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Oldcastle[®] Materials
Texas Region

QUARTERLY *REVIEW*

JULY 2014
EDITION

ON THE COVER

Oldcastle Materials Texas
Marble Falls Quarry
Marble Falls, TX
Acquired: May 2014

Full story on page 16

SPECIAL THANKS TO

Alejandrina Hernandez - *Trotti & Thomson*

Sandra Stringer - *Trotti & Thomson*

Maria Johnson - *Wheeler Companies*

Zandra McCoy - *Texas Bitulithic*

Heather Askew - *Oldcastle Inc.*

Maria Tovar - *Oldcastle Inc.*

Brett Balard - *Oldcastle Materials Texas*

Ken Dalton - *Wheeler Companies*

Rich Bythewood - *Oldcastle Materials Texas Region*

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Lance Phillips - *Texas Bitulithic*

Cassandra Nunley - *Baylor University*

Hole in the Roof Marketing

Nate Cornelius, Anthony Edwards, Britt Knighton, Christina Knighton

TEXAS LEADERSHIP TEAM



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PRESIDENT
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Nathan Creech
VICE PRESIDENT, COO
Texas Region



Rich Bythewood
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Ryan Lindsey
VP, GOVERNMENT AFFAIRS
Texas Region



Joe Naivar
PRESIDENT
Wheeler Companies



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PRESIDENT
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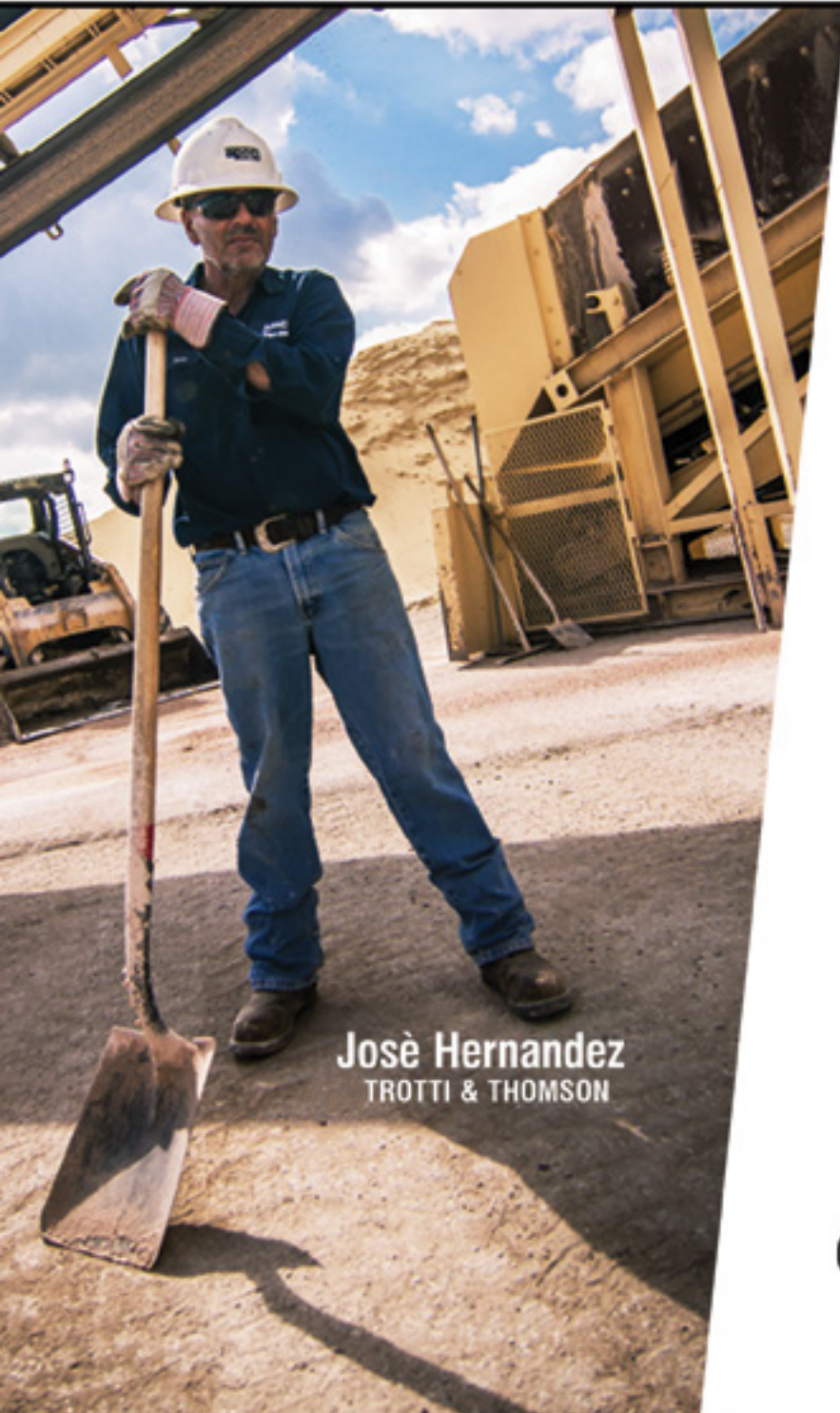


Stephen Koonce
PRESIDENT
Texas Bitulithic



David Young
EQUIPMENT MANAGER
Texas Region

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Josè Hernandez
TROTTI & THOMSON

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LEADERSHIP REMARKS

by Nathan Creech



“Thanks to everyone for your hard work in delivering a successful first half to 2014”

Thanks for taking a moment to read our re-launched quarterly publication for the Oldcastle Materials Texas Region. The new format is more of a magazine than a newsletter but the intent is still the same, to highlight the great things we are doing in the region and to acknowledge our people that make everything happen. In addition, we wanted to use the new format as a way to convey information on how the region is performing, showcase our sites and jobs, share what our expectations are of our businesses and outline where we are headed.

Everyone likes to be on a winning team and in Texas we are no different. Although the region is divided up into three operating companies, we all work together to deliver superior performance in: safety, customer service, financial results, executing our strategy, community involvement, and employee engagement. This magazine is designed around these core elements.

In order to make this magazine happen, we asked several people within our region to write articles or be interviewed, thanks to everyone who participated. This is meant to be interactive and not just informative. If you have a topic or would like to write an article please let us know. In addition, this magazine is designed to be read by all employees and their families. We realize a significant portion of our intended readers prefer Spanish over English. As a result, the full magazine is published in both languages.

(CONTINUED)



Oldcastle® Materials
Texas Region



NATHAN CREECH
VICE PRESIDENT, COO
TEXAS REGION

This edition also corresponds with the end of the first half of 2014. Despite unseasonably poor weather in the first half, the Texas Region had strong performance overall. Most of our companies were at or above budget and last year. Our thanks to everyone for your hard work and constant focus on safely delivering value for our customers! Our sales are up over 5% and profits are up 50% over last year. Our safety performance has improved as well. For the region in the first half, we have worked over 1M man hours with zero lost time accidents, 2 recordable injuries, and 2 fleet incidents. We continue to execute our growth strategy with new acquisitions, building new plants and starting new businesses. In the first half of the year, we have acquired a new rail based quarry and two rail yards in Austin, built a new asphalt plant in Terrell and launched a commercial paving company called Oldcastle Pavement Solutions in Dallas Fort Worth.

Even though we are having a good year we still have a long way to go. Over two thirds of our profits are generated in the second half of the year and with increased work comes increased risk. We all need to remain extremely focused on safety as the Texas heat starts to inch up over 100 degrees during the day and our quantity of night work increases. Please remember to not only look out for yourself, but also for those around you. We each have a responsibility that if we *"See something to Stop and Do something."*

In closing, from the entire regional leadership team thanks again for a great first half. We know each of you will work hard to ensure our second half performance continues to be strong and exceeds expectations. I hope you will find the information in this magazine informative and enjoy the articles about our businesses and team members.

Best wishes and be safe.

TEXAS REGION



APAC Texas, Inc. is the overall company that each of the three businesses in Texas operate within. It is also the main entity under which we bid public infrastructure projects.

**TEXAS
BITULITHIC**

Texas Bitulithic is an asphalt paving and construction company located in Dallas, Texas servicing North Texas from the Dallas, Fort Worth Metroplex, East to Tyler, Texas.



The Wheeler Companies are a vertically integrated aggregates, asphalt, ready-mix concrete, paving and construction company headquartered in Round Rock, Texas with operations along the I-35 corridor servicing Hillsboro to San Antonio.



TROTTI & THOMSON

Trotti & Thomson is an asphalt paving, construction and bridge building contractor located in Beaumont, Texas; servicing all of Southeast Texas from the golden triangle North to Jasper.

SAFETY NEWS

with Ken Dalton

Safety at its core is about the basic human element of compassion and doing what is right. It's about each of us looking out for one another and remembering the fundamental bond that brings us all together as a community. It is not about company targets or goals but rather about doing what we all know is right. Sometimes with all the programs, templates and spreadsheets we can lose sight of this fact.

When I was asked to write this article, I started with the usual review of the region's statistics and accomplishment. It's true we have had a tremendous safety year and with hard work we can end the year with our best regional safety performance to date. Everyone should be proud of our performance and encouraged to continue it going forward. The problem with that kind of article is that it is informing but not impactful and definitely will not start a dialogue or cause a change in anyone's behavior. My challenge with this article is to compel you to action. To that end, I have recounted a real life experience I have used often in coaching. As you read this, my challenge to you is to ask yourself what would you do. Would you stop and do something...

Years ago, I was invited to a fundraiser dinner for a school that serves learning-disabled children. The father of one of the students delivered a speech about his son Shay. During the speech the father told a story to illustrate the importance of the school, the work they perform and how one moment can make a lifelong difference. He said, *"I believe that when a child like Shay, physically and mentally handicapped comes into the world, an opportunity to realize true human nature presents itself, and it comes in the way other people treat that child."*

Then he told the following story:

Shay and his father had walked past a park where some boys Shay knew were playing baseball. Shay asked, "Do you think they'll let me play?" Shay's father knew that most of the boys would not want Shay on their team, but the father also understood that if his son were allowed to play, it would give him a much-needed sense of belonging and some confidence to be accepted by others in spite of his handicaps.

Shay's father approached one of the boys on the field and asked (not expecting much) if Shay could play. The boy looked around for guidance and said, "We're losing by six runs and the game is in the eighth inning. I guess he can be on our team and we'll try to put him in to bat in the ninth inning."

Shay struggled over to the team's bench and, with a broad smile, joined the team. His father watched with a small tear in his eye and warmth in his heart. The boys saw the father's joy at his son being accepted. In the bottom of the eighth inning, Shay's team scored a few runs but was still behind by three. In the top of the ninth inning, Shay put on a glove and played in the right field. Even though no hits came his way...

(CONTINUED)



KEN DALTON
EH&S MANAGER
WHEELER COMPANIES

Texas Region Safety Stats *Numbers through June 2014

#1 Region in Oldcastle Central West Division

7.7M HOURS WORKED SINCE LAST LOST TIME INJURY

Recordable Injuries

2

Preventable Fleet Accidents

2

Yellow Iron Incidents

7

IF YOU SEE SOMETHING. STOP. DO SOMETHING.



...he was ecstatic just to be in the game and on the field, grinning from ear to ear as his father waved to him from the stands. In the bottom of the ninth inning, Shay's team scored again. Now, with two outs and the bases loaded, the potential winning run was on base and Shay was scheduled to be next at bat.

At this point, do they let Shay bat and give away their chance to win the game? Surprisingly, Shay was given the bat everyone knew that a hit was all but impossible because Shay didn't even know how to hold the bat properly, much less connect with the ball.

However, as Shay stepped up to the plate, the pitcher, recognizing that the other team was putting winning aside for this moment in Shay's life, moved in a few steps to lob the ball in softly so Shay could at least make contact. The first pitch came and Shay swung clumsily and missed. The pitcher took a few steps forward to toss the ball softly. As the pitch came in, Shay swung at the ball and hit a ground ball right back to the pitcher.

The game would now be over. The pitcher picked up the grounder and could have easily thrown the ball to the first baseman. Shay would have been out and that would have been the end of the game.

Instead, the pitcher threw the ball right over the first baseman's head, out of reach of all teammates. Everyone from the stands and both teams started yelling, "Run to first! Run to first!" Never in his life had Shay ever run that far, but he made it to first base. He scampered down the baseline, wide-eyed and startled.

Everyone yelled, "Run to second, run to second!" Catching his breath, Shay awkwardly ran towards second, gleaming and struggling to make it to the base.

By the time Shay rounded towards second base, the right fielder had the ball. The smallest guy on their team who now had his first chance to be the hero for his team.

He could have thrown the ball to the second-baseman for the tag, but he understood the pitcher's intentions so he, too, intentionally threw the ball high and far over the third-base man's head. Shay ran toward third base deliriously as the runners ahead of him circled the bases toward home.

As Shay rounded third, the boys from both teams, and the spectators, were on their feet screaming, "Run home! Run home!" Shay ran to home, stepped on the plate, and was cheered as the hero who hit the grand slam and won the game for his team.

"That day", said the father softly with tears now rolling down his face, "the boys from both teams helped bring a piece of true love and humanity into this world".

Shay didn't make it to another summer. He died that winter, having never forgotten being the hero and making his father so proud!

If you were there that day what would you do? Would you be engaged? We would all like to say we would do the right thing, but in that moment it is a tougher call. The message in this story holds true for safety. The little things matter, each moment matters and at its core it's about doing what's right at its most basic level. One decision can have a huge impact on the lives of those people around you. That is the basis for our safety message "When I see something, I'll stop and do something".

The next moment could be yours, what will you do?

THE ROAD FORWARD

with Nathan Creech

In order for any business to maximize its success it needs to occasionally step back, take stock in where it's at, determine where it wants to go and then figure out how it's going to get there. For our region, we spent the last twelve months doing just that process. The result is a roadmap and a strategic direction we call Texas 2020. The goal of the Texas 2020 plan is that together by 2020, we will create a vertically integrated building materials company with market leading positions throughout the State; Providing exceptional safety, quality and service with a commitment to our communities so that customers want to buy from us, people want to work with us, and shareholders want to invest in us.

Said another way, it means empowering our companies and people to deliver value for each other, our customers, our shareholders and our communities, all of whom will in turn support our growth. At its core the Texas 2020 plan strives to **Empower, Deliver, and Grow.**

LEGEND

- Office Locations
- Asphalt Plants
- Ready Mix Plants
- Sand & Gravel
- Rock Quarry



To accomplish this strategy we have four focus areas: **Employees, Customers, Shareholders & our Community.** To be successful we must address our actions in each of these areas.



Employees

A GREAT PLACE TO WORK

As a leadership team, we want our business to be a great place to work. That means ensuring we have a safe working environment and a culture of zero incidents. We have to have a skilled workforce dedicated to improving everyone's capabilities. We need to engage our teams and provide greater transparency in how our business is performing and where we are headed. We need to provide opportunities for people to achieve their personal goals, earn advancement, and development their careers. Our business was built by combining successful entrepreneurial companies through acquisition. We need to not lose sight of what made us successful and maintain that entrepreneurial can-do spirit. In short, we need to work to develop a culture of trust, commitment, and accountability at every level in the organization. Going forward we will be launching programs, implementing change and developing training to achieve this objective, starting with an employee job satisfaction survey later this year.



Customers

DELIVERING VALUE

Our business continues to exist because we provide sustainable value to our customers. That is not to say that the customers can't sometimes get lost in the daily demands of our organization. We need to refocus on ensuring we are a customer-centric company and that we earn the loyalty of our customers. To do that, we must always deliver innovative high quality products and services. Our quality control departments and production facilities are second to none in the state. We must ensure we maintain those facilities and that they are located where our customers need them. Although, just having quality products and services are not enough, we must also be easy to do business with. That means a customer should be able to easily place an order or commit to a project, get on time delivery, correct invoicing and transparent error correction. To achieve this, we need: great team work, solid processes, advanced systems and dedication by everyone in the organization. We have already made considerable investments in new systems and training to help achieve this goal, but we can always improve. We will continue to look for new opportunities and provide training, but customer service is the responsibility of everyone and it starts and ends with you.

Simply put, to be successful long term we must be better than our competitors.



Shareholders

PERFORMANCE & GROWTH

Whether you are part of a family company or a large organization the primary drivers always include delivering a return on the investment and profitably growing the businesses. For us, it's no different. Although each one of our businesses has its unique investment our regional goal is to generate a long term return of 15%. Currently, we produce a return of approximately 10% which means in order to hit our goal by 2020 we need to deliver better performance. This means we have to ensure we have: great people, well maintained plants, leading market positions in high growth markets, a strong focus on continuous improvement initiatives in both operations and sales, high levels of vertical integration, and proactive cash flow and asset management.

As for profitably growing the business, we are fortunate to be in one of the fastest growing states in the country. The overall growth in the state will drive organic expansion, but we will also continue to grow through acquisition. The region itself was formed predominately through acquisition dating back to the APAC transaction in 2006 and most recently with the expansion into rail based aggregates with the Capitol acquisition in May of this year. We will also look at adding plants and businesses by building them from scratch. A balanced approach of both organic and acquisition based growth will allow us to meet our objectives while working to achieve our goal of an investment return of 15%. Growth is exciting, but poses its fair share of challenges to our teams, customers and new employees coming on board. These challenges can only be overcome through the hard work each of you provide.



EMPOWER. GROW. DELIVER.



Community

A GOOD NEIGHBOR

In recent years a large insurance company has leveraged the idea of being a good neighbor into a very successful ad campaign. The research behind that idea has shown that most people believe being a good neighbor is an important part of being in a community. For our industry, being a good neighbor is not just a good idea it is critical to our survival. Most of our operations are not the kind of business that average citizens want in their backyard. They include quarries, asphalt plants, and ready mix plants; and most people do not like to be held up by road construction. In addition over 60% of our work is related to public infrastructure projects funded by the local, state and federal governments.

We understand these challenges and need to do everything we can to be a positive and contributing member of the community. That includes involvement in local organizations and charities, actively engaging in the political process through grass root initiatives and our employee PAC, advocating for the funding of infrastructure projects and being a good steward of our brands and messages in the community. The more people we have involved, the more successful we are going to be. Going forward you will start to receive information on how to participate. We encourage everyone to play a role and to work together to find new ways to be a good neighbor.

The Texas 2020 plan is ambitious and results will not happen overnight. It is a long term plan that targets specific actions and overarching ideas to guide our region forward. In the end, the Texas 2020 plan is just words on a page unless all of us join together to do our part in achieving our goals. As we move forward ask yourself do you feel empowered? Have you delivered the best you can? Have we grown? If you can answer yes to all three questions, then our strategy will be a success.

**“The City of Temple
couldn’t be more
pleased with
the project”**

**- Mike Johnson
Temple, TX**



**- José Botello
WHEELER COMPANIES**



Draughon-Miller Central Texas Regional Airport

Temple, TX

CUSTOMER: James Construction Group

The saying, *"You never get a second chance to make a first impression"* can be applied to many areas of life, that includes in the asphalt business.

The Texas Department of Transportation Aviation Division, in cooperation with the City of Temple, recently completed a large reconstruction and overlay project at the Draughon-Miller Central Texas Regional Airport, and the Wheeler Companies played a key role in its timely completion and success.

Constructed in 1942 as the Temple Army Airfield, Draughon-Miller has served the region as a key general aviation facility, since being turned over to the City of Temple at the end of the war in 1945. Due to increased air traffic in recent years, along with the opportunity for future growth, Draughon-Miller became a prime candidate for a needed face-lift and upgrade.

In June of 2013, James Construction Group was awarded the project and called on Wheeler to provide and install hot mix asphalt. Wheeler's Central Texas operation was able to service the \$6.9M project, which included 32,000 tons of sophisticated, and highly specialized FAA Specified P-401 mix, from its Belton plant location.

"From the inception of the project, it was very important to the City of Temple that the annual airshow be able to take place as planned", said Richard Cone of Wheeler. According to Ben Arnold of James Construction, who served as Project Manager, *"the project got off to a rocky start because of some temperature issues; the cooler temps gave the paving operations fits with the strict FAA mix"*. QC personnel from Wheeler immediately jumped in, working in cooperation with James Construction Group and project engineers to design a mix that would not only perform well, but that could also be successfully placed at cooler temperatures during winter months.

CUSTOMER FOCUS

by Ryan Lindsey

Working through the winter was a key factor in meeting the owner's objective of having the field open for the Temple Air Show in May 2014.

"Richard Cone (Wheeler Project Manager) and Amado Ledesma (Wheeler General Paving Superintendent) really turned the project around", said Arnold. Further adding that, *"the Temple Airport is extremely pleased with the project, which TxDOT Aviation called one of the most successful projects the aviation division has ever seen. There were no punch-list items, and the necessary run way and taxi-ways were open in time for the air show; the project was a huge success and Wheeler played a huge role in that success"*.

Mike Johnson, Maintenance Technician for the City of Temple, says, *"the City of Temple couldn't be more pleased with the project"*. When asked what he will remember about the project, and what he will think of when he hears the name Wheeler, Johnson said, *"I will think quality. I will also think about the hardest working and most courteous person I have ever met, José Botello (Wheeler Paving Foreman). I have never been around a person that worked as hard, cared more about his work, while being as courteous"*. *"Wheeler will always be my first choice for asphalt paving"*, Johnson added.

Thanks to the entire Wheeler team that worked on this project. This is a great example of the quality and service we strive to deliver every day. It's also a great example how the actions of a few can have such a lasting impact on the way our organization is viewed in the market.



an Oldcastle® company



FINANCIAL NEWS

with Rich Bythewood



YEAR-TO-DATE RESULTS

Congratulations on a great first half of 2014! Because of each of your efforts, 2014 is shaping up to be a strong year for the Texas Region. Half-year results through June 2014 show us essentially at budgeted profit year-to-date and 50% better than the same period last year. This is particularly noteworthy given that weather-related issues and a slow start from TxDOT had us at just 50% of budgeted profit at the end of March. Gross sales for the first six months finished slightly above \$248M which is over \$12M ahead of last year, but \$2M behind budget. The increased sales relative to last year is fueled by strong pricing in all product lines and increased volume in aggregates and ready mix concrete offset by lower volume in asphalt. Despite lower sales than budgeted, profit remained at target due in large part to strong construction performance, a continual focus on cost control, and performance from our newly acquired aggregate operations.

+50%
**PROFIT IMPROVEMENT
IN 2014 VS 2013**

\$248M
2014 YTD GROSS SALES

OUTLOOK FOR 2014

As we look towards the second half of the year, we are poised to have a record year for both sales and earnings. To achieve this goal it will require everyone's continued focus, strong performance and of course good weather. The Texas Region historically earns about 60% of its profits from July through December, so we still have considerable work to do. We must ensure that our efforts to grow margins through both price increases and cost containment are sustained.



Our margins across the state have come under considerable pressure in the first half with the ready mix concrete and asphalt product lines down from last year while aggregates and construction have improved. Cost containment remains a challenge. We must minimize the impact of raw material and transportation cost increases on our business. Regardless of your role in the organization, we all can contribute to improving our margins. I ask each of you to talk amongst your work groups to determine what you can do in the second half of the year.

\$13M+

YEARLY EQUIPMENT REPLACEMENT

Our businesses are capital intensive. In Texas, each year we invest over \$13M in replacing equipment and expanding our capabilities with operational improvement projects. In addition, we invest capital for acquisitions that allow us to grow strategically. 2014 is no different. In the first half of the year, we have committed \$10M to fund capex projects and considerably more for acquisitions.

Although our business is strong and growing, our capital is allocated by Oldcastle, who has to fund businesses around the country. That can sometimes mean difficult decisions are made on which businesses get funded. As a result, it is imperative that we demonstrate that our projects and our region should receive the capital.

We can do that through delivering consistent strong performance in profits and returns. Therefore, we must keep any resulting operating cost increases stemming from lack of capital funding to a minimum.

Finally, as mentioned earlier, we are committed to strategically growing our businesses in the region through acquisitions and organic growth. These projects take considerable effort and require focus from all levels of the organization. If successful, these investments provide a catalyst for growth in profit and returns. If done poorly, they can prevent us from reaching our real potential and limit future capital. Please ensure you are doing your part to deliver the results necessary on these projects.

I am excited about where the region is going and what we can collectively deliver in profit and returns for 2014. A concerted effort by everyone in the Texas Region will result in a very successful 2014. Thanks in advance for your hard work, and be safe!



Texas Bitulithic
New Terrell Asphalt Plant

GOVERNMENT AFFAIRS

with *Ryan Lindsey*



RYAN LINDSEY
VP, GOVERNMENT AFFAIRS
TEXAS REGION

**ENGAGE.
EDUCATE.
IMPACT.**



*Congressman Bill Flores pictured with
Trotti & Thomson President Kal Kincaid*

In today's ever-changing political environment, there has never been a more important time for us as citizens, as employees, and as a business to be involved in the policy-making process. As we know, Texas continues to experience rapid economic and population growth. This growth brings with it tremendous opportunity for us and our business, as well as tremendous responsibility to plan for the future, and to create a business environment that will help sustain long-term economic growth.

Infrastructure funding and development play a key role in the success of Oldcastle Materials, as well as the long-term success of the state of Texas. It is no surprise that over 60% of Oldcastle Materials' business in Texas is generated by public funded projects. Consequently, it is crucial that we become engaged with the state and local officials that are not only charged with generating the funds for these projects, but who also determine, once generated, where and how those funds are spent. We have a strong voice in our state, our communities, and in our industry. We must step out and utilize that voice.

To give our collective voice a platform to engage our politicians we are launching an employee driven grass roots program called **The Texas Transportation and Growth initiative**. The mission of Oldcastle via the Texas Transportation and Growth program is to work with our employees and other stakeholders to educate and engage with local, state, and federal officials to positively impact decisions, policies and programs in order to maintain a strong transportation infrastructure and sustain overall long term economic growth in Texas.

HOW DO WE MAKE A DIFFERENCE?

By taking an active role to ensure that funding for our industry remains strong and that dollars are distributed to areas of the state in which we work.

ENGAGE

The first step is to engage ourselves in the process. Developing long and meaningful relationships with policy makers that affect the future of our industry is paramount. An excellent avenue for this engagement is the Texas Transportation and Growth PAC. Our Texas Political Action Committee (PAC) is comprised of contributions from Oldcastle employees across the state. Funds are invested in the campaigns of candidates as well as sitting officials that are pro-transportation and pro economic growth for Texas. This is legally required to be 100% employee funded, so I ask that each of you be on the look-out for opportunities to sign-up for the PAC. Please contact me at ryan.lindsey@oldcastlematerials.com or call 254-379-6778, for more information.

EDUCATE

It is important that we become educated on issues that affect our industry, and ultimately our jobs. This knowledge will empower us to not only vote responsibly, but also to act as informed advocates as we work to shape policy at all levels of state and local government, while expanding our circles of influence in our own communities.

IMPACT

We believe that through consistent engagement and proper education, we will impact transportation funding, as well as policy that affects economic growth in the state of Texas. All of which will help ensure great opportunities for our businesses and employees in Texas.

In the coming months, look for announcements that will provide you with opportunities to take charge of your future. Oldcastle Materials and our employees have the unique opportunity to make a difference together.



Engage. Educate. Impact.

@texasgrowth



A BRIGHT

new future. by Britt Knighton

May 6th 2014, Oldcastle Materials acquired a rail based aggregate quarry in Marble Falls, Texas along with two rail yards in the Austin area from Capitol Aggregates. The transaction marked a significant increase in aggregates for the company in Texas. Marble Falls is located in the heart of the Texas hill country on the Colorado River. For the operations manager, Brett Ballard, most sunrises (and sunsets for that matter) are from the same view point; the cab of a pickup driving around the newly acquired Oldcastle limestone quarry.

The sound of locomotives and the screech of rail cars awaiting their next shipment of rock break the morning silence. For a rock quarry, these are everyday sounds. Instead of a fax machine, you hear the back-up alarm of a loader. Instead of the din of office chatter, you hear hundreds of feet of conveyor belts humming. It's peaceful if you know what to listen for.

It's amazing to think it was only July 2007 when the quarry was commissioned from our great state. Luckily for Capitol Aggregate (and now Oldcastle) Brett Ballard was the person they called to take the helm as operations manager. With decades of experience there was no wonder why his leadership and wisdom helped make the quarry and rail terminal a key acquisition target for Oldcastle Materials in 2014.

The acquisition of the Marble Falls quarry served as not only the largest quarry acquisition for Oldcastle Materials in Texas, but also as the largest individual quarry acquisition in the history of the company with annual production above 4.5M tons. The quarry primarily moves aggregate via rail to various parts of Texas including new markets in Houston and East Texas. It also provides a great opportunity to supply aggregate to our asphalt, ready mix and construction businesses in central Texas, greater Austin, central Texas and Beaumont.





Since closing the deal, spirits have been high and confidence booms after only 2 months.

"We were really excited about the acquisition. We were running the plant well before Oldcastle came, but now, with their (Oldcastle's) distribution, infrastructure, and reputation, we can move materials not only effectively, but continue the high quality", said Ballard.

So what has changed? Well, for Ballard and his team in Marble Falls, the only consistent answer was their excitement. One employee mentioned, *"We didn't skip a beat. Management had the same faces. The only thing that really changed was the customer base skyrocketed."*

That was true. With its own rail spur filling cars constantly, the Marble Falls quarry sees roughly 80% of its finished products moved through the rail system with room to grow, while trucks can be seen on US 281 on their way to various projects and plants.

Ballard continued, *"Normally with a large*

acquisition this extensive, there is an inevitable lag in production or even a stall in efficiency. But you didn't know there was even an exchange, nothing stopped. Three critical things happened. People got paid on time, sales department kept selling, and production kept digging. That's what it's all about."

Behind the scenes an entire team of people from all over the region and the U.S. worked tirelessly to ensure the integration was seamless.

"The Capitol transaction was a great example of a strong integration team working together with a new operating team to deliver a great on-boarding experience for our employees and customers. We are proud of the teams and what they accomplished in such a short time", said Joe Naivar, President Wheeler Companies.

At Oldcastle, it's about our people, our customers, and our product. Thankfully in that order. And that is something a native Texan like Ballard can hang his hat on.



DID YOU KNOW?

Did you know that the Texas Region is part of the Oldcastle family of businesses? We are the nation's largest manufacturer of building products and materials with over \$12B in annual sales at over 2,000 locations and 37,000 employees. Oldcastle is divided up into

5 main areas: Materials, Building Envelope, Architectural, Precast and Allied distribution. Texas plays a key role in the success of Oldcastle. Collectively, the five areas of Oldcastle sell over \$1.2B in products and services annually from over 200 locations though

TEXAS BRANDS



Site Work



Building Envelope



OUR PRODUCTS ARE EVERYWHERE

the hard work of over 4,000 employees. As Oldcastle's single largest state, our performance has a real impact on the company's overall results. Whether you're in Texas or most of the other 49 states, Oldcastle is the only company that can supply all the modern building materials

needed to build our communities.

Despite being part of a large company we are focused on having local businesses with local identities. This can create a challenge knowing what companies and brands are part of Oldcastle, but we believe that a local

approach that values the importance of our teams and those local relationships gives us the best opportunity to succeed.

Illustrated below are our Texas brands and the products and services that Oldcastle provides to help build our communities.



Exterior Improvements & Interior Finishes



F
DRAINAGE
PRODUCTS



G
WASTEWATER
SYSTEMS



H
WINDOWS



I
SKYLIGHTS/
CURTAIN WALL



J
STOREFRONTS



P
PAVERS



Q
RETAINING
WALLS



R
FENCING



S
DRYWALL



T
CEILING TILES/GRIDS/
STEEL STUDS

YOU GO, LIVE, & WORK.



CONTINUED
ON NEXT PAGE

Oldcastle Materials is the leading vertically integrated supplier of aggregates, asphalt, ready-mixed concrete, and paving and construction services. The company is the number 1 asphalt producer, the number 2 ready-mixed concrete producer, and the number 3 aggregates producer in the United States.

Oldcastle BuildingEnvelope® is the leading North American supplier of products specified to close the building envelope, including custom-engineered curtain wall and window wall, architectural windows, storefront systems, doors, skylights, and architectural glass.

Oldcastle Architectural is the North American leader in concrete masonry and hardscape products. We produce brands you know, such as Belgard® and Valestone® hardscapes, and Sakrete® and ProSpec® package cement mixes. We are also one of the largest suppliers of steel, wood, and PVC fence systems.

Oldcastle Precast is the leading North American manufacturer of concrete and polymer based products for the telecommunication, energy, and stormwater infrastructure markets and the leading manufacturer of structural precast elements, primarily for transportation applications and modular building systems. We also are a leading supplier of concrete construction accessories.

Allied Building Products is the leading building products distributor to specialty contractors in residential and commercial construction. We deliver roofing materials, siding, windows, drywall, steel studs, and acoustical ceiling systems to exactly where our customers

#1

IN
ASPHALT
PAVING

#1

BUILDING
ENVELOPE
SOLUTIONS

#1

PATIO PAVERS
& MASONRY
PRODUCTS

#1

PRECAST
CONCRETE
UTILITY
PRODUCTS

#3

ROOFING/SIDING
DISTRIBUTOR &
WALLBOARD/
ACOUSTICAL
CEILINGS
DISTRIBUTOR



Markets Served

INFRASTRUCTURE 45%
RESIDENTIAL 30%
COMMERCIAL 25%



Brands You Can Trust





SPECIAL INTEREST STORY

Beaumont Texas in 1973 was very different than it is in 2014. Today, with the expansion of oil and Gas refineries on the Gulf coast and the Texas economy healthier than ever, business is booming. But when Becky Rutledge started working at the HMA plant of Keown Supply in the early 70s, little did she know that she was on a pathway that would lead to 2 corporate acquisitions, 5 different promotions and an influence of many.

A lifelong resident of Bridge City, TX only 13 miles toward the coast from Beaumont, Becky is an avid tennis player and has served on the school board for 16 years. *"I have always been passionate about our school systems and I have been fortunate to see kids grow up and become successful in Bridge City."*

Becky's warm-hearted attitude and diligent work has been a staple in south Texas for more than 30 years. In fact, her first boss after the acquisition to APAC was now, Oldcastle Texas Region President Raymond Lane, and Raymond saw Becky's value from the start. *"When we acquired the Keown Supply asphalt plant in 1988, Trotti & Thomson was not in the hot mix production business. We were fortunate to have Becky come with the plant. We relocated the plant across the Bayou at the same location as we are now. Becky was the person who ran our asphalt plant operations from day one. She did a great job of handling sales, purchasing and scheduling of production. She was also the first female manager in operations for Trotti & Thomson. Becky was invaluable in establishing Trotti & Thomson as the preferred asphalt producer in the area",* and not much has changed. Serving clients with the same Texas hospitality and appreciation that has kept the Trotti & Tomson division going strong.

When we sat down with Becky during a busy Thursday morning this July, we asked what had and hadn't changed in her 30 years. *"Technology has definitely changed. It used to take me a full day to meet with 5-6 clients. Today, I can communicate with Hundreds from my pocket!"* she laughs holding up her iphone. *"but what hasn't changed is the people. It's still about relationships. It's still about making promises and keeping them."*

Fortunate for Oldcastle as well as the municipalities and businesses of southeast Texas Becky Rutledge is here to stay, and that promise will never change.



**"It's still about
RELATIONSHIPS.
It's still about
MAKING PROMISES
& keeping them."**

BECKY RUTLEDGE
SENIOR SALES REP & SALES MANAGER
TROTTI & THOMSON



ON THE MOVE...



Eric Bailey

**GM OF QUARRY AND TERMINAL OPERATIONS
OLDCASTLE MATERIALS TEXAS**

Eric moves into his new and expanded role after serving as an Operations Manager for the Wheeler Companies.



Joshua Clairfield

**TRANSPORTATION MANAGER
TEXAS BITULITHIC**

Josh is new to the Texas Bit team, and will be counted on to lead the transportation side of the business.



Dustin Fagile

**GENERAL CONSTRUCTION SUPERINTENDENT
FOR CENTRAL TEXAS AREA
WHEELER COMPANIES**

Dustin previously served as a Project Foreman for Wheeler and Texas Bit.



Andrew Goebel

**PAVING FOREMAN
WHEELER COMPANIES**

Andrew previously served Wheeler as a Quality Control Technician.



Yadira 'Yadi' Gonzalez

**CREDIT MANAGER
TEXAS BITULITHIC**

Yadi joins Texas Bit to provide leadership in the area of credit management and to foster customer relationships.



Sabina Kearse

**SCHEDULER AND INSIDE SALES
TEXAS BITULITHIC**

Sabina takes on a new role after having served previously as an administrative assistant to the sales department.



Anthony Langston

**CUSTOMER SERVICE MANAGER
TEXAS CONCRETE**

Anthony moves into his new role after having served as a Scheduler and Assistant Manager for Texas Concrete.



Ben Liggett

**WACO AREA MANAGER
WHEELER COMPANIES**

Prior to overseeing construction and asphalt paving operations in Waco, Temple, and Killeen markets, Ben served as an Operations Manager for Wheeler.



Russell Lindsey

**VICE PRESIDENT AND GM
OLDCASTLE PAVEMENT SOLUTIONS**

Prior to launching Pavement Solutions, Russell most recently served as VP of Operations for Texas Bitulithic.



Brian Mangus

**GRADING FOREMAN
TEXAS BITULITHIC**

Brian joins the Texas Bit team to help strengthen its construction and site-work department.



Stephen McConathy

**SALES MANAGER
TEXAS BITULITHIC**

Steve has served Texas Bit as an estimator, and most recently as an Account Manager for the DFW sales team.



Christopher Michael

**DFW AREA MANAGER
TEXAS BITULITHIC**

Previously, Chris has served Texas Bitulithic as an Account Manager, and most recently as Sales Manager.



Kevin O'Connell

**AUSTIN AREA MAINTENANCE MANAGER
WHEELER COMPANIES**

Kevin previously worked as an Operations Manager for Wheeler in Central Texas.



Lance Phillips

**EAST TEXAS AREA MANAGER
TEXAS BITULITHIC**

Having served as Tyler Area Manager for Texas Bit, Lance now serves as manager for East Texas.



John Reid

**TRANSPORTATION MANAGER
OLDCASTLE MATERIALS TEXAS**

John now assists with terminal and quarry operations, after having served most recently as production manager.



Rachel Sackett

**CUSTOMER REPRESENTATIVE MANAGER
OLDCASTLE PAVEMENT SOLUTIONS**

Rachel joins the Pavement Solutions group from a successful sales and networking background.



David Young

**EQUIPMENT MANAGER
OLDCASTLE MATERIALS TEXAS REGION**

We welcome David and his family to Texas to serve as Equipment Manager for the Texas Region, after having served as the Equipment Manager for APAC-Memphis.



CONGRATS EMPLOYEES OF THE QUARTER!

Each recipient will receive a \$100 gift card as a thank you for their hard work and commitment.



WILLIE BROWN

Mr. Brown has been employed with Trotti & Thomson for 42 years. Since April of 1970, Mr. Brown has held various positions in the company, from equipment operator to concrete finisher. No matter the position, Mr. Brown always displays a positive attitude and is a pleasure to work with. Thank you Mr. Brown for your commitment, not only to Trotti, but to the entire Texas Region.



MICHELLE ACKERMAN

Michelle has made a tremendous impact on the Texas Bit team. Her positive attitude and work ethic have helped provide great leadership to the accounting staff. Michelle, who holds a BS in Accounting from the University of Texas at Arlington, is very active in her community and abroad, having served as a volunteer on mission trips to Peru and Tanzania.



ROBERT GAYLORD

Since joining Wheeler in 2004, Robert has been a driving force behind Wheeler's quality and performance in the Austin area. Now overseeing Quality Control for laydown crews, Robert's work ethic and commitment have contributed to success in all areas of Wheeler's business. When not at work, he enjoys fishing, hunting, and spending time with family.

GUESS WHO?!



ANSWER:

Rich Byrwood
Texas Region CTO
High School Photo

ENGAGE. EDUCATE. IMPACT.



TEXAS PAC REWARDS

GOLD		PLATINUM		DIAMOND		EMERALD	
WEEKLY	BI-WEEKLY	WEEKLY	BI-WEEKLY	WEEKLY	BI-WEEKLY	WEEKLY	BI-WEEKLY
\$2.50	\$5.00	\$7.50	\$15	\$15	\$30	\$25	\$50

Exclusive PAC Hard Hat Sticker	✓	✓	✓	✓
Mention in publications and on website	✓	✓	✓	✓
PAC Recognition Gift		✓	✓	✓
Access to VIP receptions with Elected Officials		✓	✓	✓
PAC Golf Shirt			✓	✓
Exclusive meet & greet with elected officials			✓	✓
Dinner with Oldcastle Executives				✓

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SIGN-UP NOW

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**Check made payable to Texas Transportation & Growth, an Oldcastle PAC.*

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 Waco, Texas 76706

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