program. The program was to be funded with 1.4% of the Company s operating earnings for fiscal 2018. The Committee believes that operating earnings is an appropriate measurement for annual incentive bonuses because this measure is tied more closely to operations, operating earnings performance can be directly impacted by the efforts of the pool participants, and operating earnings are a measure that our stockholders have indicated they track and value.

The bonus pool itself 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; however, our Incentive Plan does provide an absolute cap on cash that any employee may receive in any fiscal year

under such programs ($5 million). In setting the percentage of operating earnings which would fund the pool for the Eagle Annual Incentive Program, 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 operating earnings), as well as the anticipated operating earnings for fiscal 2018.

In allocating the pool, the Compensation Committee considered the amount of annual incentive bonus compensation payable to executives in other companies who fulfill similar roles as illustrated in the compensation study prepared by L&A, the share of the pool historically allocated to officers in such roles by the Company, the recommendation of Mr. Powers for each participant, 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, the executive s level of responsibility, and the anticipated operating earnings for fiscal 2018. The Compensation Committee set the bonus potential for the Named Executive Officers as follows:

Name	**Annual Incentive Bonus Potential (% of Pool)**
David B. Powers	24.0
D. Craig Kesler	15.8

Michael Haack	17.0
Robert S. Stewart	15.8
James H. Graass	15.8

At the time the Compensation Committee set the bonus potential percentages, the anticipated operating earnings for fiscal 2018 yielded annual incentive bonus potentials that, when added to base salaries, would place the Named Executive Officers at slightly above the 75th percentile of actual total cash compensation (base salary plus actual annual incentive) of the L&A compensation study.

Also at the beginning of fiscal 2018, the Compensation Committee worked with Mr. Powers to develop individual annual incentive goal categories by plan and position throughout the Company, including with respect to the Named

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Executive Officers. For participants in the Eagle Annual Incentive Program, the participants individual performance against the goals would be evaluated by the Committee in the exercise of negative discretion to reduce (but not increase) the amount of the portion of the pool that would be paid to the participant at the end of the fiscal year.

At the end of fiscal 2018, the Compensation Committee determined that the aggregate amount available for the Eagle Annual Incentive Program for fiscal 2018 was $4,825,766, based on the Company s operating earnings as adjusted for certain non-recurring items which the Committee believes are not reflective of operating performance. This pool amount was not quantifiable until the end of fiscal 2018 and includes amounts available for payment to officers and employees other than the Named Executive Officers. For comparison purposes, the equivalent pool amount in fiscal 2017 was $4,440,100. From fiscal 2017 to fiscal 2018, our operating earnings increased from $317,150,000 to $344,697,591.

Fiscal 2018 Special Situation Program

In the first quarter of fiscal 2018 (May 2017), the Compensation Committee approved the Eagle Materials Inc. Special Situation Program for Fiscal Year 2018, which we refer to as the SSP, which is a special annual incentive program intended to recognize outstanding individual performance during the fiscal year. The SSP also provides flexibility to reward performance when special circumstances arise in which our CEO determines that an individual has performed well but not been adequately compensated pursuant to other components of compensation, including without limitation instances where an individual s compensation has been adversely affected by market conditions such as a cyclical downturn or in recognition of transactions and events not contemplated at the time the Compensation Committee set compensation for the applicable year.

SSP awards are made by our CEO, except that awards to executive officers require Compensation Committee approval. 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 2018, the Compensation

Committee determined that 0.20% of the Company s EBITDA for the ensuing fiscal year would fund the SSP, along with the portions of the Eagle and divisional incentive compensation plans and divisional long-term cash compensation plans not paid out. In setting the percentage of EBITDA which would fund the SSP, the Compensation Committee considered several factors, including the anticipated EBITDA for fiscal 2018. All of our Named Executive Officers are eligible to participate in the SSP; however, no Named Executive Officer received an SSP award in fiscal 2018.

Approving the Annual Incentive Bonus

In May 2018, the Compensation Committee approved the incentive bonus pool for fiscal 2018 for the Company. In addition, at the end of fiscal 2018, Mr. Powers provided performance evaluations of each Named Executive Officer (other than himself) to the Compensation Committee, which evaluations included an assessment 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. Powers himself, the Compensation Committee performed its own evaluation of his performance and the extent to which the goals and objectives established for him for fiscal 2018 had been achieved.

Mr. Powers

At the end of fiscal 2018, the Compensation Committee conducted its performance evaluation of Mr. Powers after receiving input from the entire Board. Mr. Powers also provided information used by the Compensation Committee to evaluate the achievement of his goals and objectives for fiscal 2018 under the Eagle Annual Incentive Program. Based on this evaluation, the Compensation Committee believes Mr. Powers performed at a high level during fiscal 2018 and met or exceeded his goals and objectives. That evaluation resulted in Mr. Powers receiving 96.5% of his bonus potential for fiscal 2018. The Compensation Committee approved an annual incentive bonus for Mr. Powers under the Eagle Annual Incentive Program of $1,117,647, which is reflected in the Non-Equity Incentive Plan Compensation column of the Summary Compensation Table located on page 38 of this proxy statement. In making this determination, the Compensation Committee used its judgment to

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determine the appropriate award level after consideration of several factors, including his achievement of his goals related to organizational leadership development and the following areas (among others) over the past fiscal year:

- success in completing manufacturing capacity utilization and expansion projects;
- leadership in driving talent and organizational development at both the corporate and divisional levels;
- successful integration of the Fairborn cement business;
- driving improvement in the frac sand division s growth and profitability; and
- promotion of a safety performance culture and implementation of reporting and monitoring system enhancements.

Mr. Kesler

At the end of fiscal 2018, Mr. Powers 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 99.5% of his incentive bonus potential, approving an annual incentive bonus for Mr. Kesler under the Eagle Annual Incentive Program of $758,659, which is reflected in the Non-Equity Incentive Plan Compensation column of the Summary Compensation Table located on page 38 of this proxy statement. In making this determination, the Compensation Committee used its judgment to determine the appropriate award level after consideration of several factors, including his achievement of his goals related to his areas of responsibility, the input of Mr. Powers regarding Mr. Kesler s performance, and the following areas (among others) over the past fiscal year: Mr. Kesler s integration of acquired businesses into the Company s accounting and financial reporting systems, and enhancement of the Company s financing arrangements, health and welfare benefit program management and insurance programs.

Mr. Haack

At the end of fiscal 2018, Mr. Powers reviewed Mr. Haack s performance, finding that Mr. Haack had achieved his goals during the fiscal year. Based in part on this review, the Compensation Committee

determined that Mr. Haack had met his goals and awarded Mr. Haack 97.5% of his incentive bonus potential, approving an annual incentive bonus for Mr. Haack under the Eagle Annual Incentive Program of $799,871, which is reflected in the Non-Equity Incentive Plan Compensation column of the Summary Compensation Table located on page 38 of this proxy statement. In making this determination, the Compensation Committee used its judgment to determine the appropriate award level after consideration of several factors, including his achievement of his goals related to safety, leadership development and operational performance, the input of Mr. Powers regarding Mr. Haack s performance, and the following areas (among others) over the past fiscal year: Mr. Haack s success in further enhancing the Company s safety programs, organizational leadership development, manufacturing capacity utilization and expansion, and driving improvement in the frac sand division s growth and profitability.

Mr. Stewart

At the end of fiscal 2018, Mr. Powers reviewed Mr. Stewart s performance, finding that Mr. Stewart had achieved his goals during the fiscal year. Based in part on this review, the Compensation Committee determined that Mr. Stewart had met his goals and awarded Mr. Stewart 99.5% of his incentive bonus potential, approving an annual incentive bonus for Mr. Stewart under the Eagle Annual Incentive Program of $758,659, which is reflected in the Non-Equity Incentive Plan Compensation column of the Summary Compensation Table located on page 38 of this proxy statement. In making this determination, the Compensation Committee used its judgment to determine the appropriate award level after consideration of several factors, including his achievement of his goals related to organizational leadership development, the input of Mr. Powers regarding Mr. Stewart s performance, and the following areas (among others) over the past fiscal year: Mr. Stewart s formulation of effective investor communication tools, and successful efforts in advancing the Company s leadership development programs.

Mr. Graass

At the end of fiscal 2018, Mr. Powers reviewed the performance of Mr. Graass, finding that Mr. Graass had achieved his goals during the fiscal year. Based

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in part on this review, the Compensation Committee determined that Mr. Graass had met his goals and awarded Mr. Graass 99.5% of his incentive bonus potential, approving an annual incentive bonus for Mr. Graass under the Eagle Annual Incentive Program of $758,659, which is reflected in the Non-Equity Incentive Plan Compensation column of the Summary Compensation Table located on page 38 of this proxy statement. In making this determination, the Compensation Committee used its judgment to determine the appropriate award level after consideration of several factors, including his achievement of his goals related to legal compliance, the input of Mr. Powers regarding the performance of Mr. Graass, and the following areas (among others) over the past fiscal year: enhancement of the Company s internal policies and procedures, development of certain employee training programs, and oversight of the Company s process for negotiating and entering into material contracts.

Long-Term Incentive Compensation

Consistent with the Compensation Committee s philosophy of linking compensation to our performance, a significant portion of our long-term incentive compensation program for fiscal 2018 has been structured to tie the ability to earn equity awards to the achievement by the Company of specific performance levels. To enhance retention of key employees, once earned, the performance awards contain a further time-vesting component. Also, a portion of our long-term compensation program has been structured as purely time-vesting, which the Compensation Committee believes, based on the input of L&A, is in-line with the practice of our peers. A more detailed description of the fiscal 2018 awards is found below.

Burn Rate

The Compensation Committee has been a good steward of the equity available to it for award under our Incentive Plan. 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 1.03%. The 2018 benchmark for our industry published by ISS is 2.61%.

Grant Practice

All of the Named Executive Officers participate in our long-term incentive compensation program. In fiscal 2018, 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, under terms set by the Compensation Committee. This authority for fiscal 2019, which expires on May 31, 2019, is limited to an aggregate of 60,000 option shares; no one individual may receive more than 15,000 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 2018, no stock options were granted to employees under this authority out of a maximum of 60,000.

Fiscal 2018 Grants

In structuring the long-term incentive program for fiscal 2018, the Compensation Committee worked with our CEO, Mr. Powers, to establish a mix of performance-based and time-vesting awards. Consistent with prior years, the performance metric selected was return on equity, or ROE, which represents our earnings as a percentage of our stockholders equity, a performance metric that our stockholders have told us they find meaningful and that the Committee views as a measure of the Company s prudent deployment of capital.

Target award amounts were allocated equally between performance-vesting and time-vesting awards, with one-half of each type being allocated to restricted stock and one-half to stock options;

provided, that the Committee could take into consideration the recipient s age and proximity to retirement in allocating some awards 100% to restricted stock. With respect to performance-based equity awards, the Committee determined a target award value that would be received upon the achievement of a strong ROE, with up to 120% of the target value received if exceptional ROE were achieved and 80% of the target value received if acceptable ROE were achieved. None of the performance-based equity awards would be earned if the return on equity were below this acceptable level. Both performance-based and time-vesting equity awards would vest over a four-year period to enhance the retention of these key employees.

Effective May 18, 2017, the Compensation Committee approved equity awards under the Incentive Plan to a group of key employees, including the Named Executive Officers, in alignment with the above structure. As part of the compensation study delivered to the Compensation Committee in May 2017, L&A had provided information regarding long-term compensation as well as total direct compensation paid to the compensation peer group. In determining the value

of the equity to be granted, the Compensation Committee took into consideration the L&A compensation study, the input of Mr. Powers, the Compensation Committee s assessment of the executive s importance and contribution to the organization, and the executive s level of responsibility. On average, the target Named Executive Officer long-term incentive compensation was at approximately the median of the compensation study, resulting in total direct compensation between the median and the 75th percentile of the compensation study. The target grant date fair value was allocated 50% to performance-based equity (with a Company ROE financial metric) and 50% to time-vesting equity. In general, recipients of equity awards had their target grant date fair value allocated half to restricted stock and half to stock options; however, given their age and proximity to retirement, some recipients (including Messrs. Powers, Stewart and Graass) had their entire award allocated to restricted stock.

The following table shows the stock options and restricted stock granted to each of the Company s Named Executive Officers effective May 18, 2017:

Name	**Number of Performance Vesting Stock Options**	**Shares of Performance Vesting Restricted Stock**	**Number of Time Vesting Stock Options**	**Shares of Time Vesting Restricted Stock**
David B. Powers		19,330		16,109
D. Craig Kesler	7,145	2,380	5,954	1,983
Michael Haack	8,484	2,826	7,070	2,355
Robert S. Stewart		4,759		3,966
James H. Graass		4,759		3,966

The Committee believes that the structure of the fiscal 2018 long-term compensation program is consistent with the Compensation Committee s philosophy of linking compensation to our performance.

Performance-Based Equity Awards

These awards are comprised of shares of restricted stock and stock options which are earned based upon the achievement by the Company of a certain level of average ROE for the fiscal year ended March

31, 2018, with 100% of the awarded stock/options (that is, 120% of the target award value) being earned if such ROE measure was 18.0% or higher, 83.3% of the awarded stock/options (that is, 100% of the target award value) being earned if such ROE measure was 14.5%, and 66.7% of the awarded stock/options (that is, 80% of the target award value) being earned if such ROE measure was at least 11.0% (with the exact percentage of shares earned being calculated based on straight-line interpolation between the points specified above with fractional points rounded to the nearest tenth of a percent). If the Company achieved an ROE measure of less than 11.0%, then none of the performance-based equity awards would be earned. The earned performance-based equity was to become fully vested one-fourth promptly after the certification date and one-fourth on March 31 for each of the following three years (in each case assuming continued service through such dates).

The terms and conditions of the performance-based equity are substantially the same as prior performance-based awards, except that the performance criterion is as described above. Any performance-based equity that was not earned at the end of fiscal 2018 was to be forfeited. As in the case of prior equity awards, the performance-based equity will also vest upon a change in control of the Company. See Change in Control Benefits below. In accordance with the terms of the Incentive Plan, the exercise price of the stock options is the closing price of the Company s Common Stock on the date of grant, May 18, 2017 ($100.88).

In May 2018, the Compensation Committee certified that the Company s 17.2% average ROE for the fiscal year ended March 31, 2018 (as defined in the award agreement and as adjusted for certain non-recurring items which the Committee believes are not reflective of operating performance) satisfied the Company s performance goal such that 96.2% of the performance-based equity granted (or 115.4% of the target number of shares/options) was earned. Any unearned performance-based equity was forfeited. One-fourth of the earned performance-based equity vested promptly after such certification date, and the remaining three-fourths will vest ratably on March 31 of 2019, 2020 and 2021 (in each case assuming continued service through such dates).

Time-Vesting Equity Awards

These awards are comprised of shares of restricted stock and stock options which vest ratably over four years on March 31, 2018; March 31, 2019; March 31, 2020; and March 31, 2021 (in each case assuming continued service through such dates). The Compensation Committee believes that including time-vesting equity as part of long-term compensation is consistent with competitive pay practices, preserves the Company s philosophy that a significant portion of an executive s pay should be at risk, enhances the retention of key employees,

while at the same time creating a strong incentive for management to operate the business in a manner that creates additional value for stockholders.

The terms and conditions of the time-vesting equity are substantially the same as prior time-vesting awards. As in the case of prior equity awards, the time-vesting equity will also vest upon a change in control of the Company. See Change in Control Benefits below. In accordance with the terms of the Incentive Plan, the exercise price of the stock options is the closing price of the Company s Common Stock on the date of grant, May 18, 2017 ($100.88).

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 $18,000), 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 $6,000). 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). All of the Named Executive Officers (other than Mr. Haack, who joined the Company in December 2014) 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 an Eagle 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.

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Employer profit sharing contributions made to the PSRP on behalf of our Named Executive Officers in fiscal 2018 are reflected under the All Other Compensation column in the Summary Compensation Table located on page 38 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 46 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 $270,000) 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 (other than Mr. Haack, who joined the Company in December 2014) 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 2017 are reflected under the All Other Compensation column in the Summary Compensation Table located on page 38 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 46 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. 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 2018 are reflected under the All Other Compensation column in the Summary Compensation Table located on page 38 of this proxy statement. 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 47 of this proxy statement.

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Change in Control Benefits

Awards under our Incentive Plan are generally subject to accelerated vesting upon the occurrence of a change in control as defined in the applicable award agreement. Under the award agreements or incentive program documents, 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) at 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, restricted stock units or cash awards would generally become immediately fully vested, and, in the case of

stock options, exercisable or, the case of restricted stock, RSUs or cash awards, payable, unless the transaction resulting in the change in control provides that the award is to be replaced with an award of equivalent shares of the surviving parent corporation. See Potential Payments Upon Termination or Change in Control beginning on page 47 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)
David B. Powers	5X	56,500	122,225
D. Craig Kesler	3X	26,900	61,349
Michael Haack	3X	18,800	25,120
Robert S. Stewart	3X	37,600	39,901
James H. Graass	3X	22,200	56,842

(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.

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 certain other executive officers. However, historically, Section 162(m) exempted performance-based compensation from the deduction limit if certain requirements were met.

The legislation commonly referred to as the Tax Cuts and Jobs Act of 2017, or the 2017 Tax Act, made significant changes to Section 162(m) of the Code. The 2017 Tax Act expanded the executives potentially affected by the deduction limitation and repealed the performance-based compensation exemption to Section 162(m), subject to a transition rule for performance-based compensation paid after 2017 under certain existing compensation arrangements covered by binding contractual arrangements in effect on November 2, 2017 that are not materially modified. Beginning with the 2018 calendar year, the $1 million annual deduction limitation under Section 162(m) applies to compensation paid to any individual who serves as the chief executive officer, chief financial officer or qualifies as one of the other three most highly compensated executive officers in 2017 or any later calendar year.

The Company is currently evaluating the impact of the 2017 Tax Act on its compensation programs. The Company s general intention is to maximize the tax deductibility of its compensation programs.

However, the Compensation Committee believes that the use of business judgment in determining compensation levels is in the best interests of the Company and its stockholders. Accordingly, the Compensation Committee retains the discretion to approve amounts of compensation that may not be fully deductible due to Section 162(m). The Compensation Committee uses its business judgment in establishing compensation policies to attract and retain qualified executives to manage the Company and to reward such executives for outstanding performance, while taking into consideration the financial impact of such actions on the Company, including the deductibility of compensation paid to our executives. Moreover, the Compensation Committee believes that the lost deduction on compensation payable in excess of the $1 million limitation for our Named Executive Officers is not material relative to the benefit of being able to attract and retain talented management.

Special Considerations Regarding ISS Pay for Performance Testing

Institutional Shareholder Services (ISS) is a corporate governance advisory firm that annually issues voting recommendations to institutional investors regarding say-on-pay votes conducted by publicly traded companies, including us. ISS s pay-for-performance analysis contains a relative degree of alignment test over a three-year period. The analysis compares the relative alignment of our total stockholder return, as determined by ISS, and the percentile rank of our CEO compensation against that of a peer group of companies selected by ISS.

ISS s analysis this year (which will be published after we have distributed this proxy statement) will likely include the pay of our former CEO for one of the three years of the performance period. We pay our current CEO less than we paid our former CEO. Further skewing ISS s analysis is the fact that the SEC s disclosure requirements necessitated the artificial inflation of our former CEO s pay in his last year with the Company. As we explained in detail in footnotes 8 and 9 of the Summary Compensation Table in our 2016 proxy statement, we were required to include both the grant date fair value

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and the revalued retirement-related value of the same awards in that year s CEO compensation total, which we regard as double-counting. We believe that any analysis which includes our former CEO s pay from that year should exclude the effect of this double-counting.

We believe ISS should render a finding of low concern on its relative degree of alignment test this year. If, however, ISS finds either medium concern or high concern, we believe the mitigating factors noted above and the other positive aspects of our compensation program described in this CD&A should be recognized by ISS when performing the qualitative portion of its analysis.

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EXECUTIVE COMPENSATION

Summary Compensation Table

The following table summarizes all fiscal 2016, 2017 and 2018 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)] ($)	Bonus[(2)] ($)	Stock Awards[(3)] ($)	Option Awards[(4)] ($)	Non-Equity Incentive Plan Compensa-tion[(5)] ($)	All Other Compen-sation[(6)] ($)	Total ($)
David B. Powers [(7)]	2018	$ 850,000		$ 3,250,000		$ 1,117,647	$ 101,190	$ 5,318,837
President and Chief Executive Officer	2017	800,000	$ 100,000	2,500,000		1,044,312	70,786	4,515,098
	2016	397,580	250,000	425,000	$ 425,000	720,123	52,792	2,270,495
D. Craig Kesler	2018	434,000		400,000	400,000	758,659	57,503	2,050,162
Executive Vice President Finance	2017	420,000	100,000	350,000	350,000	701,536	47,464	1,969,000
and Administration & CFO	2016	400,000	50,000	375,000	375,000	509,403	44,275	1,753,678
Michael Haack	2018	546,000		475,000	475,000	799,871	70,475	2,366,346
Executive Vice President and Chief	2017	530,500		450,000	450,000	732,172	57,937	2,220,609
Operating Officer	2016	515,000	515,000	500,000	500,000		237,195	2,267,195
Robert S. Stewart [(8)] *Executive Vice President Strategy, Corporate Development and*	2018	434,000		800,000		758,659	53,292	2,045,951
Communications	2017	420,500	100,000	700,000		701,536	43,717	1,965,953
James H. Graass [(8)] *Executive Vice President, General Counsel and*	2018	412,000		800,000		758,659	52,776	2,023,435
Secretary	2017	399,000	100,000	350,000	350,000	694,520	42,984	1,936,504

(1) Includes amounts deferred on a pre-tax or after-tax basis at the election of the executive under our PSRP, which is described in greater detail under Profit Sharing and Retirement Plan on page 33 of this proxy statement.
(2) The amounts in this column represent payments to the Named Executive Officer under the Company s Special Situation Program for the applicable fiscal year, except that the amount for Mr. Powers for fiscal 2016 represents a special cash bonus awarded by the Compensation Committee at the end of fiscal 2016.
(3)

The amounts in this column reflect the value of restricted stock awards made to the Named Executive Officer in each of the fiscal years presented 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 (a) footnote (J) to the Company s audited financial statements for the fiscal year ended March 31, 2018

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included in the Fiscal 2018 Form 10-K; (b) footnote (J) to the Company s audited financial statements for the fiscal year ended March 31, 2017 included in the Company s Annual Report on Form 10-K, filed with the SEC on May 24, 2017, or Fiscal 2017 Form 10-K ; and (c) footnote (J) to the Company s audited financial statements for the fiscal year ended March 31, 2016 included in the Company s Annual Report on Form 10-K, filed with the SEC on May 25, 2016, or Fiscal 2016 Form 10-K. The amounts in this column assume achievement of less than the highest level of performance conditions, and the following reflects the amounts for this award assuming the highest level of performance conditions (i.e., the maximum amounts payable): Fiscal 2018: Mr. Powers - $3,550,000; Mr. Kesler - $440,000; Mr. Haack - $522,500; Mr. Stewart - $880,000; and Mr. Graass - $880,000. Fiscal 2017: Mr. Powers - $2,750,000; Mr. Kesler - $385,000; Mr. Haack - $495,000; Mr. Stewart - $770,000; and Mr. Graass - $385,000. Fiscal 2016: Mr. Powers - $488,750; Mr. Kesler - $431,250; and Mr. Haack - $575,000.

(4) The amounts in this column reflect the value of option awards made to the Named Executive Officer in each of the fiscal years presented 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 (a) footnote (J) to the Company s audited financial statements for the fiscal year ended March 31, 2018 included in the Fiscal 2018 Form 10-K; (b) footnote (J) to the Company s audited financial statements for the fiscal year ended March 31, 2017 included in the Fiscal 2017 Form 10-K; and (c) footnote (J) to the Company s audited financial statements for the fiscal year ended March 31, 2016 included in the Fiscal 2016 Form 10-K. The amounts in this column assume achievement of less than the highest level of performance conditions, and the following reflects the amounts for this award assuming the highest level of performance conditions (i.e., the maximum amounts payable): Fiscal 2018: Mr. Kesler - $440,000; and Mr. Haack - $522,500. Fiscal 2017: Mr. Kesler - $385,000; Mr. Haack - $495,000; and Mr. Graass - $385,000.

(5) The amounts in this column represent payments to the Named Executive Officer under the applicable annual incentive compensation program for the applicable fiscal year.

(6) The amounts shown in this column represent: (1) Company profit sharing contributions to the account of the Named Executive Officer under our PSRP (the PSRP is described in greater detail under Profit Sharing and Retirement Plan on page 33 of this proxy statement); (2) Company contributions to the account of the Named Executive Officer under our SERP (the SERP is described in greater detail under SERP on page 34 of this proxy statement); (3) premium costs to the Company of life insurance policies obtained by the Company in connection with our SCP (the SCP is described in greater detail under Salary Continuation Plan on page 34 of this proxy statement); (4) wellness awards; and (5) relocation expense. The table below provides further details of the amounts reflected in the All Other Compensation column:

Name	**Fiscal Year Ended March 31,**	**Profit Sharing Plan Contri-bution ($)**	**SERP Contri-bution ($)**	**Insurance Premiums under Salary Continuation Plan ($)**	**Well-ness Award ($)**	**Relo-cation ($)**	**Total of All Other Compen-sation ($)**
David B. Powers	2018	$ 32,400	$ 68,100		$ 690		$ 101,190
	2017	26,500	43,440	$ 156	690		70,786
	2016	26,500	25,293	999			52,792
D. Craig Kesler	2018	32,400	19,260	5,274	569		57,503

	2017	26,500	15,000	5,274	690		47,464
	2016	26,500	12,575	5,200			44,275
Michael Haack	2018	32,400	32,663	5,274	138		70,475
	2017	26,500	26,163	5,274			57,937
	2016	26,500	24,625	5,274		$ 180,796	237,195

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Name	Fiscal Year Ended March 31,	Profit Sharing Plan Contri-bution ($)	SERP Contri-bution ($)	Insurance Premiums under Salary Continuation Plan ($)	Well-ness Award ($)	Relo-cation ($)	Total of All Other Compen-sation ($)
Robert S. Stewart	2018	32,400	19,275	1,617			53,292
	2017	26,500	15,235	1,982			43,717
James H. Graass	2018	32,400	16,650	3,157	569		52,776
	2017	26,500	13,107	3,377			42,984

(7) Mr. Powers was promoted to President and Chief Executive Officer effective at the close of business on March 31, 2016.

(8) Neither Mr. Stewart nor Mr. Graass was a Named Executive Officer in fiscal year 2016. In accordance with SEC disclosure requirements, their compensation disclosure is provided only for the fiscal years in which they served as a Named Executive Officer.

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Grants of Plan-Based Awards

The following table sets forth the grants of plan-based awards made during fiscal 2018 to the Named Executive Officers.

		Estimated Future Payouts Under Non-Equity Incentive Plan Awards			Estimated Future Payouts Under Equity Incentive Plan Awards				
Name	**Grant Date**	**Thresh-old ($)**	**Target ($)**	**Maxi-mum ($)**	**Thresh-old (#)**	**Target (#)**	**Maximum (#)**	**Exercise or Base Price of Option Awards ($/sh)**	**Grant Date Fair Value of Stock and Option Awards[(1)]**
David B. Powers	5/15/17		$ 1,158,184[(2)]						
	5/18/17						16,109[(3)]		$ 1,625,000
	5/18/17					16,109[(4)]	19,330[(4)]		1,625,000
D. Craig Kesler	5/15/17		762,471[(2)]						
	5/18/17						1,983[(3)]		200,000
	5/18/17					1,983[(4)]	2,380[(4)]		200,000
	5/18/17						5,954[(5)]	$ 100.88	200,000
	5/18/17					5,954[(6)]	7,145[(6)]	100.88	200,000
Michael Haack	5/15/17		820,380[(2)]						
	5/18/17						2,355[(3)]		237,500
	5/18/17					2,355[(4)]	2,826[(4)]		237,500
	5/18/17						7,070[(5)]	100.88	237,500
	5/18/17					7,070[(6)]	8,484[(6)]	100.88	237,500
Robert S. Stewart	5/15/17		762,471[(2)]						
	5/18/17						3,966[(3)]		400,000
	5/18/17					3,966[(4)]	4,759[(4)]		400,000
James H. Graass	5/16/17		762,471[(2)]						
	5/18/17						3,966[(3)]		400,000
	5/18/17					3,966[(4)]	4,759[(4)]		400,000

(1) The amounts included in this column reflect the grant date fair value of the award computed in accordance with FASB ASC Topic 718. Assumptions used in the calculation of these amounts are included in footnote (J) to the Company s audited financial statements for the fiscal year ended March 31, 2018 included in the Fiscal 2018 Form 10-K.

(2) These amounts represent the maximum annual incentive payments potentially payable to the Named Executive Officers pursuant to the Eagle Annual Incentive Program or the Divisional Annual Incentive Bonus Programs, as applicable, for fiscal year 2018.

There are no thresholds or maximums for these awards they are merely a function of multiplying the pre-determined percentage by the operating earnings for the fiscal year; provided, however, our Incentive Plan does provide an absolute cap on cash that any employee may receive in any fiscal year under such programs ($5 million). The actual pay-outs to the Named Executive Officers were as follows: Mr. Powers $1,117,647; Mr. Kesler $758,659; Mr. Haack $799,871; Mr. Stewart $758,659; and Mr. Graass $758,659. These incentive programs are described in greater detail under Annual Incentive Bonus beginning on page 27 of this proxy statement.

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(3) These amounts represent grants of time-vesting restricted stock made on May 18, 2017 under our Incentive Plan. One-fourth of the restricted stock vested on March 31, 2018, and restrictions on the remaining restricted stock will lapse ratably on March 31 of 2019, 2020 and 2021. These restricted stock grants are described in greater detail under Long-Term Incentive Compensation Fiscal 2018 Grants beginning on page 31 of this proxy statement.

(4) These amounts represent grants of performance-based restricted stock made on May 18, 2017 under our Incentive Plan. The vesting of the restricted stock was subject to performance vesting criteria. On May 7, 2018, the Compensation Committee determined that 96.2% of the maximum award (or 115.4% of the target award) had been earned. Any unearned restricted shares were forfeited. One-fourth of the earned restricted stock vested on May 10, 2018, and restrictions on the remaining earned restricted shares will lapse on March 31 of 2019, 2020 and 2021. These restricted stock grants are described in greater detail under Long-Term Incentive Compensation Fiscal 2018 Grants beginning on page 31 of this proxy statement.

(5) These amounts represent grants of time-vesting stock options to purchase shares of Common Stock made on May 18, 2017 under our Incentive Plan. One-fourth of the stock options vested on March 31, 2018, and the remaining stock options will vest ratably on March 31 of 2019, 2020 and 2021. These stock options are described in greater detail under Long-Term Incentive Compensation Fiscal 2018 Grants beginning on page 31 of this proxy statement.

(6) These amounts represent grants of performance-based stock options to purchase shares of Common Stock made on May 18, 2017 under our Incentive Plan. The vesting of the stock options were subject to performance vesting criteria. On May 7, 2018, the Compensation Committee determined that 96.2% of the maximum award (or 115.4% of the target award) had been earned. Any unearned stock options were forfeited. One-fourth of the earned stock options vested on May 10, 2018, and the remaining earned stock options will vest ratably on March 31 of 2019, 2020 and 2021. These stock option grants are described in greater detail under Long-Term Incentive Compensation Fiscal 2018 Grants beginning on page 31 of this proxy statement.

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Outstanding Equity Awards at Fiscal Year-End

The following table summarizes stock-based compensation awards outstanding at the end of fiscal 2018 for each of the Named Executive Officers.

	Option Awards					Stock Awards			
Name	Number of Securities Underlying Unexercised Options Exercisable (#)	Number of Securities Underlying Unexercised Options Unexercisable (#)	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Unearned Options (#)	Option Exercise Price ($)	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#)	Market Value of Shares or Units of Stock That Have Not Vested ($)(1)	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested (#)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested ($)(1)
David B. Powers	7,681			$ 67.210	08/12/2023	1,373(2)	$ 141,488	19,330(3)	$ 1,991,957
	6,246			87.370	06/03/2024	1,973(4)	203,318		
	11,443	5,721(5)		81.560	06/10/2025	12,386(6)	1,276,378		
						9,767(7)	1,006,490		
						12,081(8)	1,244,948		
D. Craig Kesler	21,603			67.210	08/12/2023	11,667(9)	1,202,285	2,380(3)	245,259
	11,711			87.370	06/03/2024	858(2)	88,417		
	10,097	5,048(5)		81.560	06/10/2025	1,741(4)	179,411		
	1,795	5,384(10)		75.690	05/20/2026	1,734(6)	178,689		
	4,246	4,246(11)		75.690	05/20/2026	1,367(7)	140,870		
	1,489	4,465(12)		100.880	05/18/2027	1,487(8)	153,236		
			7,145(13)	100.880	05/18/2027				
Michael Haack	20,000	20,000(14)		79.900	12/01/2024	4,000(15)	412,200	2,826(3)	291,220
	6,731	6,731(5)		81.560	06/10/2025	2,322(4)	239,283		
	2,308	6,922(10)		75.690	05/20/2026	2,229(6)	229,699		
	5,460	5,458(11)		75.690	05/20/2026	1,758(7)	181,162		
	1,768	5,302(12)		100.880	05/18/2027	1,766(8)	181,987		
			8,484(13)	100.880	05/18/2027				
Robert S. Stewart		4,711(5)		81.560	06/10/2025	11,667(9)	1,202,285	4,759(3)	490,415
						1,201(2)	123,764		
						1,625(4)	167,457		
						3,468(6)	357,378		
						2,734(7)	281,739		
						2,974(8)	306,471		

James H. Graass	27,184		33.690	06/19/2022	858[2]	88,417	4,759[3]	490,415
	14,402		67.210	08/12/2023	1,741[4]	179,411		
	11,711		87.370	06/03/2024	1,734[6]	178,689		
	10,097	5,048[5]	81.560	06/10/2025	1,367[7]	140,870		
	1,795	5,384[10]	75.690	05/20/2026	2,974[8]	306,471		
	4,246	4,246[11]	75.690	05/20/2026				

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(1) Based on the closing price per share of Common Stock on the NYSE on March 29, 2018 ($103.05).

(2) Represents restricted stock granted on June 3, 2014 under our Incentive Plan. Restrictions will lapse on the remaining restricted shares on March 31, 2019.

(3) Represents performance-based restricted stock granted on May 18, 2017 under our Incentive Plan. The Compensation Committee determined in May 2018 (i.e., after the end of fiscal 2018) that 96.2% of the maximum award (or 115.4% of the target award) was earned. Any unearned restricted shares were forfeited. One-fourth of the earned restricted shares was paid to the Named Executive Officer on May 10, 2018, and restrictions will lapse ratably on the remaining earned restricted shares on March 31 of 2019, 2020 and 2021.

(4) Represents restricted stock granted on June 10, 2015 under our Incentive Plan. Restrictions will lapse ratably on the remaining restricted shares on March 31 of 2019 and 2020.

(5) Represents stock options granted on June 10, 2015 under our Incentive Plan. The remaining stock options vested on June 10, 2018.

(6) Represents time-vesting restricted stock granted on May 20, 2016 under our Incentive Plan. Restrictions will lapse ratably on May 20 of 2018, 2019 and 2020.

(7) Represents performance-based restricted stock granted on May 20, 2016 under our Incentive Plan. Restrictions will lapse ratably on the remaining shares on March 31 of 2019 and 2020.

(8) Represents time-vesting restricted stock granted on May 18, 2017 under our Incentive Plan. Restrictions on the first one-fourth lapsed on March 31, 2018. Restrictions on the remaining shares will lapse ratably on March 31 of 2019, 2020 and 2021.

(9) Represents restricted stock granted on May 18, 2010 under our Incentive Plan. Restrictions will lapse upon the Named Executive Officer meeting the
requirements of retirement, as defined in the award agreement.

(10) Represents time-vesting stock options granted on May 20, 2016 under our Incentive Plan. The remaining stock options will vest ratably on May 20 of 2018, 2019 and 2020.

(11) Represents performance-based stock options granted on May 20, 2016 under our Incentive Plan. The remaining earned stock options will vest ratably on March 31 of 2019 and 2020.

(12) Represents time-vesting stock options granted on May 18, 2017 under our Incentive Plan. The first one-fourth vested on March 31, 2018, and the remaining stock options will vest ratably on March 31 of 2019, 2020 and 2021.

(13) Represents performance-based stock options granted on May 18, 2017 under our Incentive Plan. The Compensation Committee determined in May 2018 (i.e., after the end of fiscal 2018) that 96.2% of the maximum award (or 115.4% of the target award) was earned. Any unearned stock options were forfeited. One-fourth of the earned stock options vested in May 10, 2018. The remaining earned stock options will vest ratably on March 31 of 2019, 2020 and 2021.

(14) Represents stock options granted to Mr. Haack under our Incentive Plan in connection with his joining the Company as Chief Operating Officer on December 1, 2014. The remaining stock options will vest ratably on December 1 of 2018 and 2019.

(15) Represents restricted stock granted to Mr. Haack under our Incentive Plan in connection with his joining the Company as Chief Operating Officer on December 1, 2014. Restrictions will lapse on the remaining restricted shares on December 1 of 2018 and 2019.

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Option Exercises and Stock Vested

The following table sets forth information regarding the exercise of stock options and the vesting of restricted stock during fiscal 2018 for each of our Named Executive Officers.

	Option Awards		Stock Awards	
Name	Number of Shares Acquired on Exercise (#)	Value Realized on Exercise ($)	Number of Shares Acquired on Vesting[(1)] (#)	Value Realized on Vesting[(2)] ($)
David B. Powers	22,317	$ 1,396,420	22,070	$ 2,237,546
D. Craig Kesler			4,730	482,275
Michael Haack	16,731	546,085	6,253	655,507
Robert S. Stewart	6,534	118,176	8,462	861,709
James H. Graass	18,198	1,339,997	5,784	590,889

(1) All of the amounts in this column represent shares of Common Stock received by the Named Executive Officer in connection with the lapsing of restrictions on restricted stock previously granted to the Named Executive Officers.

(2) The amount in this column represents the dollar amount realized by the Named Executive Officer valued at the time of the vesting of such shares.

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Nonqualified Deferred Compensation

In FY 2018

Name	Executive Contributions in Last FY ($)	Registrant Contributions in Last FY(1) ($)	Aggregate Earnings in Last FY(2) ($)	Aggregate Withdrawals/ Distributions ($)	Aggregate Balance at Last FYE(3) ($)
David B. Powers		$ 68,100	$ 25,633		$ 316,680
D. Craig Kesler		19,260	8,707		90,357
Michael Haack		32,663	5,704		91,841
Robert S. Stewart		19,275	4,728		118,385
James H. Graass		16,650	32,149		266,420

(1) The amounts in this column represent contributions made by the Company for the account of the Named Executive Officers during fiscal 2018 under our SERP. The SERP is an unfunded, non-qualified plan for certain executives of the Company. Under the SERP, the Company makes contributions to the account of the executive in an amount substantially equal to the additional contributions he would have received under the PSRP had 100% of his annual salary been eligible for a profit sharing contribution. The SERP is described in greater detail under SERP on page 34 of this proxy statement. The amounts in this column are reflected in the All Other Compensation column of the Summary Compensation Table located on page 38.

(2) The Company also maintains the Eagle Materials Inc. Deferred Compensation Plan. Under this Deferred Compensation Plan, eligible executives were allowed to defer the receipt of a portion of their salary or annual bonus for fiscal 2001, up to 75% of such amounts. For fiscal years after fiscal 2001, the Deferred Compensation Plan was closed to additional employee deferrals. Amounts under the Deferred Compensation Plan are payable at a date certain or upon the participant s termination of employment, disability or death in the form of a lump sum or installments as elected pursuant to the terms of the plan. Such amounts are not subject to the six month delay applicable to key employees under Internal Revenue Code Section 409A. The earnings in this column reflect earnings or losses on balances in the Named Executive Officer s SERP account and Deferred Compensation Plan account. A Named Executive Officer may designate how his account balances are to be invested by selecting among the investment options available under our PSRP, with the exception of the Common Stock fund. Because these earnings are not above market, they are not included in the Summary Compensation Table on page 38 of this proxy statement. The table below shows the investment options available under our PSRP (other than the Common Stock fund) and the annual rate of return for the 12 month period ended March 31, 2018, as reported to us by the administrator of the plan.

Fund	Rate of Return
ABF Large Cap Value	9.78%
CBA Aggressive Growth I	6.15%
Mainstay Large Cap Growth	27.17%
Fidelity 500 Index Fund	13.96%
Fidelity Low Price Stock Fund	14.46%

JP Morgan Midcap Growth Fund	23.58%
Fidelity Extended Market Index Fund	13.20%
ABF Small Cap Value PA	5.38%
Baron Small Cap Fund	20.77%
Harbor International Adm	12.13%
Fidelity International Index Adv	15.32%
Fidelity Freedom 2010 Fund	7.85%
Fidelity Freedom 2020 Fund	10.07%
Fidelity Freedom 2030 Fund	12.88%
Fidelity Freedom 2040 Fund	14.65%
Fidelity Freedom 2050 Fund	14.32%
Fidelity Freedom 2060 Fund	14.60%
Fidelity Freedom Income Fund	4.90%
Fidelity Managed Income Portfolio	1.34%
Fidelity US Bond Index	1.00%
Vanguard Inflation Protected Securities Fund	0.58%
Fidelity Retirement Gov II	0.71%

(3) The amounts in this column represent the sum of: (i) the balance in the Named Executive Officer s account under the SERP; and (ii) the balance in the Named Executive Officer s account under the Company s Deferred Compensation Plan.

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POTENTIAL PAYMENTS UPON TERMINATION OR CHANGE IN CONTROL

The following is a summary of the potential payments payable to the Named Executive Officers upon termination of employment or a change in control of the Company under current compensation programs. Specifically, compensation payable to each Named Executive Officer upon voluntary termination, involuntary termination or in the event of death or disability and change in control is discussed below. The amounts shown in the tables below assume that such termination was effective as of March 31, 2018, and are therefore estimates of the amounts which would be paid out to the executives (or their beneficiaries) upon their termination. Due to the number of factors that affect the nature and amount of any benefits provided upon the events discussed below, any actual amounts paid or distributed may be different. Factors that could affect these amounts include the timing during the year of any such event, the price of our Common Stock and the executive s age.

Payments Made Upon Any Termination

Deferred Compensation. The amounts shown in the table below do not include distribution of plan balances under our Deferred Compensation Plan or SERP. These balances are shown in the Nonqualified Deferred Compensation in FY 2018 Table on page 46 of this proxy statement.

Death and Disability. A termination of employment due to death or disability does not entitle the Named Executive Officer to any payments that are not available to salaried employees generally, except for

benefits payable to the beneficiaries of the Named Executive Officers in the event of termination due to death under our Salary Continuation Plan. A description of our Salary Continuation Plan is set forth under Salary Continuation Plan on page 34 of this proxy statement.

Accrued Pay and Profit Sharing Plan Benefits. The amounts shown in the table below do not include payments and benefits to the extent they are provided on a non-discriminatory basis to salaried employees generally upon termination of employment or relate to equity grants that have already vested. These include:

- accrued salary pay through the date of termination;
- non-equity incentive compensation earned and payable prior to the date of termination;
- option grants received under the Incentive Plan which have already vested and are exercisable prior to the date of termination (subject to the terms of the applicable Nonqualified Stock Option Agreement);
- restricted stock grants or restricted stock unit grants received under the Incentive Plan which have already vested prior to the date of termination (subject to the terms of the applicable Restricted Stock or Restricted Stock Unit Agreement); and

unused accrued vacation pay.

Type of Payment	Involuntary Termination or Voluntary Termination (non Change in Control) ($)	Death or Disability ($)	Change in Control[1] ($)
David B. Powers			
Long-Term Incentives			
Stock Options			
Unexercisable and Accelerated Awards			$ 122,945[2]
Restricted Stock Award			
Unvested and Accelerated Awards		$ 5,864,579[3]	5,864,579[3]
POWERS TOTAL		**5,864,579**	**5,987,524**

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Type of Payment	Involuntary Termination or Voluntary Termination (non Change in Control) ($)	Death or Disability ($)	Change in Control[(1)] ($)
D. Craig Kesler			
Long-Term Incentives			
Stock Options			
Unexercisable and Accelerated Awards			$ 397,155[(2)]
Restricted Stock Award			
Unvested and Accelerated Awards		$ 2,188,167[(3)]	2,188,167[(3)]
Benefits			
Salary Continuation Plan Payments		1,500,000[(4)]	
KESLER TOTAL		**3,688,167**	**2,585,322**
Michael Haack			
Long-Term Incentives			
Stock Options			
Unexercisable and Accelerated Awards			971,562[(2)]
Restricted Stock Award			
Unvested and Accelerated Awards		1,535,551[(3)]	1,535,551[(3)]
Benefits			
Salary Continuation Plan Payments		1,500,000[(4)]	
HAACK TOTAL		**3,035,551**	**2,507,113**
Robert S. Stewart			
Long-Term Incentives			
Stock Options			
Unexercisable and Accelerated Awards			101,240[(2)]
Restricted Stock Award			
Unvested and Accelerated Awards		2,929,509[(3)]	2,929,509[(3)]
Benefits			
Salary Continuation Plan Payments		651,000[(4)]	
STEWART TOTAL		**3,580,509**	**3,030,749**
James H. Graass			
Long-Term Incentives			
Stock Options			
Unexercisable and Accelerated Awards			371,960[(2)]
Restricted Stock Award			
Unvested and Accelerated Awards		1,384,273[(3)]	1,384,273[(3)]
Benefits			
Salary Continuation Plan Payments		1,500,000[(4)]	
GRAASS TOTAL		**2,884,273**	**1,756,233**

AGGREGATE TOTAL FOR NAMED EXECUTIVE OFFICERS	**$ 19,053,079**	**$ 15,866,941**

(1) The definition of Change in Control is described under Change in Control Benefits on page 35 of this proxy statement.

(2) Represents the dollar value of the unexercisable stock options that are accelerated because of a change in control based on the amount, if any, that the closing price of our Common Stock on March 29, 2018 ($103.05) exceeds the exercise price of the stock option.

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(3) Represents the dollar value of the restricted stock for which restrictions will lapse upon death, disability or a change in control based on the closing price of our Common Stock on March 29, 2018 ($103.05).

(4) Under the terms of our SCP, in the event of a Named Executive Officer s death while employed by the Company, such Named Executive Officer s beneficiaries would receive the following payments, which would be paid from the proceeds of a life insurance policy purchased by the Company covering such Named Executive Officer (calculated based on fiscal 2018 salaries):

a. Kesler $434,000 over the year following death, plus $217,000 per year thereafter until the beneficiaries have received a total of $1,500,000 in payments.

b. Haack $546,000 over the year following death, plus $273,000 per year thereafter until the beneficiaries have received a total of $1,500,000 in payments.

c. Stewart $434,000 over the year following death, plus $217,000 per year thereafter until the year Mr. Stewart would have reached 66.

d. Graass $412,000 over the year following death, plus $206,000 per year thereafter until the beneficiaries have received a total of $1,500,000 in payments.

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CEO PAY RATIO

Pursuant to a mandate of the Dodd-Frank Wall Street Reform and Consumer Protection Act, the Securities and Exchange Commission (the SEC) has adopted Item 402(u) of Regulation S-K requiring annual disclosure of a reasonable estimate of the ratio of the total annual compensation of our chief executive officer to the total annual compensation of the employee of the Company or one of its subsidiaries who is determined to have the median compensation of all employees of the Company and its subsidiaries, collectively (excluding the CEO). The rule also requires annual disclosure of such median employee s total compensation for the applicable fiscal year and the CEO s total compensation for the applicable fiscal year, in each case as determined in accordance with the rules governing the presentation of total compensation of the named executive officers in the Summary Compensation Table presented on page 38 of this proxy statement. This rule first became applicable with respect to this proxy statement for our 2018 annual meeting of shareholders. Our CEO is Mr. Powers.

SEC rules do not prescribe a particular method for identifying the median-compensated employee and permit companies to use reasonable methodologies for determining the median-compensated employee for purposes of presenting this ratio. To identify the median-compensated employee, we examined the

total gross compensation for calendar year 2017 of each of the Company s and its subsidiaries employees who were employed as of December 31, 2017, other than our CEO, Mr. Powers, and the employees of Wildcat Minerals, a business we acquired in 2017, each of whom were excluded for purposes of determining this ratio for fiscal 2018.

Based on this data, we determined the median-compensated employee and calculated such employee s total fiscal 2018 compensation in accordance with the rules governing the presentation of the total compensation of the named executive officers in the Summary Compensation Table. Based on this methodology, the fiscal 2018 total annual compensation for the median-compensated employee was $75,124. As reported on page 38 of this proxy statement, the fiscal 2018 total annual compensation of our CEO, Mr. Powers, was $5,318,837, resulting in a ratio of the CEO s total compensation to the median-compensated employee s total compensation of approximately 71:1.

This pay ratio is a reasonable estimate calculated in a manner consistent with SEC rules based on our payroll and employment records and the methodology described above.

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STOCK OWNERSHIP

Management

We encourage stock ownership by our directors, officers and employees to align their interests with your interests as stockholders. The following table shows the beneficial ownership of our Common Stock, as of the record date for the

annual meeting (June 5, 2018) by: (a) each director, (b) each of our current executive officers and (c) by all directors and executive officers of the Company as a group (16 persons). Except as otherwise indicated, all shares are owned directly, and the owner of such shares has the sole voting and investment power with respect thereto.

Amount and Nature of Beneficial Ownership [1]

	Number of Shares Beneficially Owned[2]	Percentage of Common Stock
F. William Barnett	46,747	*
Richard Beckwitt	8,787	*
Ed H. Bowman	19,369	*
Margot L. Carter	150	*
George J. Damiris	1,006	*
William R. Devlin	50,487	*
Martin M. Ellen	10,775	*
Gerald J. Essl[3]	48,652	*
James H. Graass[4]	126,277	*
Michael Haack[5]	61,387	*
D. Craig Kesler[6]	102,290	*
Keith Metcalf	97,728	*
Michael R. Nicolais[7]	44,672	*
David B. Powers	147,595	*
Richard R. Stewart[8]	20,995	*
Robert S. Stewart	39,901	*
All current directors, nominees and executive officers as a group (16 persons)	826,818	1.7%

* Less than 1%

(1) For purposes of this table, beneficial ownership is determined in accordance with Rule 13d-3 under the Exchange Act, pursuant to which a person is deemed to have beneficial ownership of shares of our stock that the person has the right to acquire within 60 days. For purposes of computing the percentage of outstanding shares of Common

Stock held by each person or group of persons named in the table, any shares that such person or persons have the right to acquire within 60 days are
deemed to be outstanding, but are not deemed to be outstanding for the purpose of computing the percentage ownership of any other persons.

(2) Amounts include the following shares of Common Stock that may be acquired upon exercise of stock options awarded under our Incentive Plan: Mr. Barnett 33,821 shares; Mr. Beckwitt 2,070 shares; Mr. Bowman 6,293 shares; Mr. Devlin 19,439 shares; Mr. Ellen 6,917 shares; Mr. Essl 18,080 shares; Mr. Graass 69,435 shares; Mr. Haack 36,267 shares; Mr. Kesler 40,941 shares; Mr. Metcalf

53,212 shares; Mr. Nicolais 15,526 shares; Mr. Powers 25,370 shares; and Mr. Richard Stewart 9,942 shares; and all directors and executive officers of the Company as a group (16 persons) 337,313 shares. In addition, this table includes shares of Common Stock that are held for the account of participants as of June 5, 2018, pursuant to the Common Stock fund of the PSRP, as follows: Mr. Devlin 1,894 shares; Mr. Graass 1,046 shares; Mr. Kesler 1,816 shares; Mr. Metcalf 3,948 shares; Mr. Powers 1,486 shares; and all directors and executive officers of the Company as a group (16 persons) 10,190 shares. These amounts do not include the RSUs previously granted to the non-employee directors (including dividend equivalent units accrued since the date of grant) disclosed in the table on page 12 of this proxy statement.

(3) Includes 3,000 shares of Common Stock held in trust for Mr. Essl s son.

(4) Includes 543 shares of Common Stock held in an IRA owned by Mr. Graass.

(5) Includes 4,000 shares of Common Stock representing the unvested shares under a restricted stock award made to Mr. Haack on December 1, 2014.

(6) Also includes 160 shares of Common Stock held in Mr. Kesler s IRA.

(7) Includes (a) 1,386 shares of Common Stock owned by the wife of Mr. Nicolais; (b) 1,550 shares of Common Stock held by the profit sharing plan of the employer of Mr. Nicolais; (c) 3,500 shares of Common Stock held in an IRA owned by Mr. Nicolais; (d) 555 shares of Common Stock held in trust (the wife of Mr. Nicolais is trustee) for their daughter; and (e) 555 shares of Common Stock held in trust (the wife of Mr. Nicolais is trustee) for their son. Mr. Nicolais has disclaimed beneficial ownership of the shares of Common Stock held in trust.

(8) Includes 7,503 shares owned by Stewart Family Trust.

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Certain Beneficial Owners

The table below provides information regarding the only persons we know of who are the beneficial owners of more than five percent of our Common Stock. The number of shares of Common Stock shown in the table as beneficially owned by each person as of the most recent practicable date, which is generally the date as of which information is

provided in the most recent beneficial ownership report filed by such person with the SEC. The percentage of our Common Stock shown in the table as owned by each person is calculated in accordance with applicable SEC rules based on the number of outstanding shares of Common Stock as of June 5, 2018, the record date for our annual meeting of stockholders.

Name and Address of Beneficial Owner	**Number of Shares Beneficially Owned**	**Percentage of Common Stock**
FMR LLC (1) 245 Summer Street Boston, MA 02210	6,419,847	13.4%
BlackRock, Inc. (2) 55 East 52nd Street New York, NY 10055	4,247,685	8.8%
The Vanguard Group (3) 100 Vanguard Blvd. Malvern, PA 19355	3,919,944	8.2%
JPMorgan Chase & Co. (4) 270 Park Avenue New York, NY 10017	2,911,809	6.1%

(1) Based solely on the information contained in a Schedule 13G/A filed with the SEC on February 13, 2018. Of the shares reported in the Schedule 13G/A, FMR LLC has sole voting power with respect to 1,176,298 shares and sole dispositive power with respect to 6,419,847 shares.

(2) Based solely on the information contained in a Schedule 13G/A filed with the SEC on January 29, 2018. Of the shares reported in the Schedule 13G/A, BlackRock, Inc. has sole voting power with respect to 4,084,472 shares and sole dispositive power with respect to 4,247,685 shares.

(3) Based solely on the information contained in a Schedule 13G/A filed with the SEC on February 9, 2018. Of the shares reported in the Schedule 13G/A, The Vanguard Group has (i) sole voting power with respect to 26,564 shares; (ii) shared voting power with respect to 6,211 shares; (iii) sole dispositive power with

respect to 3,890,858 shares; and (iv) shared dispositive power with respect to 29,086 shares.

(4) Based solely on the information contained in a Schedule 13G filed with the SEC on January 9, 2018. Of the shares reported in the Schedule 13G, JPMorgan Chase & Co. has (i) sole voting power with respect to 2,809,915 shares; (ii) sole dispositive power with respect to 2,911,774 shares; and (iii) shared dispositive power with respect to 35 shares.

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Related Party Transactions

Our code of conduct adopted by the Board, which we refer to as The Eagle Way, includes provisions addressing conflicts of interest which arise when a director, officer, or employee has an interest in a transaction in which the Company is a participant. The Eagle Way defines a conflict of interest as an activity, investment or association that interferes or might appear to interfere with the judgment or objectivity of an officer or employee in performing his or her job in the best interests of the Company and our shareholders.

Under The Eagle Way, officers or employees are encouraged to consult with their supervisors regarding any matter that may involve a conflict of interest. In addition, The Eagle Way requires that prior approval of the supervisor of an officer or employee, the president of the Eagle business unit in which such officer or employee is employed, and the Company s general counsel before: (1) obtaining an ownership interest in, or position with, an Eagle supplier, contractor, customer or competitor, subject to certain exceptions relating to the ownership of publicly traded securities; (2) employing any relatives where there is either a direct or indirect reporting relationship or a substantial amount of interaction between the relatives on the job; or (3) establishing a business relationship between Eagle and a company in which the officer or employee or his or her relative has an ownership interest or holds a position.

In addition to the above policies included in The Eagle Way, we have implemented certain informal processes in connection with transactions with related persons. For example, the Company s legal staff is primarily responsible for the development of processes to obtain information from the directors and executive officers with respect to related person transactions and for determining, based on the facts and circumstances, whether the related person has a direct or indirect material interest in the transaction. In addition, all of our employees, executive officers and directors are required to disclose any conflicts of interest in an annual certification reviewed by our Legal Department. After disclosure, some conflicts of interest may be resolved through implementing appropriate controls for our protection. Depending on the identity of the officer or employee involved in a transaction creating a potential conflict of interest, the conflict of interest may be resolved by the

Company s legal staff or may be referred to the Audit Committee. Where an appropriately disclosed conflict of interest is minor and not likely to adversely impact us, we may consent to the activity. Such consent may be subject to appropriate controls intended to ensure that transaction as implemented is not adverse to the Company. In other cases where appropriate controls are not feasible, the person involved will be requested not to enter into, or to discontinue, the relevant transaction or relationship. If a potential conflict arises concerning a director or officer of the Company, the potential conflict is disclosed to the Chair of the Audit Committee of the Board for review and disposition. As required under SEC rules, transactions that are determined to be directly or indirectly material to the Company or a related person are disclosed in the annual proxy statement.

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Exchange Act requires the Company s directors and executive officers, and persons who beneficially own more than 10% of a registered class of the Company s equity securities, to file initial reports of ownership, reports of changes in ownership and annual reports of ownership with the SEC and the NYSE. These persons are required by SEC regulations to furnish the Company with copies of all Section 16(a) forms that they file with the SEC.

Based solely on our review of the copies of such forms we received with respect to fiscal 2018 or written representations from certain reporting persons, the Company believes that its directors and executive officers, and persons who beneficially own more than 10% of a registered class of the Company s equity securities, have complied with all filing requirements of Section 16(a) for fiscal 2018 applicable to such persons.

Code of Conduct

The Company s code of conduct, The Eagle Way, applies to all of the Company s employees, including the Company s officers. The Eagle Way also applies to the Board of Directors. The Company s code of conduct is designed to deter wrongdoing and to promote:

- honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;

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- compliance with applicable governmental laws, rules and regulations;

- the prompt internal reporting of violations of the code of conduct to an appropriate person or persons identified in the code of conduct; and

- accountability for adherence to the code of conduct.

All of the Company s employees and directors are required to certify to the Company, on an annual

basis, that they have complied with the Company s code of conduct without exception or, if they have not so complied, to list the exceptions. The Company has posted the text of its code of conduct on its Internet website at *www.eaglematerials.com* (click on Investor Relations , then on Corporate Governance , then on The Eagle Way under the heading Code of Ethics). Additionally, the Company will provide without charge a copy of the code of conduct to any person upon written request to our Secretary at our principal executive office.

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PROPOSAL NO. 2: ADVISORY VOTE ON COMPENSATION

OF OUR NAMED EXECUTIVE OFFICERS

We are seeking your advisory vote approving the compensation paid to our named executive officers as disclosed in this proxy statement. We believe the structure of our executive compensation programs promotes our business objectives and serves to motivate, attract and retain executive talent.

We urge stockholders to read our Compensation Discussion and Analysis beginning on page 21 of this proxy statement, which describes in more detail how our executive compensation policies and programs operate. We are seeking stockholder approval of the following advisory resolution:

RESOLVED, that the compensation paid to the Company s named executive officers, as disclosed pursuant to the compensation disclosure rules of the Securities and Exchange Commission, including the Compensation Discussion and Analysis, the compensation tables and the related material disclosed in this Proxy Statement, is hereby approved by the stockholders of the Company on an advisory basis.

Although the vote on this proposal is advisory and nonbinding, the Compensation Committee and the Board will review the results of the vote and consider them when making future determinations regarding our executive compensation programs. The affirmative vote of a majority of the votes cast by shares entitled to vote thereon is required for the approval of the foregoing resolution. Abstentions and broker non-votes are not counted as votes cast,

and therefore do not affect the approval of the resolution.

Recommendation of the Board

Our Board of Directors recommends that holders of Common Stock vote FOR the non-binding advisory resolution approving the compensation paid to our named executive officers.

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PROPOSAL NO. 3: APPROVAL OF EXPECTED

APPOINTMENT OF INDEPENDENT AUDITORS

General

Ernst & Young acted as our independent auditors to audit our books and records for fiscal year 2018, and the Audit Committee expects to appoint Ernst & Young as our independent auditors for fiscal year 2019 if its proposal for audit services is satisfactory.

We believe the approval of this expected appointment is good corporate practice because the audit of our books and records is a matter of importance to our stockholders. If our stockholders do not support the expected appointment, our Audit Committee will consider that fact when determining whether or not to retain Ernst & Young, but still may elect to retain them. Even if the expected appointment is approved, the Audit Committee, in its discretion, may elect not to proceed with the

appointment. Once it has appointed an auditor, our Audit Committee may elect to change the appointment at any time during the year if it determines that such a change would be in our best interests and the best interests of our stockholders.

Representatives of Ernst & Young are expected to be present for the annual meeting, with the opportunity to make a statement if they choose to do so, and will be available to respond to appropriate questions from our stockholders.

Recommendation of the Board

Our board unanimously recommends a vote FOR the approval of the expected appointment of Ernst & Young as the Company s auditors for the fiscal year ending March 31, 2019.

RELATIONSHIP WITH INDEPENDENT PUBLIC ACCOUNTANTS

Ernst & Young LLP, which we refer to as Ernst & Young, audited the Company s financial statements for the fiscal years ended March 31, 2016, 2017 and 2018.

Ernst & Young reports directly to our Audit Committee. The Audit Committee has adopted policies and procedures for pre-approving all audit and permissible non-audit services performed by Ernst & Young. Under these policies, the Audit Committee pre-approves the use of audit and specific permissible audit-related and non-audit services up to certain dollar limits. Other audit and permissible non-audit services that exceed a $50,000 threshold must be pre-approved separately by the

Audit Committee, or, for such services that do not exceed $50,000, by a member of the Audit Committee. Any such member must report the pre-approval at the next Audit Committee meeting. In determining whether or not to pre-approve services, the Audit Committee determines whether the service is a permissible service under the SEC s rules, and, if permissible, the potential effect of such services on the independence of Ernst & Young.

The following table sets forth the various fees for services provided to the Company by Ernst & Young in the fiscal years ended March 31, 2018 and 2017, all of which services have been approved by the Audit Committee:

Fiscal Year Ended March 31,	Audit Fees (1)	Audit Related Fees	Tax Fees	All Other Fees	Total
2018	$ 1,222,600	$ 85,540	$ 111,567	$ 2,000	$ 1,421,707
2017	1,452,750	15,000		$ 2,000	1,469,750

(1) Includes fees for the annual audit and quarterly reviews, accounting and financial reporting consultations regarding generally accepted accounting principles. For fiscal 2017, the amount also includes additional work conducted in connection with the Company s acquisition of CEMEX s Ohio cement assets.

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AUDIT COMMITTEE REPORT

To the Board of Directors of Eagle Materials Inc.:

All of the Audit Committee members are independent as defined in the current NYSE listing standards and the applicable rules of the Securities Exchange Act of 1934, and Mr. Ellen is our audit committee financial expert within the meaning of the rules of the SEC. The Audit Committee charter sets forth the duties and responsibilities of the Audit Committee. The Audit Committee is primarily responsible for assisting the Board in fulfilling its responsibility to oversee following: the integrity of our financial statements, our compliance with legal and regulatory requirements, the qualifications and independence and appointment of our independent auditors and the performance of our internal audit function and independent auditors. Management has primary responsibility for the preparation of the financial statements, completeness and accuracy of financial reporting and the overall system of internal control over financial reporting.

We have reviewed and discussed with management and the independent registered public accounting firm, Ernst & Young LLP, as appropriate, (1) the audited financial statements of Eagle Materials Inc. as of and for the fiscal year ended March 31, 2018 and (2) management s report on internal control over financial reporting and the independent registered accounting firm s related opinions.

We have discussed with Ernst & Young LLP the required communications specified by auditing standards, together with guidelines established by the SEC and the Sarbanes-Oxley Act, including the matters required to be discussed by Public Company Accounting Oversight Board (PCAOB) Auditing Standard No. 1301, *Communication with Audit Committees*.

We have received and reviewed the written disclosures and the letter from Ernst & Young LLP required by the applicable requirements of the PCAOB concerning independence and have discussed with Ernst & Young LLP their independence. We have also considered whether Ernst & Young LLP s provision of non-audit services to Eagle Materials Inc. and its affiliates is compatible with Ernst & Young LLP s independence.

Based on the reviews and discussions referred to above, we recommend to the Board of Directors that the financial statements referred to above be included in the Annual Report of Eagle Materials Inc. on Form 10-K for the fiscal year ended March 31, 2018. This report is furnished by the members of the Audit Committee as of May 23, 2018.

Audit Committee

Martin M. Ellen, *Chairman*

Margot L. Carter

Richard Beckwitt

This report of the Audit Committee does not constitute soliciting material and should not be deemed filed or incorporated by reference into any of the other Company filings under the Securities Act of 1933 or the Securities Exchange Act of 1934, except to the extent the Company specifically requests that the information be treated as soliciting material or specifically incorporates this report by reference therein.

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OTHER MATTERS WHICH MAY BE PRESENTED FOR ACTION AT THE MEETING

Our Board of Directors does not intend to present for action at this annual meeting any matter other than those specifically set forth in the Notice of Annual Meeting of Stockholders. If any other matter is properly presented for action at the meeting, it is the intention of persons named in the proxy to vote thereon in accordance with their judgment pursuant to the discretionary authority conferred by the proxy.

DELIVERY OF DOCUMENTS TO

STOCKHOLDERS

Pursuant to the rules of the SEC, the Company and services that it employs to deliver communications to its stockholders are permitted to deliver to two or more stockholders sharing the same address a single copy of the proxy statement. Upon written or oral request, the Company will deliver a separate copy of the proxy statement to any stockholder at a shared address who wishes to receive separate copies of such documents in the future. Stockholders receiving multiple copies of such documents may likewise request that the Company deliver single copies of such documents in the future. Stockholders may notify the Company of their requests by calling or directing a written request to Eagle Materials Inc., Attention: James H. Graass, Secretary, 3811 Turtle Creek Blvd., Suite 1100, Dallas, Texas 75219-4487, (214) 432-2000.

DEADLINE FOR RECEIPT OF

STOCKHOLDER PROPOSALS

Next year s annual meeting of stockholders is scheduled to be held on August 6, 2019. In order to be considered for inclusion in the Company s proxy material for that meeting, stockholder proposals must be received at our executive offices, addressed to the attention of the Secretary, not later than February 21, 2019.

For any proposal that is not submitted for inclusion in our proxy material for the 2019 annual meeting of stockholders but is instead sought to be presented directly at that meeting, Rule 14a-4(c) under the Exchange Act permits the Company s management to exercise discretionary voting authority under proxies it solicits unless the Company is notified about the proposal on or before May 8, 2019, and the stockholder satisfies the other requirements of Rule 14a-4(c). Our Bylaws provide that, to be considered at the 2018 annual meeting, a stockholder proposal must be submitted in writing and received by our Secretary at the executive offices of the Company during the period beginning on February 7, 2019 and ending May 8, 2019, and must contain the information specified by and otherwise comply with 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 office.

FORM 10-K

Stockholders entitled to vote at the meeting may obtain a copy of the Company s Annual Report on Form 10-K for the fiscal year ended March 31, 2018, including the financial statements required to be filed with the SEC, without charge, upon written or oral request to Eagle Materials Inc., Attention: James H. Graass, Secretary, 3811 Turtle Creek Blvd., Suite 1100, Dallas, Texas 75219-4487, (214) 432-2000.

By Order of the Board of Directors

JAMES H. GRAASS

Executive Vice President,

General Counsel and Secretary
Dallas, Texas

June 22, 2018

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VOTE BY INTERNET - www.proxyvote.com

Use the Internet to transmit your voting instructions and for electronic delivery of information up until 11:59 P.M. Eastern Time the day before the cut-off date or meeting date. Have your proxy card in hand when you access the web site and follow the instructions to obtain your records and to create an electronic voting instruction form.

ELECTRONIC DELIVERY OF FUTURE PROXY MATERIALS

If you would like to reduce the costs incurred by our company in mailing proxy materials, you can consent to receiving all future proxy statements, proxy cards and annual reports electronically via e-mail or the Internet. To sign up for electronic delivery, please follow the instructions above to vote using the Internet and, when prompted, indicate that you agree to receive or access proxy materials electronically in future years.

VOTE BY PHONE - 1-800-690-6903

Use any touch-tone telephone to transmit your voting instructions up until 11:59 P.M. Eastern Time the day before the cut-off date or meeting date. Have your proxy card in hand when you call and then follow the instructions.

VOTE BY MAIL

Mark, sign and date your proxy card and return it in the postage-paid envelope we have provided or return it to Vote Processing, c/o Broadridge, 51 Mercedes Way, Edgewood, NY 11717.

TO VOTE, MARK BLOCKS BELOW IN BLUE OR BLACK INK AS FOLLOWS:

KEEP THIS PORTION FOR YOUR RECORDS

DETACH AND RETURN THIS PORTION ONLY

THIS PROXY CARD IS VALID ONLY WHEN SIGNED AND DATED.

The Board of Directors recommends you vote FOR the following:

1.	Election of Directors			
	Nominees	**For**	**Against**	**Abstain**
1A	F. William Barnett			
1B	Richard Beckwitt			
1C	Ed H. Bowman			

The Board of Directors recommends you vote FOR proposals 2 and 3.		**For**	**Against**	**Abstain**
2.	Advisory resolution regarding the compensation of our named executive officers.			
3.	To approve the expected appointment of Ernst & Young LLP as independent auditors for fiscal year 2019.			

NOTE: THE SHARES REPRESENTED BY THIS PROXY WHEN PROPERLY EXECUTED WILL BE VOTED IN THE MANNER DIRECTED HEREIN BY THE UNDERSIGNED STOCKHOLDER(S). IF NO DIRECTION IS MADE, THIS PROXY WILL BE VOTED FOR ITEMS 1, 2 AND 3. IF ANY OTHER MATTERS PROPERLY COME BEFORE THE MEETING, THE PROXIES NAMED IN THIS PROXY WILL VOTE IN THEIR DISCRETION. BY EXECUTING THIS PROXY, THE UNDERSIGNED HEREBY

REVOKES PRIOR PROXIES RELATING TO THE MEETING.

Please sign exactly as your name(s) appear(s) hereon. When signing as attorney, executor, administrator, or other fiduciary, please give full title as such. Joint owners should each sign personally. All holders must sign. If a corporation or partnership, please sign in full corporate or partnership name by authorized officer.

		JOB #
Signature [PLEASE SIGN WITHIN BOX]	Date	
		SHARES
		CUSIP #
Signature (Joint Owners)	Date	SEQUENCE #

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Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting: The Notice & Proxy Statement, Annual Report is/are available at www.proxyvote.com.

EAGLE MATERIALS INC.

THIS PROXY IS SOLICITED ON BEHALF OF

THE BOARD OF DIRECTORS
ANNUAL MEETING OF STOCKHOLDERS

August 2, 2018

The undersigned hereby appoints James H. Graass and David B. Powers, or either of them, as proxies, each with full power of substitution, and hereby authorizes them to represent and to vote, as designated on the reverse side of this ballot, all of the shares of Common Stock of Eagle Materials Inc. that the undersigned is entitled to vote at the Annual Meeting of Stockholders to be held at 8:00 a.m., local time, on Thursday, August 2, 2018 at Arlington Hall at Oak Lawn Park, 3333 Turtle Creek Blvd., Dallas, Texas 75219, and any adjournment or postponement thereof.

THIS PROXY, WHEN PROPERLY EXECUTED, WILL BE VOTED AS DIRECTED BY THE STOCKHOLDER(S). IF NO SUCH DIRECTIONS ARE MADE, THIS PROXY WILL BE VOTED FOR THE ELECTION OF THE NOMINEES LISTED ON THE REVERSE SIDE FOR THE BOARD OF DIRECTORS AND FOR PROPOSALS 2 AND 3. THE PROXIES WILL USE THEIR DISCRETION WITH RESPECT TO ANY OTHER MATTERS THAT PROPERLY COME BEFORE THE MEETING.

By execution of this proxy, the undersigned hereby acknowledges receipt of the Notice of Annual Meeting and Proxy Statement for the August 2, 2018 Annual Meeting.

***For address changes, please contact our transfer agent, Computershare Shareowner Services LLC, at 1-800-279-1248.**

Continued and to be signed on reverse side