

US CONCRETE INC
Form 10-Q
May 11, 2012

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____.

For the Quarterly Period Ended March 31, 2012

Commission File Number 001-34530

U.S. CONCRETE, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of Incorporation or
organization)

76-0586680

(I.R.S. Employer Identification Number)

2925 Briarpark, Suite 1050, Houston, Texas 77042
(Address of principal executive offices, including zip code)
(713) 499-6200
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

“ No þ

Indicate by check mark whether the registrant has filed all documents required to be filed by Sections 12, 13 or 15(d) of the Securities and Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by the court Yes þ No “

As of the close of business on May 10, 2012, U.S. Concrete, Inc. had 13,311,276 shares of its common stock, par value \$0.001 per share, outstanding (excluding 69,820 treasury shares).

U.S. CONCRETE, INC.

INDEX

	Page No.
Part I – Financial Information	
Item 1.	
	<u>Financial Statements (Unaudited)</u>
	<u>Condensed Consolidated Balance Sheets</u> 3
	<u>Condensed Consolidated Statements of Operations</u> 4
	<u>Condensed Consolidated Statement of Changes in Equity</u> 5
	<u>Condensed Consolidated Statements of Cash Flows</u> 6
	<u>Notes to Condensed Consolidated Financial Statements</u> 7
	<u>Management’s Discussion and Analysis of Financial Condition and</u>
Item 2.	<u>Results of Operations</u> 18
Item 3.	<u>Quantitative and Qualitative Disclosures About Market Risk</u> 26
Item 4.	<u>Controls and Procedures</u> 27
Part II – Other Information	
Item 1.	<u>Legal Proceedings</u> 28
Item 2.	<u>Unregistered Sales of Equity Securities and Use of Proceeds</u> 28
Item 6.	<u>Exhibits</u> 28
	<u>SIGNATURE</u> 29
	<u>INDEX TO EXHIBITS</u> 30

Index

PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

U.S. CONCRETE, INC. AND SUBSIDIARIES

CONDENSED CONSOLIDATED BALANCE SHEETS

(Unaudited)
(in thousands)

	March 31, 2012	December 31, 2011
ASSETS		
Current assets:		
Cash and cash equivalents	\$5,369	\$ 4,229
Trade accounts receivable, net	79,383	82,195
Inventories	32,807	33,156
Deferred income taxes	4,652	4,573
Prepaid expenses	5,049	3,785
Other current assets	6,909	5,962
Total current assets	134,169	133,900
Property, plant and equipment, net	122,421	126,225
Goodwill	1,481	1,481
Other assets	7,532	8,048
Total assets	\$265,603	\$ 269,654
LIABILITIES AND EQUITY		
Current liabilities:		
Current maturities of long-term debt	\$1,153	\$ 615
Accounts payable	39,471	46,749
Accrued liabilities	34,226	31,233
Derivative liabilities	5,696	2,305
Total current liabilities	80,546	80,902
Long-term debt, net of current maturities	66,413	60,471
Other long-term obligations and deferred credits	6,416	6,547
Deferred income taxes	5,712	5,654
Total liabilities	159,087	153,574
Commitments and contingencies (Note 12)		
Equity:		
Preferred stock	—	—
Common stock	13	13
Additional paid-in capital	134,619	133,939
Accumulated deficit	(27,687)	(17,457)
Treasury stock, at cost	(429)	(415)
Total stockholders' equity	106,516	116,080
Total liabilities and equity	\$265,603	\$ 269,654

The accompanying notes are an integral part of these condensed consolidated financial statements.

Index

U.S. CONCRETE, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)
(in thousands, except per share amounts)

	Three Months Ended March 31,	
	2012	2011
Revenue	\$123,004	\$87,049
Cost of goods sold before depreciation, depletion and amortization	108,839	82,809
Selling, general and administrative expenses	15,239	14,964
Depreciation, depletion and amortization	3,848	5,093
Gain on sale of assets	(597)	(72)
Loss from continuing operations	(4,325)	(15,745)
Interest expense, net	(2,869)	(2,628)
Derivative loss	(3,391)	(6,247)
Other income, net	545	257
Loss before income taxes	(10,040)	(24,363)
Income tax expense	190	351
Net loss	\$(10,230)	\$(24,714)
Net loss per share – basic and diluted	\$(0.84)	\$(2.07)
Basic and diluted weighted average shares outstanding	12,140	11,958

The accompanying notes are an integral part of these condensed consolidated financial statements.

Index

U.S. CONCRETE, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
(Unaudited)
(in thousands)

	Common Stock	Additional
Shares	Par Value	Paid-In Capital