

U.S. Concrete has filed for bankruptcy protection...
let's see what the history shows!

U.S. Concrete, Inc.

2925 Briarpark
Suite 1050
Phone: (713) 499-6200 Houston, TX 77042 United States Ticker: [RMIX](#)

Filed for Bankruptcy on 4/29/2010
Case #10-11407, filed in the U.S. Bankruptcy Court for the District of Delaware

Latest Financial Statements as of 12/31/2009

Business Summary

U.S. Concrete, Inc. (U.S. Concrete) is a producer of ready-mixed concrete, precast concrete products and concrete-related products in select markets in the United States. The Company operates in two segments: ready-mixed concrete and concrete-related products segment and precast products concrete segment. All of the Company's operations are in the United States. It operates in Texas, California, New Jersey/New York and Michigan. As of March 15, 2010, U.S. Concrete had 125 fixed and 11 portable ready-mixed concrete plants, seven precast concrete plants and seven producing aggregates facilities, (including 27 fixed ready-mixed concrete plants operated by its 60%-owned Michigan subsidiary). It also owns two aggregates facilities that the Company lease to third parties and retains a royalty on production from those facilities.

(Source: 10-K)

Employees: 529 (as of 12/31/2009)

Federal Tax Id: 760586680

Credit Scores

FRISK™ Score	1	4/30/2010
Probability of default range: 21.0% - 50.0%		
Z" Score	-3.00 (Fiscal danger)	12/31/2009

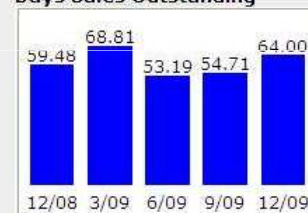
Auditor Information

Last Audit: 12/31/2009
Auditors: PricewaterhouseCoopers LLP
Opinion: **Unqualified**

Agency Credit Ratings

Rating Agency	Long Term Rating	Outlook	Short Term Rating	Watch
Moody's	Caa2	Negative	SGL-4	OFF
S&P	NR	NR		NM

Days Sales Outstanding



Fourth Quarter and Year-to-Date Results

Sales for the 3 months ended 12/31/2009 decreased 30.85% to \$119.85 million from last year's comparable period amount of \$173.33 million. Sales for the 12 months ended 12/31/2009 decreased 29.14% to \$534.49 million from \$754.30 million for the same period last year.

Gross profit margin decreased 39.18% for the period to 13.32 million (11.11% of revenues) from \$21.90 million (12.64% of revenues) for the same period last year. Gross profit margin decreased 34.46% for the year-to-date period to \$75.27 million (14.08% of revenues) from \$114.85 million (15.23% of revenues) for the comparable 12 month period last year.

Selling, general and administrative expenses for the period decreased 31.52% to \$16.18 million compared with \$23.62 million for the same period last year. Selling, general and administrative expenses for the 12 months ended 12/31/2009 decreased 16.41% to \$66.07 million from \$79.04 million for the same period last year.

Operating income for the period increased 93.51% to (\$9.51) million compared with operating income of (\$146.54) million for the same period last year. Operating income for the year-to-date period increased 46.32% to (\$70.02) million compared with operating income of (\$130.45) million for the equivalent 12 months last year.

Net loss for the period decreased 87.34% to (\$16.73) million compared with net loss of (\$132.19) million for the same period last year. Net loss for the year-to-date period decreased 33.38% to (\$88.24) million compared with net loss of (\$132.45) million for the equivalent 12 months last year.

Net cash from operating activities was \$8.01 million for the 12 month period, compared to net cash from operating activities of \$29.68 million for last year's comparable period.

Working capital at 12/31/2009 of \$34.48 million decreased 45.69% from the prior year end's balance of \$63.48 million.

Inventories decreased by \$1.81 million for the year-to-date period, compared to a \$211.00 thousand increase in the prior year's comparable period.

Accounts payable decreased by \$8.24 million for the year-to-date period, compared to a \$2.24 million decrease in the prior year's comparable period.

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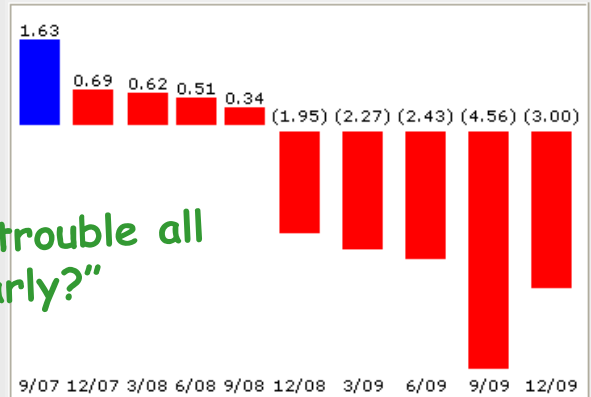
LEGEND:

Financially sound: 2.60 or higher

Neutral: 1.10 to 2.60

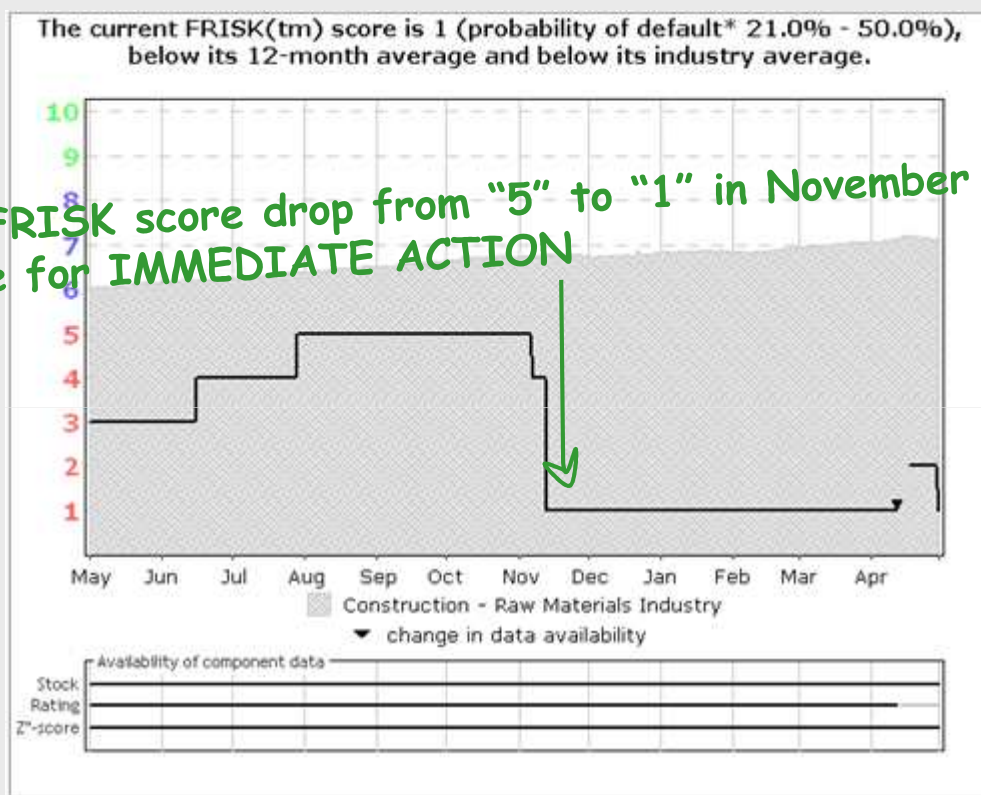
Fiscal danger: less than 1.10

Z" Score



The Altman Z" showed increasing trouble all the way back to 4Q2007... "too early?"

The FRISK score drop from "5" to "1" in November was scary...
...time for IMMEDIATE ACTION



FRISK2	Probability of default within 12 months	
	From	To
10	0%	0.3%
9	0.3%	0.4%
8	0.4%	0.9%
7	0.9%	1.9%
6	1.9%	3.7%
5	3.7%	7.4%
4	7.4%	10.1%
3	10.1%	14.1%
2	14.1%	21.0%
1	21.0%	50.0%

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...the stock has gone down in price...
...with high volatility starting in November...

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Ticker: [RMIX](#)

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Stock Performance

Detailed Quote

Last: **0.53** Change: **+0.11 (+26.76%)** Volume: **9,681,178**

Open:	0.37
Close:	0.41
High:	0.55
Low:	0.37
Bid:	0.50
Ask:	0.55
Yield:	0.00
P/E Ratio:	N/
EPS:	-2.43
Dividend:	0.00
Shares Out:	37.4 M
Market Cap:	19.8 M
52wk High:	2.75
52wk Low:	0.32



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...plus, looking at our News Alerts you would have seen...

News Summary (CRM selected stories Moody's stories All stories)				Next Page
#	Date	Source	Headline	
1	4/29/2010	PR Newswire	U.S. Concrete Reaches Agreement With Bondholders on Comprehensive Debt Restructuring	
2	4/17/2010	CRMZ News Service	U.S. Concrete, Inc. -- updated S&P ratings available	D → NR
3	4/13/2010	CRMZ News Service	U.S. Concrete, Inc. -- updated S&P ratings available	CC → D
4	4/12/2010	CRMZ News Service	US CONCRETE INC FILES (8-K) Disclosing Entry into a Material Definitive Agreement, Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant	
5	4/12/2010	Market Wire	Probing the U.S. Cement Industry	
6	3/30/2010	CRMZ News Service	U.S. Concrete, Inc. -- updated financials available	
7	3/25/2010	CRMZ News Service	US CONCRETE INC FILES (8-K) Disclosing Entry into a Material Definitive Agreement, Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant, Re	
8	3/25/2010	PR Newswire	U.S. Concrete Obtains \$18.5 Million in Additional Short-Term Financing	
9	3/16/2010	CRMZ News Service	U.S. Concrete, Inc. Receives Going Concern Opinion	
10	3/16/2010	CRMZ News Service	US CONCRETE INC: a Form 10-K has been Filed with the SEC	
11	3/11/2010	GlobeNewswire	Market Watch for U.S. Concrete Inc. Issued by StockPreacher	
12	3/10/2010	CRMZ News Service	US CONCRETE INC FILES (8-K) Disclosing Results of Operations and Financial Condition, Financial Statements and Exhibits	
13	3/10/2010	CRMZ News Service	US CONCRETE INC FILES (8-K) Disclosing Results of Operations and Financial Condition, Financial Statements and Exhibits	
14	3/10/2010	PR Newswire	U.S. Concrete Reports Fourth Quarter and Year-End 2009 Results and Provides Update on Debt Restructuring Efforts	
15	3/9/2010	CRMZ News Service	US CONCRETE INC FILES (8-K) Disclosing Notice of Delisting or Failure to Satisfy a Continued Listing Rule or Standard; Transfer of Listing, Other Events, Financial Statements and Exhibits	
16	3/8/2010	PR Newswire	U.S. Concrete Announces Receipt of Deficiency Notice from NASDAQ	
17	3/2/2010	GlobeNewswire	U.S. Concrete Announces Fourth Quarter and Full Year 2009 Earnings Release and Conference Call	
18	2/26/2010	CRMZ News Service	U.S. Concrete, Inc. -- updated Moody's rating available	
19	2/25/2010	Moody's Investors Service	Moody's downgrades U.S. Concrete to Caa2 from Caa1, outlook negative	
20	2/22/2010	CRMZ News Service	U.S. Concrete, Inc. -- updated S&P ratings available	CCC → CC
21	2/22/2010	CRMZ News Service	US CONCRETE INC FILES (8-K) Disclosing Entry into a Material Definitive Agreement, Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant, Re	
22	2/19/2010	PR Newswire	U.S. Concrete to Explore Alternatives to Improve Capital Structure	
23	12/17/2009	CRMZ News Service	U.S. Concrete, Inc. -- updated financials available	
24	12/14/2009	CRMZ News Service	US CONCRETE INC FILES (8-K) Disclosing Other Events, Financial Statements and Exhibits	
25	11/19/2009	CRMZ News Service	U.S. Concrete, Inc. -- updated Moody's rating available	
26	11/18/2009	Moody's Investors Service	Moody's downgrades U.S. Concrete's CFR to Caa1 from B2	
27	11/13/2009	CRMZ News Service	U.S. Concrete, Inc. -- updated S&P ratings available	B → CCC
28	11/9/2009	CRMZ News Service	US CONCRETE INC: a Form 10-Q has been Filed with the SEC	
29	11/6/2009	CRMZ News Service	US CONCRETE INC FILES (8-K) Disclosing Amendments to Articles of Inc. or Bylaws; Change in Fiscal Year, Change in Directors or Principal Officers, Financial Statements and Exhibits	
30	11/5/2009	CRMZ News Service	US CONCRETE INC FILES (8-K) Disclosing Results of Operations and Financial Condition, Financial Statements and Exhibits	
31	9/15/2009	CRMZ News Service	US CONCRETE INC FILES (8-K) Disclosing Completion of Acquisition or Disposition of Assets	
32	9/15/2009	CRMZ News Service	US CONCRETE INC FILES (8-K) Disclosing Results of Operations and Financial Condition, Financial Statements and Exhibits	
33	9/1/2009	CRMZ News Service	US CONCRETE INC FILES (8-K) Disclosing Change in Directors or Principal Officers, Financial Statements and Exhibits	
34	8/11/2009	CRMZ News Service	U.S. Concrete, Inc. -- updated financials available	
35	8/7/2009	CRMZ News Service	US CONCRETE INC: a Form 10-Q has been Filed with the SEC	
36	8/7/2009	CRMZ News Service	US CONCRETE INC FILES (8-K) Disclosing Results of Operations and Financial Condition, Financial Statements and Exhibits	

Downgrades

4Q2009
More losses

3Q2009
More losses

2Q2009
More losses

Bankruptcy filing
"pre-pak
exit possible"
(Bonds to become
equity)

Reduced bank loan
To \$15MM,
Contingent on
new equity

Reduced bank loan
\$90MM to \$60MM
CEO says, "we are
moving towards a
successful
restructuring"

Reduced bank loan
\$150MM to \$90MM

Hires Lazard,
Alix Partners, and
Kirkland & Ellis;
"discussions with
bondholders"

Sells 4 Cement
plants

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...need more depth? Look at the Performance Ratios:

...Degradation in Sales, continued losses, no Free Cash Flow despite cutbacks in Capital expenditures

Performance Ratios - Sequential Quarters					
(Thousands of U.S. Dollars)					
Period Ended	3 mos 12/31/2009	3 mos 9/30/2009	3 mos 6/30/2009	3 mos 3/31/2009	3 mos 12/31/2008
Net Sales \$	\$119,851	\$153,608	\$143,726	\$117,300	\$173,325
% change	-21.98%	6.88%	22.53%	-32.32%	-18.56%
Gross Margin \$	\$13,320	\$25,036	\$23,137	\$13,778	\$21,902
% change	-46.80%	8.21%	67.93%	-37.09%	-39.99%
% of sales	11.11%	16.30%	16.10%	11.75%	12.64%
change as % of incremental sales	n/m	19.22%	35.42%	n/m	n/m
SG&A \$	\$16,177	\$16,206	\$17,607	\$16,078	\$23,624
% change	-0.18%	-7.96%	9.51%	-31.94%	20.27%
% of sales	13.50%	10.55%	12.25%	13.71%	13.63%
change as % of incremental sales	n/m	-14.18%	5.79%	n/m	n/m
Operating margin \$	(\$9,514)	(\$56,240)	\$993	(\$5,263)	(\$146,541)
% change	83.08%	-5,763.65%	118.87%	96.41%	-1,671.82%
% of sales	-7.94%	-36.61%	0.69%	-4.49%	-84.55%
change as % of incremental sales	n/m	-579.16%	23.67%	n/m	n/m
EBITDA \$	(\$2,037)	(\$48,269)	\$8,784	\$2,542	(\$138,046)
% change	95.78%	-649.51%	245.55%	101.84%	-877.68%
% of sales	-1.70%	-31.42%	6.11%	2.17%	-79.65%
change as % of incremental sales	n/m	-577.34%	23.62%	n/m	n/m
Pre-tax income \$	(\$15,649)	(\$62,492)	(\$5,228)	(\$11,682)	(\$153,120)
% change	74.96%	-1,095.33%	55.25%	92.37%	-4,954.79%
% of sales	-13.06%	-40.68%	-3.64%	-9.96%	-88.34%
change as % of incremental sales	n/m	-570.48%	24.42%	n/m	n/m
Net income (loss) \$	(\$16,730)	(\$58,060)	(\$3,994)	(\$9,454)	(\$132,193)
% change	71.19%	-1,353.68%	57.75%	92.85%	-7,776.71%
% of sales	-13.96%	-37.80%	-2.78%	-8.06%	-76.27%
change as % of incremental sales	n/m	-547.12%	20.66%	n/m	n/m
Tax expense \$	\$2,074	(\$1,194)	(\$431)	(\$637)	(\$19,947)
Effective tax rate	-13.25%	1.91%	8.24%	5.45%	13.03%
Depreciation expense \$	\$7,070	\$7,645	\$7,450	\$7,456	\$8,139
% of sales	5.90%	4.98%	5.18%	6.36%	4.70%
% of capital expenses	488.26%	127.82%	357.66%	168.42%	107.28%
% of PP&E, net (annualized)	11.62%	11.92%	11.11%	10.98%	11.87%
Capital expenditures \$	\$1,448	\$5,981	\$2,083	\$4,427	\$7,587
% change	-75.79%	187.13%	-52.95%	-41.65%	-29.46%
% of PP&E, net (annualized)	2.38%	9.32%	3.11%	6.52%	11.06%
% of working capital (annualized)	14.33%	48.51%	15.66%	30.11%	42.98%
Interest coverage ratio	(0.31)	(7.34)	1.34	0.38	(19.90)
% change	95.76%	-648.92%	256.20%	101.89%	-856.28%
Free cash flow \$	(\$5,389)	\$7,943	(\$14,186)	\$5,704	\$2,577
% change	-167.85%	155.99%	-348.70%	121.34%	447.77%
Source:	10-K 3/16/2010	10-Q 11/9/2009	10-Q 8/7/2009	10-Q 5/8/2009	10-K 3/16/2009

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...need more depth? Look at the Leverage Ratios:

...Negative net worth, huge Total debt, and a classic "pop" in short-term debt...

Leverage Ratios - Sequential Quarters					
(Thousands of U.S. Dollars)					
Period Ended	3 mos 12/31/2009	3 mos 9/30/2009	3 mos 6/30/2009	3 mos 3/31/2009	3 mos 12/31/2008
Total debt \$	\$296,542	\$298,594	\$311,065	\$301,552	\$305,988
% change	-0.69%	-4.01%	3.15%	-1.45%	2.04%
Stockholders' equity \$	(\$15,742)	\$221	\$57,700	\$60,772	\$69,796
% change	-7,223.08%	-99.62%	-5.06%	-12.93%	-66.18%
Total debt to equity ratio	n/a	1,351.10	5.39	4.96	4.38
% change	n/a	24,961.75%	8.65%	13.18%	201.72%
Tangible net worth \$	(\$29,805)	(\$13,842)	(\$5,093)	\$1,575	\$10,599
% change	-115.32%	-171.78%	-423.37%	-85.14%	-29.34%
Total debt to tangible net worth	n/a	n/a	n/a	191.46	28.87
% change	n/a	n/a	n/a	563.20%	44.43%
Total assets \$	\$389,160	\$425,208	\$493,573	\$485,458	\$507,810
% change	-8.48%	-13.85%	1.67%	-4.40%	-24.62%
Total debt to assets ratio	0.76	0.70	0.63	0.62	0.60
% change	8.52%	11.42%	1.45%	3.09%	35.39%
Net tangible assets \$	\$375,097	\$411,145	\$430,780	\$426,261	\$448,613
% change	-8.77%	-4.56%	1.06%	-4.98%	-6.98%
Short-term debt \$	\$7,873	\$10,387	\$10,994	\$1,964	\$3,371
% change	-24.20%	-5.52%	459.78%	-41.74%	-12.85%
Short-term debt % of total debt	2.65%	3.48%	3.53%	0.65%	1.10%
% change	-23.68%	-1.58%	442.65%	-40.88%	-14.59%
Short-term debt % of working capital	22.83%	22.42%	21.02%	3.63%	5.31%
% change	1.86%	6.64%	479.40%	-31.68%	6.71%
Total liabilities \$	\$404,902	\$424,987	\$435,873	\$424,686	\$438,014
% change	-4.73%	-2.50%	2.63%	-3.04%	-6.27%
Total liabilities to equity ratio	n/a	1,923.02	7.55	6.99	6.28
% change	n/a	25,356.61%	8.10%	11.36%	177.14%
Total liabilities to tangible net worth ratio	n/a	n/a	n/a	269.64	41.33
% change	n/a	n/a	n/a	552.48%	32.66%
Source:	10-K 3/16/2010	10-Q 11/9/2009	10-Q 8/7/2009	10-Q 5/8/2009	10-K 3/16/2010

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...In the MD&A section, the CEO and CFO tell us they may file for Ch. 11 bankruptcy protection!

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From MD&A section, period 12/31/2009, filed 3/16/2010:

LIQUIDITY AND CAPITAL RESOURCES

We rely on our Credit Agreement to fund short-term liquidity needs if internal funds are not available from our operations. The recent amendment to our Credit Agreement has provided additional access to liquidity. However, given the inclement weather in the regions where we operate during January and February 2010 and the overall continued decline in activity, the availability under our Credit Agreement has declined to \$26.6 million at March 12, 2010. This inclement weather along with the seasonally low production and economic downturn has caused us to take actions to conserve cash. These actions include delaying payments to certain vendors and suppliers. If the available liquidity under our Credit Agreement falls below \$20 million, we will not be in compliance with the minimum fixed charge coverage ratio of 1.0 to 1.0. If this occurs and we are unable to continue to obtain amendments from the lenders that waive compliance with these financial covenants, the lenders could declare us to be in default under the terms of the Credit Agreement, at which point the entire outstanding principal balance of the revolving credit facility, together with all accrued and unpaid interest and other amounts then owing to our lenders, would become immediately due and payable. There was \$21.4 million outstanding at March 15, 2010 under the Credit Agreement. Because substantially all of our assets are pledged as collateral under the Credit Agreement, if our lenders were to declare an event of default, they would be entitled to foreclose on and take possession of those assets. Additionally, Superior is in the process of renegotiating the Superior Credit Agreement, which is scheduled to mature on April 1, 2010, and we owe an interest payment of \$11.4 on the 8% Notes on April 1, 2010. If the negotiations are not successful, the amounts outstanding under the Superior credit facility would be due and payable. There was \$6.6 million outstanding under the Superior Credit Agreement at March 12, 2010. This would put further strain on our liquidity. In any such event, we may not be able to repay the debt or refinance the debt on acceptable terms, and we may not have sufficient assets to make the payments when due. Our default under one or more of our debt instruments also will accelerate our obligation to repay that debt and our other debt instruments as well. In that event, we may seek protection pursuant to a voluntary bankruptcy filing under Chapter 11 of the U.S. Bankruptcy Code.