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S T R A T E G Y

2004 U.S. CONCRETE ANNUAL REPORT

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FOR
SUSTAINABLE
GROWTH

2004 U.S. CONCRETE ANNUAL REPORT



Headquartered in Houston, Texas, U.S. Concrete, Inc. is a major producer of ready-mixed concrete and concrete products in select markets in the United States. As of March 15, 2005, we have 88 fixed and seven portable ready-mixed concrete plants, eight precast concrete plants, three concrete block plants and one aggregates quarry. During 2004, our facilities produced approximately 5.1 million cubic yards of ready-mixed concrete, 5.3 million eight-inch equivalent block units and 1.1 million tons of aggregates. Our common stock trades on The Nasdaq National Market under the symbol “RMIX.”

FINANCIAL HIGHLIGHTS

(amounts in thousands)	2004	Year Ended December 31,	
		2003	2002
Revenues	\$500,589	\$473,124	\$503,314
Total Assets	\$449,159	\$400,974	\$382,222
Long-Term Debt, Including Current Maturities	\$200,777	\$155,039	\$161,808
Total Stockholders' Equity	\$168,849	\$176,711	\$161,845

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The United States concrete industry, with revenue exceeding \$50 billion annually, is comprised of ready-mixed concrete, precast concrete, concrete masonry and other concrete products. The ready-mixed concrete industry, which accounts for more than half of all annual concrete sales, is a fragmented, consolidating industry with approximately 2,500 small independent operators, a number of regional independent operators and several larger, vertically integrated manufacturers of cement and aggregates. In fact, since the late 1990’s, the entire concrete industry has experienced consolidation, and we expect this trend to continue into the foreseeable future. We believe that this presents growth opportunities for a company such as U.S. Concrete, which has a national strategy, a focused acquisition program and access to capital.

A LETTER TO OUR SHAREHOLDERS

U.S.

Concrete became a public company nearly six years ago. Since then, the ready-mixed concrete and concrete products industry has evolved, and the company has matured. As a result, we revisited our initial business strategy during 2004 to ensure that it would continue to serve our shareholders for the next five years and beyond.

Our strategy for growth is now significantly more refined. We have positioned U.S. Concrete to be an active participant in the industry's ongoing consolidation. We continue to emphasize the sale of value-added products to customers who are more focused on reducing in-place concrete costs than simply

price per cubic yard. We strive to promote operational excellence and achieve cost efficiencies through standardizing procedures, plants and equipment; investing in computer and communications technology; implementing quality-control initiatives; providing technical expertise to optimize mix designs; and leveraging our purchasing power.

We strengthened our management team during 2004 to facilitate the execution of U.S. Concrete's strategy. We appointed a new Chief Financial Officer to complete the transition of responsibility for the day-to-day operations of U.S. Concrete that began in 2003 when we named Michael W. Harlan Executive Vice

President and Chief Operating Officer. (Mr. Harlan had continued to serve as the Company's Chief Financial Officer during this time, a position he held since the formation of U.S. Concrete.) We also appointed a new Vice President – Marketing and Sales to succeed Richard A. Williams, as he transitions into retirement, as well as a new Vice President – Human Resources to maximize human capital.

As one of the largest non-vertically integrated producers of ready-mixed concrete in the U.S., we are fortunate to have consistently attracted some of the industry's highest quality management.

In tandem with refining the business strategy, in March 2004 we refinanced our long-term debt, establishing a \$105 million revolving credit facility due March 2009 and selling \$200 million in senior subordinated notes due April 2014. This new capital structure provides us the financial flexibility to pursue and execute internal and external growth initiatives.

Another key positive for 2004 included a 4% improvement in the pricing of our ready-mixed concrete over 2003, with fourth quarter 2004 average pricing up almost 8% over the fourth quarter of 2003. It was essential to achieve price improvement in light of rising raw material and other direct costs, including increasing cement prices. After a diligent effort by the entire team

A refinancing in 2004 gave U.S. Concrete the financial flexibility to pursue and execute internal and external growth initiatives. Among other highlights, the company had cash on hand of approximately \$40 million and available credit of approximately \$75 million at year end.

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at U.S. Concrete, we were compliant with Section 404 of the Sarbanes-Oxley Act of 2002.

While we met our 2004 revenue objective of \$500 million, and our results were on target the first three quarters of the year, our fourth quarter profitability was disappointing. We experienced inclement weather conditions, particularly in Northern California, during October, which is traditionally our strongest shipping month, and December. Results were also affected in the fourth quarter by a non-cash asset impairment charge, an increase in insurance expense related

to self-insured workers' compensation and auto liability insurance and higher health care costs for our team members.

During the second half of 2004, cement shortages curtailed some of our sales of ready-mixed concrete, and cement prices increased, impacting profitability. Cement generally accounts for slightly more than 50% of the raw material costs of concrete production. The short supply of imported cement is a worldwide issue, driven by strong demand from China, the limited availability of transport ships and escalating freight rates. In the United States, these issues were exacerbated during 2004 by a stronger than expected residential construction market and lower inventories of domestic cement.

We continued to make progress on strengthening the foundation of our business during 2004. Our strategy is strong, smartly focused and led by one of the most experienced operating management teams in the business. We thank all of our team members for their efforts and contributions in 2004, and we enter 2005 with the expectation that we will experience profitable growth across our regions.



Vincent D. Foster
Chairman of the Board

Eugene P. Martineau
Chief Executive Officer and President

AN EYE FOR OPPORTUNITY

U.S. Concrete's objective is to become the leading value-added supplier of ready-mixed concrete and concrete products in each of our markets and to further diversify the geographic scope of our operations. We are positioned to grow externally and internally, armed with a new capital structure that provides financial flexibility.



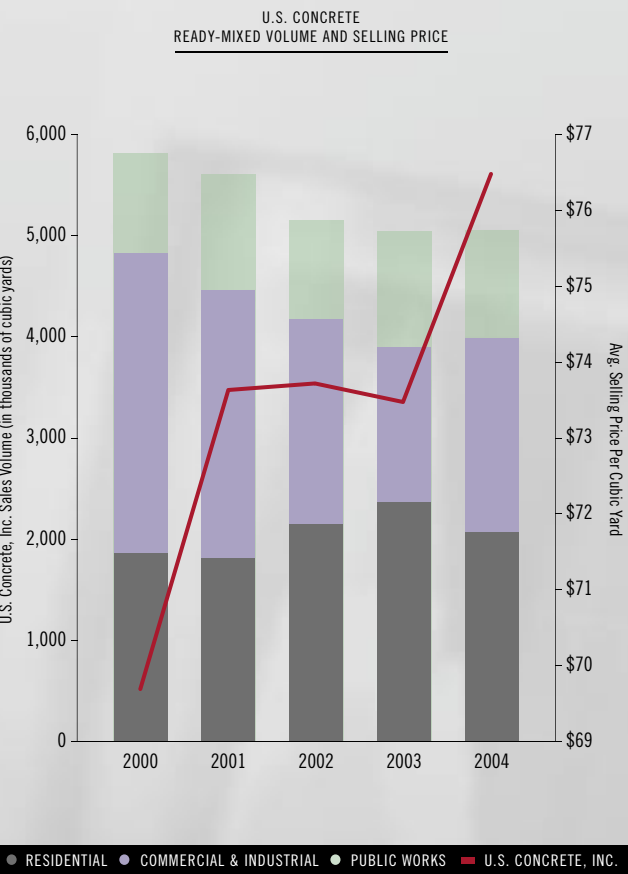
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Given the transitional issues facing many of the ready-mixed concrete industry's small independent operators, we believe today's market presents numerous growth opportunities. U.S. Concrete doesn't seek growth for growth's sake. We seek the right companies, in the right markets, at the right valuations. To achieve benefits of local market rationalization, we seek "tuck-in" acquisitions in our existing markets. We recently completed tuck-in acquisitions in Phoenix, Arizona, and

Knoxville, Tennessee, which are being integrated into our existing operations. We also seek "platform" companies with leading positions in new geographic markets that demonstrate adequate sustainable demand and prospects for growth. In each case, we target well-established, well-managed businesses with strong local customer relationships. Platform businesses serve as hubs into which other operations in the same market can be consolidated.

Pricing Trends

According to the U.S. Census Bureau, the U.S. population is anticipated to grow approximately 8.6% in the coming decade, a statistic that we believe supports long-term demand for ready-mixed concrete and concrete products. U.S. Concrete serves all three sectors of the construction market – residential, commercial and industrial, and public works. Driven by low interest rates, the demand has risen for ready-mixed concrete in residential construction, which represented about 41% of U.S. Concrete's total sales in 2004, compared to about 38% from commercial and industrial sales and about 21% from public works sales. The mix of demand for ready-mixed concrete can affect a producer's profitability. Ready-mixed concrete sold for commercial and industrial construction is generally more technical and therefore more profitable than that sold for residential construction. Commercial and industrial jobs, which afford more volume productivity, also provide ready-mixed concrete producers more opportunities to sell value-added concrete mix designs for high-performance requirements that often include admixtures, such as chemicals, minerals and fibers, or color-conditioning additives. According to data from F. W. Dodge, the commercial and industrial segment is expected to increase by 7.5% in 2005 and 9.2% in 2006. Historical data generally reflects that ready-mixed concrete prices trend with cement price increases and decreases. As illustrated in the chart, U.S. Concrete's ready-mixed concrete selling prices increased significantly in 2004 over prior years, as the industry experienced increases in cement costs.





Diversification is important. We believe our size and geographic scope enable us to achieve cost savings through consolidated purchasing and reduced administrative costs, while also helping to mitigate possible unfavorable regional economic trends. In addition, U.S. Concrete benefits from a diverse customer base. Our geographic and customer diversity is complemented by the broad combination of end markets we serve, including the residential, public works, and commercial and industrial construction markets.

Integration is also key. Since U.S. Concrete's founding, we have successfully integrated 31 acquired companies. We have established a process to integrate acquired companies rapidly so that U.S. Concrete can begin to realize expected positive benefits and synergies promptly.

We believe U.S. Concrete's corporate-level marketing and sales expertise sets us apart. Primarily targeting general contractors, developers, architects, structural engineers and homebuilders, our strategy emphasizes the sale of value-added products. We strive to be a solutions provider, rather than simply a provider of materials. We offer performance-based engineered products, emerging concrete technologies, sustainable answers to environmental challenges and a new way of thinking about the

concrete construction process. Internally, we develop and implement training programs that emphasize successful customer-focused marketing and sales techniques and the sale of high-margin concrete-mix designs.

Our salespersons are trained to focus on customer service and profitability, not just sales volume. Our software-based sales activity process enables our territory managers to coordinate sales efforts, track sales backlogs and measure customer profitability.

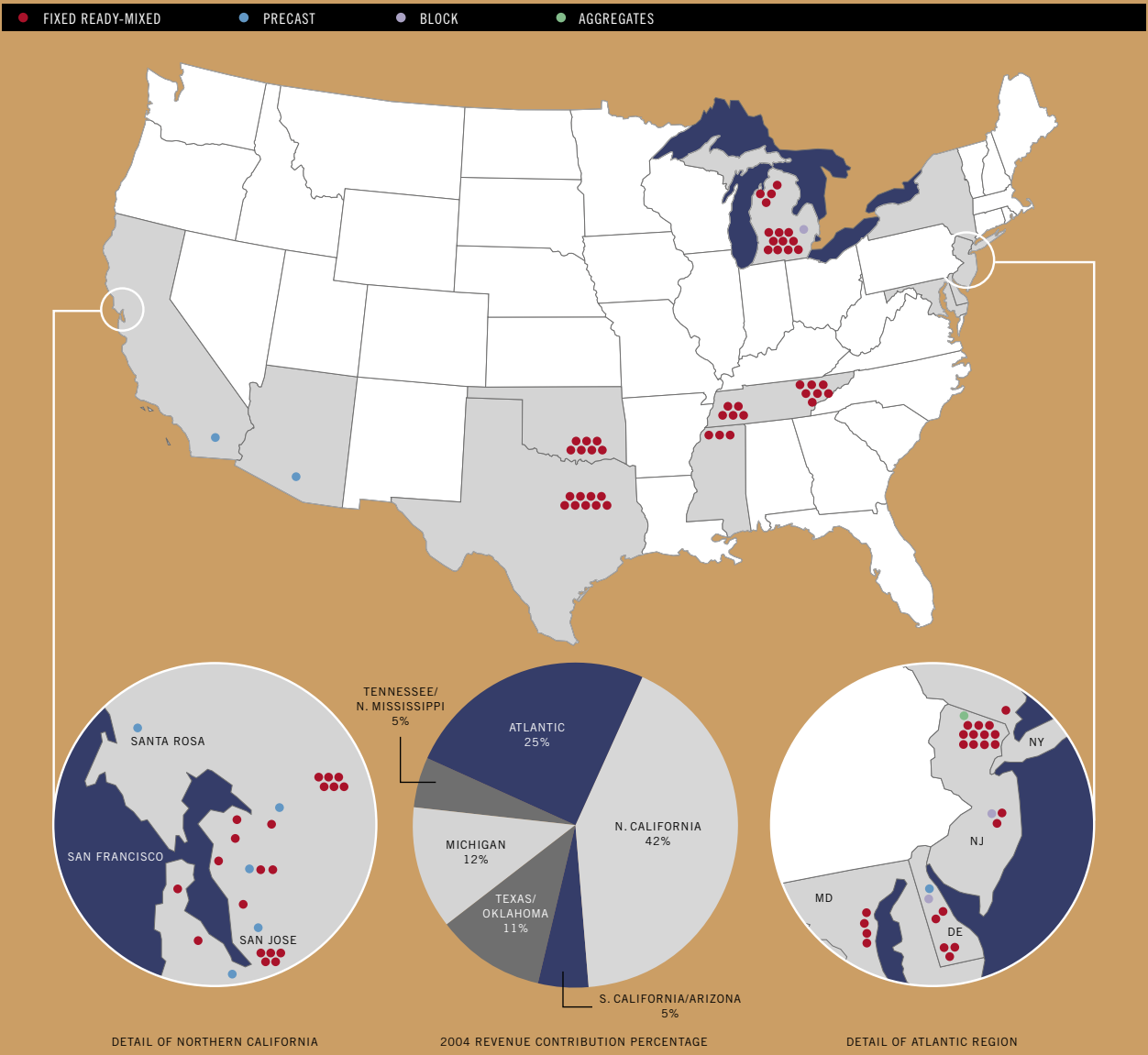
U.S. Concrete has also formed strategic alliances with several leading suppliers to the concrete industry, including a pigment supplier for color-conditioned concrete, a fiber supplier for fiber-reinforced concrete, a specialty admixture company for high-performance concrete and

an engineering software company that develops software to design concrete frame buildings. We believe the design software provides opportunities to expand uses of structural concrete in office and institutional buildings to better compete with structural steel. With each of these initiatives, we are seeking to enhance our product offerings, capabilities and services; penetrate new market segments; increase market demand for our products; and provide economical solutions to our customers. We believe these strategic alliances have set a new standard for the industry.

We believe U.S. Concrete is an industry leader in innovation, as evidenced by awards the company has received, including the *National Ready-Mixed Concrete Association's Innovation in Training Award* and the *National Precast Concrete Association's Creative Use of Precast Award*.

NATIONAL VISION

We have established a substantial asset base, more than 10,000 customers and operations in 11 states and the District of Columbia. As of March 15, 2005, U.S. Concrete operated 88 fixed and seven portable ready-mixed concrete plants, eight precast concrete plants, three concrete block plants and one aggregates quarry. Given the current regulatory environment and local “not in my backyard” attitudes, we believe several of our operating sites and associated operating permits in certain metropolitan locations would be difficult to replicate. We believe our customer and end-market diversification enables U.S. Concrete to access multiple sources of demand and lends additional stability to our operating results.



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DIRECTORS AND OFFICERS

Vincent D. Foster
Senior Managing Director, Main Street
Mezzanine Fund, LP, Chairman of the Board

Eugene P. Martineau
Chief Executive Officer and President,
Director

John R. Colson
Chief Executive Officer,
Quanta Services, Inc., Director

T. William Porter III
Chairman, Porter & Hedges, L.L.P.,
Director

Mary P. Ricciardello
Director

Murray S. Simpson
Director

Robert S. Walker
Director

Michael W. Harlan
Executive Vice President and
Chief Operating Officer

Thomas J. Albanese
Executive Vice President of Sales
U.S. Concrete Bay Area Region

William T. Albanese
President
U.S. Concrete Bay Area Region

Michael D. Mitschele
President
U.S. Concrete Atlantic Region

Robert D. Hardy
Senior Vice President and
Chief Financial Officer

Donald C. Wayne
Vice President,
General Counsel and Secretary

Wallace H. Johnson
Vice President – Marketing and Sales

Gary J. Konnie
Vice President – Human
Resources

Terry Green
Vice President – Operational Integration

Cesar Monroy
Vice President – Finance

Raymond C. Turpin, Jr.
Vice President – Technical Affairs

CORPORATE INFORMATION

CORPORATE HEADQUARTERS
U.S. Concrete, Inc.
2925 Briarpark, Suite 1050
Houston, Texas 77042
713-499-6200
www.us-concrete.com

COMMON STOCK TRANSFER AGENT AND REGISTRAR
American Stock Transfer and Trust Company
40 Wall Street
New York, New York 10005
718-921-8247



