

US CONCRETE INC  
Form 10-Q  
November 06, 2014

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

For the Quarterly Period Ended September 30, 2014

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

For the transition period from \_\_\_\_\_ to \_\_\_\_\_.

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)

331 N. Main Street, Euless, Texas 76039  
(Address of principal executive offices, including zip code)  
(817) 835-4105  
(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 (§232.405 of this chapter) 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   
(Do not check if a 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

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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 Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by the court. Yes  No

There were 13,979,794 shares of common stock, par value \$.001 per share, of the registrant outstanding as of November 5, 2014.

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U.S. CONCRETE, INC.

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## PART I - FINANCIAL INFORMATION

## Item 1. Financial Statements

U.S. CONCRETE, INC. AND SUBSIDIARIES  
 CONDENSED CONSOLIDATED BALANCE SHEETS  
 (in thousands)

	September 30, 2014 (Unaudited)	December 31, 2013
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$94,161	\$112,667
Trade accounts receivable, net of allowances of \$2,463 and \$2,813 as of September 30, 2014 and December 31, 2013, respectively	124,149	92,163
Inventories	27,546	27,610
Deferred income taxes	1,929	708
Prepaid expenses	3,911	3,416
Other receivables	3,679	3,205
Assets held for sale	5,162	—
Other current assets	481	2,457
Total current assets	261,018	242,226
Property, plant and equipment, net of accumulated depreciation, depletion, and amortization of \$67,185 and \$54,694 as of September 30, 2014 and December 31, 2013, respectively	162,199	138,560
Goodwill	16,233	11,646
Intangible assets, net	12,769	13,073
Other assets	8,446	8,485
Total assets	\$460,665	\$413,990
<b>LIABILITIES AND EQUITY</b>		
Current liabilities:		
Accounts payable	\$44,501	\$38,518
Accrued liabilities	58,933	42,950
Current maturities of long-term debt	4,921	3,990
Liabilities held for sale	714	—
Derivative liabilities	23,996	21,690
Total current liabilities	133,065	107,148
Long-term debt, net of current maturities	215,186	210,154
Other long-term obligations and deferred credits	6,317	7,921
Deferred income taxes	6,474	5,040
Total liabilities	361,042	330,263
Commitments and contingencies (Note 16)		
Equity:		
Preferred stock	—	—
Common stock	15	14
Additional paid-in capital	155,733	152,695
Accumulated deficit	(43,610)	(63,325)
Treasury stock, at cost	(12,515)	(5,657)
Total stockholders' equity	99,623	83,727
Total liabilities and equity	\$460,665	\$413,990

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



U.S. CONCRETE, INC. AND SUBSIDIARIES  
 CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(Unaudited)

(in thousands, except per share amounts)

	Three months ended		Nine months ended	
	September 30,		September 30,	
	2014	2013	2014	2013
Revenue	\$197,589	\$167,196	\$524,204	\$450,011
Cost of goods sold before depreciation, depletion and amortization	157,689	135,991	427,538	372,648
Selling, general and administrative expenses	15,404	14,387	43,435	44,920
Depreciation, depletion and amortization	6,010	4,725	16,392	14,090
Gain on sale of assets	(3	) (39	) (306	) (65
Income from operations	18,489	12,132	37,145	18,418
Interest expense, net	5,080	2,477	15,145	7,837
Derivative gain (loss)	65	(5,467	) (2,306	) (25,829
(Loss) gain on extinguishment of debt	—	(1,673	) —	2,631
Other income, net	580	380	1,606	1,357
Income (loss) from continuing operations before income taxes	14,054	2,895	21,300	(11,260
Income tax expense	788	9,976	1,540	1,710
Income (loss) from continuing operations	13,266	(7,081	) 19,760	(12,970
Loss from discontinued operations, net of taxes	(259	) (221	) (45	)