

EAGLE MATERIALS INC
Form 11-K
June 25, 2018
Table of Contents

United States

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 11-K

ANNUAL REPORT PURSUANT TO SECTION 15 (d) OF THE SECURITIES

EXCHANGE ACT OF 1934

For the year ended December 31, 2017

Commission file number 1-12984

PROFIT SHARING AND RETIREMENT PLAN OF EAGLE MATERIALS INC.

(Full title of the plan)

EAGLE MATERIALS INC.

3811 Turtle Creek Blvd, Suite 1100

Dallas, Texas 75219

Edgar Filing: EAGLE MATERIALS INC - Form 11-K
(Name of issuer and address of principal executive office)

Table of Contents

PROFIT SHARING AND RETIREMENT PLAN OF EAGLE MATERIALS INC.

FINANCIAL STATEMENTS AND SUPPLEMENTAL SCHEDULE

AT DECEMBER 31, 2017 AND 2016

AND FOR THE YEAR ENDED DECEMBER 31, 2017

| | PAGE NO. |
|---|----------|
| <u>REPORT OF INDEPENDENT AUDITORS</u> | 1 |
| AUDITED FINANCIAL STATEMENTS: | |
| <u>Statements of Net Assets Available for Benefits</u> | 2 |
| <u>Statement of Changes in Net Assets Available for Benefits</u> | 3 |
| <u>Notes to Financial Statements</u> | 4 |
| SUPPLEMENTAL SCHEDULE: | |
| <u>Schedule H: Line 4i Schedule of Assets (Held at End of Year)</u> | 13 |
| <u>Signatures</u> | 14 |

Table of Contents

Report of Independent Registered Public Accounting Firm

To the Administrative Committee

Profit Sharing and Retirement Plan of Eagle Materials Inc.

Dallas, Texas

Opinion on the Financial Statements

We have audited the accompanying statements of net assets available for benefits of the Profit Sharing and Retirement Plan of Eagle Materials Inc. (Plan) as of December 31, 2017 and 2016, and the related statement of changes in net assets available for benefits for the year ended December 31, 2017, and the related notes (collectively, the financial statements). In our opinion, the financial statements present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2017, and the changes in net assets available for benefits for the year ended December 31, 2017, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on the Plan's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Plan in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by the Plan's management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

Supplemental Information

The supplemental information in the accompanying schedule of assets (held at end of year) as of December 31, 2017 has been subjected to audit procedures performed in conjunction with the audit of the Plan's financial statements. The supplemental information is the responsibility of the Plan's management. Our audit procedures included determining whether the supplemental information reconciles to the financial statements or the underlying accounting and other records, as applicable, and performing procedures to test the completeness and accuracy of the information presented in the supplemental information. In forming our opinion on the supplemental information, we evaluated whether the supplemental information, including its form and content, is presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. In our opinion, the supplemental information is fairly stated, in all material respects, in relation to the financial statements as a whole.

/s/ SUTTON FROST CARY LLP

We have served as the Plan's auditor since 2008

Arlington, Texas

June 25, 2018

Table of Contents

PROFIT SHARING AND RETIREMENT PLAN OF EAGLE MATERIALS INC.

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

AT DECEMBER 31, 2017 AND 2016

| | December 31, | |
|---|-----------------------|----------------------|
| | 2017 | 2016 |
| Assets: | | |
| Investments in the Eagle Materials Inc. Plans Master Trust, at fair value | \$ 103,457,533 | \$ 84,745,458 |
| Notes receivable from participants | 2,059,230 | 1,675,576 |
| Employers contribution receivable | 6,399,157 | 4,937,914 |
| Net Assets Available for Benefits | \$ 111,915,920 | \$ 91,358,948 |

See accompanying notes to financial statements.

Table of Contents

PROFIT SHARING AND RETIREMENT PLAN OF EAGLE MATERIALS INC.

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

YEAR ENDED DECEMBER 31, 2017

| | |
|---|--------------------|
| Additions: | |
| Participating Employers contributions | \$ 6,396,059 |
| Participant contributions | 3,825,535 |
| Participant rollovers | 1,729,621 |
| Interest income on notes receivable from participants | 93,821 |
| Interest in the Eagle Materials Inc. Plans Master Trust investment gain | 14,583,515 |
| Other Income | 143,525 |
| Total Additions | 26,772,076 |
| Deductions: | |
| Benefits paid to participants | 6,169,144 |
| Administrative expenses | 45,960 |
| Total Deductions | 6,215,104 |
| Net Increase | 20,556,972 |
| Net Assets Available for Benefits: | |
| Beginning of year | 91,358,948 |
| End of year | \$ 111,915,920 |

See accompanying notes to financial statements.

Table of Contents

PROFIT SHARING AND RETIREMENT PLAN OF EAGLE MATERIALS INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2017

NOTE 1. DESCRIPTION OF THE PLAN

The following description of the Profit Sharing and Retirement Plan of Eagle Materials Inc. (the Plan) provides only general information. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

General

The Plan, adopted April 1, 1994 and amended and restated January 1, 2014, is a defined contribution retirement plan covering eligible employees of Eagle Materials Inc. (the Company or Eagle Materials) and eligible employees of certain subsidiaries of the Company, which have adopted the Plan with the Company's consent. The Company and certain subsidiaries collectively comprise the Participating Employers. The Plan is administered by an Administrative Committee (the Committee) appointed by the Board of Directors of the Company. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA).

Participants enter the Plan, for profit sharing purposes, on the first January 1 or July 1 after their date of hire. All salaried employees of Participating Employers are eligible to participate in the Plan provided the employee is not a member of a group or class of employees covered by a collective bargaining agreement, unless such agreement extends the Plan to such group or class of employees. There are no such employees at December 31, 2017. Participants may also contribute amounts representing distributions from other qualified defined benefit and defined contribution plans.

Contributions

The Plan permits participants to contribute pre-tax up to 70% of their compensation, up to a statutory limit, as defined by the Plan, to a 401(k) account upon the date of hire. The Plan also permits participant voluntary (after-tax) contributions of up to 10% of compensation, as defined by the Plan. Total contributions, including participants, Participating Employers' and participant voluntary (after-tax) contributions are limited to the maximum amount permitted under the applicable Internal Revenue Code (the Code) regulations and Plan document.

Employer discretionary profit sharing contributions are made by the Participating Employers as determined by the Company's Boards of Directors. Profit sharing contributions are made to all qualifying participants employed on December 31 of each year, and are allocated to participant accounts on a pro rata basis determined by each participant's annual compensation.

The Participating Employers, at their sole discretion, may also make qualified non-elective contributions to the Plan. No such qualified non-elective contributions were made for the 2017 Plan year. Forfeitures may be used to reduce employer profit sharing contributions or administrative expenses of the Plan. Accrued discretionary employer profit sharing contributions to the Plan were reduced by assumed forfeitures of \$150,000 at December 31, 2017.

Participants direct the investment of their accounts into various registered investment company funds, a common/collective trust fund or the Eagle Materials Common Stock Fund (the EXPSF). The EXPSF is a unitized

stock fund.

Participants may allocate up to 15% of employer and participant (before- and after-tax) contributions to the EXPSF, whereas up to 100% may be allocated to any other investment option offered by the Plan.

Excess Contributions Payable

The Plan passed the discrimination test for the years ended December 31, 2017 and 2016; therefore, there were no refunds of excess contributions.

Table of Contents

PROFIT SHARING AND RETIREMENT PLAN OF EAGLE MATERIALS INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2017

NOTE 1. DESCRIPTION OF THE PLAN (continued)Vesting

Employer Profit Sharing Contributions to the Plan vest as follows:

| Years of Service | Vested Percent |
|-------------------------|-----------------------|
| Less than 2 | 0% |
| 2 | 20% |
| 3 | 40% |
| 4 | 60% |
| 5 | 80% |
| 6 or more | 100% |

If a participant terminates service when the participant's vested accrued benefit is zero, the participant is deemed to have received a distribution of such vested benefit as of the last day of the Plan year in which he/she incurs a break in service.

Participants are always fully vested in their participant and voluntary contributions, related earnings, and participant rollovers, as well as being fully vested in the event of full and permanent disability or death, as defined by the Plan.

The Plan provides for distributions when a participant terminates employment and the fair value of the participant's vested accrued benefit is equal to or less than \$5,000. A summary of such provisions follows:

Upon termination of service, if the fair value of a participant's vested accrued benefit is \$5,000 or less, the Committee shall direct Fidelity Management Trust Company (Trustee) to distribute the fair value of the participant's vested balance in a single sum. In the event of a mandatory distribution greater than \$1,000 (but less than \$5,000), if the participant does not elect to have such distribution paid directly to an eligible retirement plan or to receive the distribution, then the Committee will pay the distribution in a direct rollover to an individual retirement plan designated by the Committee.

If a participant terminates service when the participant's vested accrued benefit is zero, the participant is deemed to receive a distribution of his entire vested accrued benefit as of the day of termination.

Notes Receivable from Participants

Notes receivable from participants represent loans that are recorded at their unpaid principal balance plus any accrued but unpaid interest. Plan participants may borrow from their accounts an amount generally not to exceed the lesser of \$50,000 or 50% of their vested account balance. The repayment terms of loans may not exceed five years except for loans used to acquire a principal residence. Each loan bears interest at the Wall Street Journal prime rate plus one percent. Principal and interest are paid ratably through automatic payroll deductions. No allowance for credit losses has been recorded as of December 31, 2017 or 2016. If a participant ceases to make loan repayments and the Plan administrator deems the loan to be a distribution, notes receivable from participants is reduced and a benefit payment is recorded.

Administrative Expenses

Certain administrative expenses of the Plan are paid by the Company. The Plan is not required to reimburse the Company for any administrative expenses paid by the Company. Expenses not paid by the Company are paid by the Plan.

Table of Contents

PROFIT SHARING AND RETIREMENT PLAN OF EAGLE MATERIALS INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2017

NOTE 1. DESCRIPTION OF THE PLAN (continued)

Distributions

In accordance with the Plan document, distribution of a participant's vested account is available upon the participant's retirement, death, disability, termination of employment, or attainment of age 59 ½; or distribution is available to satisfy a financial hardship meeting the requirements of the Internal Revenue Service (IRS) regulations. Distributions are made in a lump-sum payment, a direct rollover distribution, or a combination thereof.

Plan Termination

Although there is no intention to do so, the Company has the right to discontinue contributions and terminate the Plan subject to the provisions of ERISA. The Plan provides that, in the event of Plan termination, participants will become fully vested in their Participating Employers' contributions, and the method of distribution of assets will be in accordance with the provisions of ERISA.

Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting. Distributions to participants are recorded when paid.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Valuation of Investments

All of the Plan's investments, except for participant loans, are commingled with the investments of the Eagle Materials Inc. Hourly Profit Sharing Plan (the Eagle Hourly Plan) in the Eagle Materials Inc. Plans Master Trust (the Master Trust). The Master Trust is governed by a trust agreement with the Trustee which is held accountable by and reports to the Committee.

Investments included in the Master Trust are valued at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Plan presents the net change in fair value of common stock, mutual funds and common and collective trusts, which consists of realized gains or losses, unrealized appreciation (depreciation), and any income or capital gain

distributions from such investments, in the accompanying statement of changes in net assets available for benefits.

Under the Fair Value Measurements and Disclosures topic of the Codification, ASC 820, disclosures are required about how fair value is determined for assets and liabilities and a hierarchy for which these assets and liabilities must be grouped is established, based on significant levels of inputs as follows:

Level 1 - Quoted prices in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included in level 1, such as quoted prices for similar assets and liabilities in active markets; quoted prices for identical or similar assets and liabilities in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.

Level 3 - Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. This includes certain pricing models, discounted cash flow methodologies and similar techniques that use significant unobservable inputs.

Table of Contents

PROFIT SHARING AND RETIREMENT PLAN OF EAGLE MATERIALS INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2017

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. The following is a description of the valuation methodologies used for instruments measured at fair value, including the general classification of such instruments pursuant to the valuation hierarchy.

Common Stock

Common stock is valued at the closing price reported on the New York Stock Exchange Composite Listing and is classified within level 1 of the valuation hierarchy.

Mutual Funds

These investments are public investment vehicles valued using the Net Asset Value (NAV) provided by the administrator of the fund. The NAV is based on the value of the underlying assets owned by the fund, minus its liabilities, and then divided by the number of shares outstanding. The NAV is a quoted price in an active market and classified within level 1 of the valuation hierarchy.

Common/Collective Investment Trust

The Master Trust holds an investment in the Fidelity Managed Income Portfolio (Fund), which is managed by Fidelity Management Trust Company and invests in assets (typically fixed-income securities or bond funds and may include derivative instruments such as futures contracts and swap agreements), enters into wrap contracts (Wrap) issued by third parties and invests in cash equivalents represented by shares in money market funds. A Wrap is a contract with an insurance company or bank, which absorbs any gains or losses caused by market fluctuations. The Wrap allows investors to hold their investments at the original par or book value plus accrued interest, resulting in stable rates of return. The fair value of the units of this investment is based on the fair value of the underlying investments, and a NAV can be calculated for this Fund. Audited financial statements are available for this investment. The Fund intends to hold only assets whose fair market value is the contract value of the investment. Income is calculated daily and the amount of income is dependent on contract interest rates, contract maturities, and new investments in the Fund. This investment is a fully benefit-responsive fund; however, it does contain several redemption restrictions: redemptions by Plan participants to reinvest in options that compete with the Fund may be delayed for up to 90 days, and full or partial Plan sponsor directed redemptions or terminations may be delayed for up to 365 days.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Table of Contents

PROFIT SHARING AND RETIREMENT PLAN OF EAGLE MATERIALS INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2017

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Below is the Plan's share of Master Trust investments carried at fair value on a recurring basis by the fair value hierarchy levels described above:

| | Assets at Fair Value at December 31, 2017 | | |
|-----------------------------------|---|--------------|----------------|
| | Level 1 | Level 2 | Total |
| Mutual funds | \$ 87,179,501 | \$ 3,172,572 | \$ 90,352,073 |
| Common stock | 9,714,923 | | 9,714,923 |
| Total Investments at fair value | 96,894,424 | 3,172,572 | 100,066,966 |
| Collective trust measured at NAV* | | | 3,390,537 |
| Total Investments | \$ 96,894,424 | \$ 3,172,572 | \$ 103,457,533 |

| | Assets at Fair Value at December 31, 2016 | | |
|-----------------------------------|---|--------------|---------------|
| | Level 1 | Level 2 | Total |
| Mutual funds | \$ 71,114,735 | \$ 1,319,514 | \$ 72,434,249 |
| Common stock | 9,209,068 | | 9,209,068 |
| Total Investments at fair value | 80,323,803 | 1,319,514 | 81,643,317 |
| Collective trust measured at NAV* | | | 3,102,141 |
| Total Investments | \$ 80,323,803 | \$ 1,319,514 | \$ 84,745,458 |

* Certain investments that are measured at fair value using the NAV per share (or its equivalent) practical expedient have not been categorized in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the statements of net assets available for benefits.

All security transactions are recorded on the trade date. Gains and losses on the disposals of investments are determined based on the average cost of all securities. Dividend income is recorded on the effective date of a declared dividend. Income from other investments is recorded as earned on an accrual basis.

The Master Trust allocates net investment income/(loss) to the Plan based on the ratio of fair values of the Plan's investment in each Master Trust account. Net investment income is then allocated to participants on a pro rata basis. Administrative expenses for the year ended December 31, 2017 include Trustee and record keeper fees. Fund management fees are charged directly to the Master Trust and therefore are included in the net change in fair value of investments for the Master Trust. Administrative expenses are allocated pro rata to the Plan and the Eagle Hourly Plan.

Recent Accounting Pronouncements

In February 2017, the FASB issued ASU 2017-06, *Plan Accounting: Defined Benefit Pension Plans (Topic 960), Defined Contribution Pension Plans (Topic 962), Health and Welfare Benefit Plans (Topic 965): Employee Master Trust Reporting*. The amendments in ASU 2017-06 clarify presentation requirements for a plan's interest in a master trust. This guidance is effective for fiscal years beginning after December 31, 2018. We are currently evaluating the impact the adoption of this guidance will have on the financial statements and related disclosures.

Table of Contents

PROFIT SHARING AND RETIREMENT PLAN OF EAGLE MATERIALS INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2017

NOTE 3. INTEREST IN THE MASTER TRUST

The fair value of the commingled investments of the participating plans in the Master Trust accounts at December 31, 2017 and 2016, and the undivided percentage interests the Plan holds in each of the Master Trust accounts are summarized as follows:

| | 2017 | | 2016 | |
|---|--------------|---------------------|--------------|---------------------|
| | Fair Value | Percentage Interest | Fair Value | Percentage Interest |
| Registered Investment Companies | | | | |
| American Beacon Funds Large Cap Value Institutional | \$ 4,104,865 | 64.5% | \$ 3,292,893 | 62.1% |
| American Beacon Funds Small Cap Value Institutional | 2,541,409 | 81.5% | 2,660,637 | 81.3% |
| Baron Small Cap Institutional | 2,292,560 | 84.1% | 1,425,927 | 84.7% |
| Brokerage Link | 2,117,099 | 98.2% | 1,650,006 | 99.8% |
| CBA Aggressive Growth 1 | 1,603,256 | 81.3% | 1,408,887 | 81.8% |
| Fidelity Freedom 2010 K | 5,077,061 | 77.1% | | |
| Fidelity Freedom 2020 K | 22,788,501 | 70.6% | | |
| Fidelity Freedom 2030 K | 19,905,340 | 64.8% | | |
| Fidelity Freedom 2040 K | 15,805,585 | 58.7% | | |
| Fidelity Freedom 2050 K | 3,394,252 | 39.8% | | |
| Fidelity Freedom 2060 K | 395,267 | 50.1% | | |
| Fidelity Freedom Income K | 5,343,386 | 49.7% | | |
| Fidelity Freedom K 2010 Fund | | | 5,803,797 | 81.1% |
| Fidelity Freedom K 2020 Fund | | | 17,453,051 | 70.5% |
| Fidelity Freedom K 2030 Fund | | | 15,031,545 | 64.3% |
| Fidelity Freedom K 2040 Fund | | | 11,434,353 | 61.0% |
| Fidelity Freedom K 2050 Fund | | | 1,545,777 | 40.6% |
| Fidelity Freedom K 2060 Fund | | | 86,492 | 34.1% |
| Fidelity Freedom K Income Fund | | | 5,015,713 | 47.4% |
| Fidelity Low-Priced Stock Fund | 6,691,031 | 76.1% | 5,953,461 | 78.5% |
| FMMT Retirement Gov II | 3,471,656 | 91.4% | 1,646,621 | 80.1% |
| Harbor International Administrative | 3,086,382 | 77.9% | 2,756,032 | 79.6% |
| JPMorgan Mid Cap Growth Select | 5,820,989 | 72.5% | 4,403,641 | 72.8% |
| Mainstay Large Capital Growth 1 | 1,427,634 | 86.2% | 932,999 | 88.6% |
| Spartan 500 Index Institution | 13,945,773 | 79.3% | 12,138,861 | 80.5% |
| | 3,409,582 | 81.4% | 2,758,536 | 79.9% |

Edgar Filing: EAGLE MATERIALS INC - Form 11-K

| | | | | |
|---|----------------|-------|----------------|-------|
| Spartan Extended Market Index Fund | | | | |
| Adv | | | | |
| Spartan International Index Adv | 1,106,234 | 92.3% | 532,924 | 88.9% |
| Spartan U.S. Bond Index Adv | 4,491,319 | 86.2% | 4,507,914 | 82.1% |
| Vanguard Inflation Protected Securities | 1,374,848 | 84.6% | 987,098 | 82.4% |
| | 130,194,029 | | 103,427,165 | |
| Eagle Materials Common Stock Fund | | | | |
| Eagle Materials Common Stock | 9,508,762 | 80.3% | 9,199,307 | 82.2% |
| Common/Collective Trust | | | | |
| Fidelity Managed Income Portfolio Fund | 4,305,094 | 78.8% | 4,006,723 | 77.4% |
| | \$ 144,007,885 | | \$ 116,633,195 | |

Table of Contents

PROFIT SHARING AND RETIREMENT PLAN OF EAGLE MATERIALS INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2017

NOTE 3. INTEREST IN THE MASTER TRUST (continued)

Net investment income/(loss) of the Master Trust accounts for the year ended December 31, 2017, and the Plan's share of net investment income/(loss) of each Master Trust account is summarized as follows:

| | Change in Fair Value of Investments | Interest and Dividends | Net Investment Income | Share in Net Investment Income |
|---|--|---------------------------------------|--------------------------------------|---|
| American Beacon Funds Large Cap Value Institutional | \$ 280,164 | \$ 397,631 | \$ 677,795 | 68.2% |
| American Beacon Funds Small Cap Value Institutional | (16,833) | 223,764 | 206,931 | 81.4% |
| Baron Small Cap Institutional | 174,284 | 264,133 | 438,417 | 84.5% |
| Brokerage Link | | 147,107 | 147,107 | 97.6% |
| CBA Aggressive Growth 1 | 119,330 | 86,347 | 205,677 | 81.5% |
| Eagle Materials Inc. Common Stock | 1,285,494 | | 1,285,494 | 80.9% |
| Fidelity Freedom K 2010 Fund | 242,953 | 234,447 | 477,400 | 79.9% |
| Fidelity Freedom K 2020 Fund | 1,299,565 | 698,967 | 1,998,532 | 70.7% |
| Fidelity Freedom K 2030 Fund | 1,540,254 | 591,946 | 2,132,200 | 65.3% |
| Fidelity Freedom K 2040 Fund | 1,382,684 | 396,658 | 1,779,342 | 60.2% |
| Fidelity Freedom K 2050 Fund | 234,297 | 55,287 | 289,584 | 40.6% |
| Fidelity Freedom K 2060 Fund | 18,354 | 2,898 | 21,252 | 39.9% |
| Fidelity Freedom K Income Fund | 185,354 | 130,020 | 315,374 | 48.1% |
| Fidelity Low-Priced Stock Fund | 627,271 | 577,639 | 1,204,910 | 77.5% |
| Fidelity Managed Income Portfolio Fund | | 30,535 | 30,535 | 78.4% |
| Fidelity Govt. MMKT | | 5,663 | 5,663 | 89.6% |
| FMMT Retirement Gov II | | 5,750 | 5,750 | 83.7% |
| Harbor International Administrative | 416,875 | 172,773 | 589,648 | 78.9% |
| JPMorgan Mid Cap Growth Select | 964,101 | 349,743 | 1,313,844 | 72.7% |
| Mainstay Large Capital Growth 1 | 123,416 | 197,706 | 321,122 | 87.6% |
| Spartan 500 Index Institution | 2,327,338 | 280,598 | 2,607,936 | 80.4% |
| Spartan Extended Market Index Adv. | 326,264 | 181,304 | 507,568 | 81.1% |
| Spartan International Index Adv. | 161,197 | 26,346 | 187,543 | 91.6% |
| Spartan U.S. Bond Index Adv. | 38,726 | 108,911 | 147,637 | 82.7% |
| Vanguard Inflation Protected Securities | 3,438 | 30,624 | 34,062 | 83.7% |
| Fidelity Freedom Income K | (26,603) | 121,810 | 95,207 | 49.6% |

Edgar Filing: EAGLE MATERIALS INC - Form 11-K

| | | | | |
|-------------------------|---------------|--------------|---------------|-------|
| Fidelity Freedom 2010 K | (7,744) | 172,978 | 165,234 | 77.3% |
| Fidelity Freedom 2020 K | 290,822 | 693,338 | 984,160 | 70.4% |
| Fidelity Freedom 2030 K | 531,386 | 621,416 | 1,152,802 | 65.3% |
| Fidelity Freedom 2040 K | 582,832 | 473,692 | 1,056,524 | 58.8% |
| Fidelity Freedom 2050 K | 125,796 | 93,780 | 219,576 | 40.1% |
| Fidelity Freedom 2060 K | 13,021 | 9,317 | 22,338 | 47.5% |
| | \$ 13,244,036 | \$ 7,383,128 | \$ 20,627,164 | 71.4% |

The Plan invests in various investment securities. Investment securities are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits.

Table of Contents

PROFIT SHARING AND RETIREMENT PLAN OF EAGLE MATERIALS INC.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2017

NOTE 4. INCOME TAX STATUS

The Plan has received a determination letter from the IRS dated July 21, 2010, stating that the Plan is qualified under Section 401(a) of the Code and, therefore, the related trust is exempt from taxation. Subsequent to this determination by the IRS, the Plan was amended. On April 28, 2015, the Plan received an updated determination letter from the IRS stating that the Plan is qualified under Section 401(a) of the Code reaffirming that the related trust is exempt from taxation. Once qualified, the Plan is required to operate in conformity with the Code to maintain its qualification.

The Plan had no significant uncertain tax positions for the year ended December 31, 2017. The Plan's Annual Return/Report of Employee Benefit Plan is subject to examination by the IRS for three years from the date of filing.

NOTE 5. RELATED PARTY TRANSACTIONS AND PARTY-IN-INTEREST TRANSACTIONS

Certain Plan investments are shares of mutual funds and a common/collective trust managed by the Trustee and, therefore, these transactions qualify as party-in-interest transactions. Fees incurred by the Plan for the investment management services are included as a reduction of the return earned on each fund.

The Trustee provides certain administrative services to the Plan pursuant to an agreement between the Company and the Trustee. The Trustee receives revenue from mutual fund and common/collective trust service providers for services the Trustee provides to the funds. This revenue is used to offset certain amounts owed to the Trustee for its administrative services to the Plan.

If the revenue received by the Trustee from such mutual fund or common/collective trust fund service providers exceeds the amount owed under the agreement between the Trustee and the Company, the Trustee remits the excess to the Plan's trust. Such amounts may be applied to pay Plan administrative expenses. During the year ended December 31, 2017, the Plan received excess amounts totaling \$119,700.

The Plan invests in common stock of Eagle Materials Inc. (Eagle Common Stock). During the year ended December 31, 2017, the Plan purchased and sold shares of Eagle Common Stock for \$396,515 and \$534,436, respectively, and experienced net appreciation of approximately \$1,080,000. During the year ended December 31, 2016, the Plan purchased and sold shares of Eagle Common Stock for \$412,179 and \$299,162, respectively, and experienced net appreciation of approximately \$3,125,000.

NOTE 6. RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

The following is a reconciliation of net assets available for benefits per the financial statements to the Form 5500:

| | December 31, 2017 | December 31, 2016 |
|--|------------------------------|------------------------------|
| Net assets available for benefits per the financial statements | \$ 111,915,920 | \$ 91,358,948 |
| Employers' contributions receivable | (6,399,157) | (4,937,914) |
| Net assets available for benefits per Form 5500 | \$ 105,516,763 | \$ 86,421,034 |

Additionally, the Form 5500 has certain income and expense items that differ from amounts shown on the accompanying financial statements. These differences relate to classification only and have no effect upon the net assets available for benefits as of December 31, 2017 or 2016.

NOTE 7. SUBSEQUENT EVENTS

Subsequent events have been evaluated through the date the financial statements were issued and all necessary disclosures have been included.

Table of Contents

SUPPLEMENTAL SCHEDULE

Table of Contents

PROFIT SHARING AND RETIREMENT PLAN OF EAGLE MATERIALS INC.

SCHEDULE H; LINE 4i SCHEDULE OF ASSETS (HELD AT END OF YEAR)

EIN#: 75-2520779

PLAN #: 002

DECEMBER 31, 2017

| (a) | (b) Identity of Issue, Borrower, Lessor, or Similar Party | (c) Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par, or Maturity Value | (d) Cost | (e) Current Value |
|-----|---|--|-------------|----------------------|
| * | Fidelity Investments | Plan interest in Master Trust | \$ | \$ 103,457,533 |
| * | Participants | Notes receivable with interest rates from 4.25% to 6.25%, and maturities ranging from six months to five years | \$ | \$ 2,059,230 |

* Party-in-interest.

Table of Contents

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Administrative Committee which administers the Profit Sharing and Retirement Plan of Eagle Materials Inc. has duly caused this Annual Report to be signed on its behalf by the undersigned, thereunto duly authorized.

PROFIT SHARING AND RETIREMENT PLAN OF
EAGLE MATERIALS INC.

Date: June 25, 2018

By: /s/ David B. Powers
David B. Powers
Chairman, Administrative Committee

Table of Contents

INDEX TO EXHIBIT

Profit Sharing and Retirement Plan of Eagle Materials Inc.

| Exhibit Number | Exhibit | Filed Herewith or Incorporated by Reference |
|---------------------------|----------------------------------|--|
| 23 | Consent of Sutton Frost Cary LLP | Filed Herewith |