# CEMEX Case

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Read this overview of CEMEX and the relationship with Citigroup, including all the referenced documents in this file, prior to arriving at Credit College.

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CEMEX was founded in 1906 with the opening of the Cementos Hidalgo plant in northern Mexico. Meanwhile, Cementos Portland Monterrey began operations in 1920, and in 1931, the two companies merged, becoming Cementos Mexicanos, now CEMEX[1].

The great-grandson of CEMEX's founder, Lorenzo Zambrano is the current CEO, taking control of the company in 1985. The Zambrano family still controls 33% of the company's outstanding shares.

In the 1960s, CEMEX grew significantly when it acquired several more plants throughout Mexico. In 1976, the company went public on the Mexican Stock Exchange, and that same year, became the largest cement producer in Mexico with the purchase of three plants from Cementos Guadalajara.

Macroeconomic policies of the 1970s left Mexico's economy highly vulnerable to external conditions. These turned sharply against Mexico in 1981/1982, and caused the worst recession since the 1930s. The peso was devalued three times in 1982 and the devaluation fueled inflation and prevented short-term recovery. The devaluations depressed real wages and increased the private sector's burden in servicing its dollar-denominated debt. Interest payments on long-term debt alone were equal to 28 percent of export revenue. The Mexican government declared an involuntary moratorium on debt payments in August 1982, and the following month it announced the nationalization of Mexico's private banking system.

The 1982 Mexican crisis undercut the state-led nationally-focused model that had been predominant in Mexico over the years, and Mexico began the process of entering GATT, the precursor of the WTO. Recognizing that these events would significantly change the Mexican cement industry from a national to a global game, Zambrano began preparing the firm for a global fight.

In 1982, CEMEX made significant progress in overseas markets, doubling its exports. Further acquisitions of Mexican cement companies were made in 1987 and 1989. The 1989 acquisition was a major step in consolidating its position in the Mexican cement market by acquiring Mexican cement producer Tolteca, making CEMEX the second largest Mexican cement producer and putting it on the Top 10 list of world cement producers.

The driver for the 1989 acquisition was that CEMEX was facing mounting competition in Mexico. Just three months before the deal with Tolteca was finalized, Swiss - based Holderbank (Holcim), which held 49% of Mexico's third largest cement producer Apasco (19% market share), announced its intention to increase its cement capacity by 2 million tons. This, along with easing foreign investment regulations that would allow Holderbank to acquire a majority stake in Apasco, threatened CEMEX's position in Mexico.

[1] *Read pages 4 and 5 of the pdf titled 'Cement Industry Study 2012'*

At the time, CEMEX accounted for only 33% of the Mexican market while 91% of its sales were domestic. In addition to these mounting threats in its home market, CEMEX was confronted with trade sanctions in the United States, its largest market outside of Mexico. Exports to the U.S. market began in the early 1970s, but by the late 1980s, as the U.S. economy and construction industry were experiencing a downturn, the U.S. International Trade Commission slapped CEMEX with a 58% countervailing duty on exports from Mexico to the United States, later reduced to 31%.

Major CEMEX competitors are[2]:

- **Holcim** is the world's largest supplier of cement, and a leading supplier of aggregates (gravel and sand) and readymix concrete. From its origins in Switzerland, the group has grown into a global player with strong market presence in over 70 countries on all continents. Its biggest markets are India, Mexico, the US, Brazil, Vietnam and France. The group employs more than 80,000 people.

- **Lafarge** is a global building products group and is one of the top two global cement producers. It has significant cement operations across Europe, the Americas, Africa and Asia. The group also has a large business in aggregates and concrete (primarily in Europe and North America).

- **HeidelbergCement** is the world's fourth-largest cement producer and following the acquisition of Hanson in 2007 one of the largest aggregate companies. In addition, it is a major producer of readymix concrete and other heavyside building products including bricks. The business has operations across Western and Eastern Europe, the US, Africa, Turkey and parts of Asia and Australia.

- **CRH** is an Irish diversified building materials company with operations in North America and Europe. The group is divided into six regionally focused Divisions: Europe Materials, Europe Products, Europe Distribution, Americas Materials, Americas Products and Americas Distribution, supported by a lean group centre.

- **Italcementi** is a holding company for a variety of cement and other building material companies with operations around the world. It is the largest producer in the Italian market and has, through its c. 83% stake in Ciments Francais, large positions in France, Egypt, North America, India, Spain, Thailand and a number of other markets. In total it has operations in 22 countries with 63 cement plants and a number of downstream operations including 134 aggregate quarries and over 600 readymix concrete batching plants. The group is majority owned by Italmobiliare S.p.A which has a 60.3% stake in the group. Italmobiliare in turn has the Pesenti family as the major shareholders with a 46% stake.

- **Buzzi Unicem** is an international heavy-side company focused on cement, ready-mixed concrete and aggregates. Its main markets are Italy, USA, Germany

[2] *See Appendix II at the end of this narrative for financial information on CEMEX peers.*

and Mexico. The group also has operations in Poland, Luxembourg, the Czech Republic, Ukraine and Russia. It has a total cement capacity of c.42 million tonnes, 520 rmc plants and 36 aggregate quarries.

- **Titan Cement** is the second-largest cement producer in Greece, with c40% market share. The group's four primary growth areas are: Greece (25% of sales in 2011 and 14% of EBITDA), the East Coast of the US (42% of sales and marginally EBITDA loss making), Balkans (22% of sales and 35% of EBITDA) and Eastern Mediterranean (25% of sales and 53% of EBITDA). In volume terms in 2011, Titan Cement sold 15.3m tons of cement, 10.9m tonnes of aggregates and 3.66m cubic metres of ready mix cement.

- **Vicat** is a heavy-side building materials company with operations across 11 countries. France is its single largest market, followed by Switzerland, Turkey, US, Italy, Egypt, West Africa, Kazakhstan and India. The group is majority owned by the Merceron-Vicat family, which has a 62% stake in the group.

In 1992, CEMEX began its push into the international landscape with the purchase of Spain's two largest cement companies, Valenciana de Cementos (Valcem) and Cementos SANSON. The 1992 acquisition for $1.8 billion, gave CEMEX a majority market share in one of Europe's largest cement markets. The primary motivation for entering Spain was a strategic response to Holcim's growing market share in Mexico. Hector Medina, CEMEX EVP of Planning and Finance, explained, "Major European competitors had a very strong position in Spain and the market had become important for them."

A further important reason for the acquisition was that Spain during this time was an investment - grade country, having just entered the European Monetary Union, while domestic interest rates in Mexico were hovering at 40%, and Mexican issuers faced a country risk premium of at least 6% for offshore dollar financing.

Operating in Spain enabled CEMEX to tap this lower cost capital not only to finance the acquisition of Valenciana and Sanson, but also to fund its growth elsewhere at affordable rates. While this benefit could have been obtained in any EU country, Spain offered considerable opportunities for growth and was relatively affordable. In addition, the linguistic and cultural ties between the two countries made it a sensible strategic move.

In order to pay off the debt taken on to fund the Spanish acquisitions, CEMEX set ambitious targets for cost recovery. It soon discovered that by introducing its current Mexican best practice to the Spanish operation, it was able to reduce costs and increase plant efficiency to a much greater extent, with annual savings of $120 million and an increase in operating margins from 7% to 24%. Thus, while the primary motive for the Spanish acquisition was to respond to a competitive European entry in its home market, a major source of value resulting from the acquisition was the improvement in operating results due to the transfer of best practice from a supposedly less advanced country to a supposedly more advanced one. Further, although it had acquired and integrated many firms within Mexico, this acquisition, because of its size and the fact that it was in a foreign country, forced CEMEX to formalize and codify its Post Merger Integration (PMI) process.

CEMEX also enhanced its capabilities through direct learning from Spain. The company discovered, for example, that the two Spanish companies were unusually efficient due to the use of petroleum coke as a main fuel source. Within two years, the vast majority of CEMEX plants began using petroleum coke as a part of the company's energy efficiency program.

CEMEX continued its international acquisitions by purchasing Venezuela's largest cement company, VENCEMOS, in 1994, and plants were purchased the same year in Panama and the United States. In 1995 CEMEX acquired a cement company in the Dominican Republic, and with the purchase of a majority stake in a Colombian cement company in 1996, CEMEX became the third largest cement company in the world. In 1997-1999, the company expanded into the Philippines, Indonesia, Costa Rica and Egypt.

The CEMEX PMI process also underwent a significant change during this period. Attempts to impose the same management processes and systems used in Mexico on the 1994 acquired Colombian firm resulted in an exodus of local talent. As a result of the difficult integration process that ensued, CEMEX learned that alongside transferring best practices that had been standardized throughout the company, it needed to make a concerted effort to learn best practices from acquired companies, implementing them when appropriate. This process became known as the CEMEX Way. The CEMEX Way was the core set of best business practices with which CEMEX conducted business throughout all of its locations. More a corporate philosophy than a tangible process, the CEMEX Way was driven by five guidelines:

- Efficiently manage the global knowledge base;
- Identify and disseminate best practices;
- Standardize business processes;
- Implement key information and Internet based technologies;
- Foster innovation.

As part of the integration phase of the PMI, the CEMEX Way process involved the dispatch of a number of multinational standardization teams made up of experts in specific functional areas (Planning, Finance, IT, HR), in addition to a group leader, and IT and HR support. Each team was overseen by a CEMEX executive.

The CEMEX Way was arguably what made CEMEX's PMI process so unique. While typically 20% of an acquired company's practices were retained, instead of eliminating the 80% in one swift motion CEMEX Way teams cataloged and stored those practices in a centralized database. Those processes were then benchmarked against internal and external practices. Processes that were deemed "superior" became enterprise standards and, therefore, a part of the CEMEX Way. As one industry observer noted, CEMEX's strategy sent an important message of, "We are overriding your business processes to get you quickly on board, but within the year we are likely to take some part of your process, adapt it to the CEMEX system and roll it out across operations in [multiple] countries."

Between 1969 and 2007, Cemex spent almost $30Billion to make more than 40 acquisitions. The reasons behind the company's acquisition strategy:

1) to maintain independence in a now open Mexico market. CEO remarks: "either we become large and international, or we would end up being purchased by a big player";

2) to reduce exposure to economic cycles by operating in a number of countries with different growth dynamics;

3) to exploit economies of scale and increase efficiencies through "the CEMEX way".

The company's financial strategy supported its acquisition strategy. CEMEX's practice was to take on debt to finance acquisitions then reduce leverage through operating performance to restore its capacity to finance the next acquisition. CEMEX's goal was to keep an investment grade rating throughout its acquisition financing cycles so that it could replace its short term bank debt with bonds a year or two later, after achieving the benefits of integration. In just 8 years, CEMEX was able to bring down the duration of the PMI process from 25 months for the Spanish acquisitions to less than five months for Texas based Southdown.

During the early part of the 21st Century, CEMEX made 3 major acquisitions, Southdown, RMC and Rinker. The acquisition of Southdown Inc. in the US, made CEMEX North America's largest producer of cement.

In 2005, RMC Group, with operations in Great Britain, Europe and the US was acquired. CEMEX $5.8 billion acquisition of the London-based RMC Group made CEMEX the worldwide leader in ready-mix concrete production and increased its exposure to European markets. With the RMC acquisition, the company expected its annual cement production to increase to 97 million tons. Also they had hoped to see its annual sales grow to $15 billion, just shy of the market leader, Lafarge, which had sales of $17 billion. The RMC acquisition surprised many who assumed that RMC would be acquired by a European firm, and the acquisition was CEMEX’s first acquisition of a diversified multinational. To prevail, CEMEX had to pay a 39% premium, and the financial markets did not respond favorably. CEMEX's share price dropped 10% hours after the announcement, and Moody’s indicated that it was putting CEMEX on credit watch for a possible downgrade, voicing concern that the size of the RMC acquisition would distract management from its goal of cutting the company’s debt. The acquisition of RMC significantly changed CEMEX’s business landscape. The deal gave the company a much wider geographic presence in developed and developing countries a like, most notably France, Germany, and a number of Eastern European countries.

Analysts predicted that as a percent of product revenue, cement would fall from 72% to 54% and aggregates and ready-mix concrete would nearly double from 23% to 42%. Meanwhile, revenue from CEMEX’s Mexican operations would fall from 36% prior to the deal to just 17%. Financially, RMC was suffering before the CEMEX acquisition. RMC recorded a loss of over $200 million in 2003, and was trading at six times EBITDA, compared to industry average of 8.5 to 9 times. RMC profit margin of 3.6% was far below the ready-mix concrete average 6% to 8%. Culturally, RMC was the polar opposite of CEMEX. RMC was a highly decentralized company with significant differences across countries in business model, organizational structure, operating processes, and corporate culture. CEMEX, in contrast, brought the CEMEX Way and a single operating/engineering culture that connected more readily at the plant and operation level than RMC.

CEMEX was able to work its PMI “magic” in a very short period of time. Within one year, CEMEX had delivered more than the $200 million in the synergy savings it promised the market and it expected to produce more than $380 million of savings in 2007. CEMEX had clearly joined the big leagues.

As CEMEX PMI targets were met, CEMEX started looking for another acquisition. Rating agencies continue to show a positive assessment of CEMEX's management quality, especially with regards to quickly integrating acquisitions, as evidenced by Moody's change in outlook for the Baa3 rating from stable to positive in August 2006, following realized synergies and substantial decrease in net debt in just over one year after completion of the RMC transaction. This follows S&P's upgrade to BBB / Stable in April 2006 and Fitch's earlier affirmation of the BBB / Stable rating.

On October 27, 2006, CEMEX announced a US$12.8 billion offer to acquire all of the outstanding shares of Rinker Group, Limited. Seven months later, on April 10, 2007, the Rinker board of directors accepted an upgraded offer of $14.2 billion. Rinker Group was an Australian Company with operations in Australia and the US.

The following were Rinker's selected financial information:

| Millions of dollars | US$ | US$ | US$ | US$ | US$ |
|---|---|---|---|---|---|
| | 2002 | 2003 | 2004 | 2005 | 2006 |
| | | | | | |
| Financial performance | | | | | |
| Revenue | 2,576 | 2,954 | 3,704 | 4,310 | 5,108 |
| EBITDA | 510 | 605 | 729 | 970 | 1,355 |
| Depreciation and amortisation | 145 | 164 | 178 | 195 | 209 |
| Earnings before interest and tax (EBIT) | 365 | 442 | 551 | 775 | 1,146 |
| Net cash from operating activities | 445 | 514 | 661 | 679 | 942 |

Citi ran a 2006 PF DRM on CEMEX/Rinker combined, which produced a Baseline Rating of 5+ (BB+ / Ba1 equivalent) based on acquisition debt of USD 14BN. Citi recommended a judgmental upgrade by one notch to 4- on the following basis :

- Expectation of rapid credit metrics improvement and a de-leveraging due the strong FCF generation capacity of both the target and acquirer, plus significant asset disposals plan. Citi simulated that it will take only USD 2.8BN in reduction in debt for the DRM model to generate a rating of 4-. This should be achieved in year 1 through planned asset disposals of USD 2BN and immediate cash balance availability;
- The acquisition and integration should be successful as evidenced by the track record of the acquirer, the companies belonging to the same industry, and the geographical market proximity and complementary nature of large majority of target's operations;
- Management of CEMEX highly regarded and has proven ability for their acquisition and integration skills;
- Management of CEMEX committed to maintaining an investment grade rating for the group and would not launch an operation that would jeopardize this

objective; Management has indicated a target of Net Debt / Ebitda down at 2.5 x within 12/18 months of transaction at CEMEX Espana SA consolidated level
- Both the target and acquirer have strong credit profiles and good financial flexibility;
- The target is rated BBB+ and currently has very limited financial leverage (Net Debt / LTM EBITDA of 0.2x).

Citi considered that the ratings of CEMEX S.A. de C.V. (Mexico) and CEMEX Espana S.A. can be ranked the same given the strategic importance of the Spanish subsidiary to the Group and the good matching of debt against controlled operating assets and cash flows at both the Mexican parent and the Spanish sub level.

CEMEX's financial strategy continued to be to take on debt to finance acquisitions then reduce leverage through operating performance to restore its capacity to finance the next acquisition and to maintain an investment grade rating throughout its acquisition financing cycles so that it could replace its bank debt with bonds a year or two later, after achieving the benefits of integration.

CEMEX uses derivative contracts to reduce the cost of its debt, by replacing high rate peso debt with lower rate USD and Euro denominated obligations. Cemex utilizes derivative financial instruments such as interest rate swaps, currency forwards and options, and equity derivatives in order to execute its corporate financing strategy and to hedge other obligations as they arise. CEMEX traditionally hedges IR and FX exposure through Caps, Collars, FX Options, IR Swaps and Cross Currency Swaps. Also, CEMEX has equity derivatives including Citi's own equity put option with the underlying of their own stock in a benefit program that executives were able to form a part of and have a benefit in case CEMEX CPO appreciates vs. the strike price. Under the Equity Put Option Derivative, our exposure is currently covered by collateral. CEMEX's shares trade on the Mexican stock exchange in the form of Ordinary Participation Certificates, or CPO[3]s, and on the New York Stock Exchange in the form of American Depositary Shares, or ADSs.

[3] CEMEX capital stock consists of series A shares and series B shares. Each "Certificado de Participación Ordinario" (CPO) represents two series A shares and one series B share. A CEMEX CPO is an equity security that trades on the Mexican Stock Exchange.

With its buyout of Rinker, total CEMEX debt increased to $19.2 billion. Even so, Cemex says that acquisition of the Australian company "strengthens our position throughout the value chain" and will allow for gains in savings and revenue. CEMEX's success over the 15 years from its first international acquisition in 1992 to the Rinker acquisition in 2007 was not only noteworthy for a company based in an emerging economy, but also in an industry where the emergence of a multinational from an emerging economy as a global leader could not be explained by cost arbitrage; given cement's low value to weight ratio little product moves across national boundaries.

Much of CEMEX's success could be attributed to how it looked at acquisitions, and the post-merger integration (PMI) process that ensued, as an opportunity to drive change, and as a result, continuously evolve as a corporation. Since it began globalizing its operations in the early 1990s, the company had been praised for its ability to successfully integrate its acquisitions by, at one and the same time, introducing best practices that had been standardized throughout the corporation and making a concerted effort to learn best practices from the acquired company and implement them where appropriate. Known internally as the CEMEX Way, CEMEX standardized business processes, technology, and organizational structure across all countries while simultaneously granting countries certain operational flexibility, enabling them to react more nimbly to local operating environments. In addition, CEMEX was known as an innovator, particularly in operations and marketing, and the CEMEX Way encouraged innovation, particularly if it could be applied throughout the firm.

For CEMEX, the resulting innovation and integration process was an ongoing effort as it recognized the value of "continuous improvement." Well before its first significant step toward international expansion in 1992, CEMEX had developed a set of core competencies that would shape its later trajectory including strong operational capabilities based on engineering and IT, and a culture of transparency. The company began laying the groundwork for global expansion by investing in a satellite communication system, CEMEXNET, in order to avoid Mexico's erratic, insufficient and expensive phone service, and allow all of CEMEX's 11 cement factories in Mexico to communicate in a more coordinated and fluid way. Along with the communication system, an Executive Information System was implemented in 1990. All managers were required to input manufacturing data, including production, sales and administration, inventory and delivery — that could be viewed by other managers. The system enabled CEO Zambrano to conduct "virtual inspections" of CEMEX's operations including the operating performance of individual factories from his laptop computer.

Rinker had obtained about 80% of its income from the U.S. market, where the homebuilding sector has been badly stung by the subprime-mortgage crisis.

By early December 2007, the perceived risk of holding Rinker Group debt jumped after CEMEX halted asset sales that had a potential value of $4.25 billion. CEMEX was looking to sell assets to pare debt. Credit-default swaps on Rinker bonds increased 22 basis points – to 77.5 basis points. In early December 2007, in a deal worth an estimated $250 million, CEMEX sold some U.S. plants to Dublin-based CRH PLC. The divesture was required by the U.S. Department of Justice as part of its approval of the Rinker acquisition. However, when it announced the $250 million in facility sales to CRH, CEMEX also announced it was calling off talks on a much-broader sale – one that would have generated debt-slashing proceeds of $4.5 billion. If it doesn't get those debt-cutting divestiture talks back on track, CEMEX could well be looking at a debt-rating cut.

After the Rinker acquisition in 2007, its plans to refinance through the capital markets were thwarted by the events of the global financial crisis.

At year end 2007, CEMEX management provided guidance for 2008:

- EBITDA of US$5.6Bn and
- Free Cash Flow [FCF] of US$1.5Bn after expansionary CAPEX.

Given economic slowdown in key markets such as US and Spain, CEMEX expects positive performance in 2008 to come from organic growth derived from favorable supply/demand dynamics in Mexico, South America, Eastern Europe and Asia and productivity improvement initiatives. CEMEX is fully engaged to its commitment to reach 2.7x Net Debt / EBITDA 24 months post-acquisition, by June 2009. The following table reports actual 2006/2007 results along with guidance for 2008/2009.

Financial Summary and Base Case Projections for Cemex SAB de CV & Subsidiaries are as follows:

| US$MM | 2006 | 2007 | 2006 (Pro forma) | 2007 (Pro forma) | 2008 E (CMX) | 2009 E (BNMX) | Cemex's Stated Target |
|---|---|---|---|---|---|---|---|
| Net Sales | 18,249 | 21,673 | 23,440 | 24,193 | 24,500 | 25,113 | |
| EBITDA Margin | 23.0% | 21.0% | 23.4% | 21.7% | 23.0% | 22.8% | |
| EBITDA | 4,138 | 4,586 | 5,482 | 5,246 | 5,623 | 5,726 | |
| FCF (Before Expansion CAPEX) | 2,689 | 2,578 | 3,064 | 5,474 | 3,008 | 2,871 | |
| Expansionary CAPEX | 746 | 1,434 | 746 | 1,434 | 1,500 | 786*** | |
| FCF | 1,943 | 1,144 | 2,318 | 4,040 | 1,508 | 2,085 | |
| Total Debt* | 8,791 | 22,852 | 22,047 | 22,852 | 21,849 | 21,000 | |
| Total Debt* / EBITDA | 2.1x | 4.9x | 4.0x | 4.4x | 3.9x | 3.6x | |
| Net Debt** / EBITDA | 1.4x | 4.1x | 3.6x | 3.6x | 3.0x | 2.7x | 2.0 -2.5x |
| Interest Coverage | 8.4x | 5.7x | 4.4x | 4.7x | 5.4x | 5.8x | 5.0x |

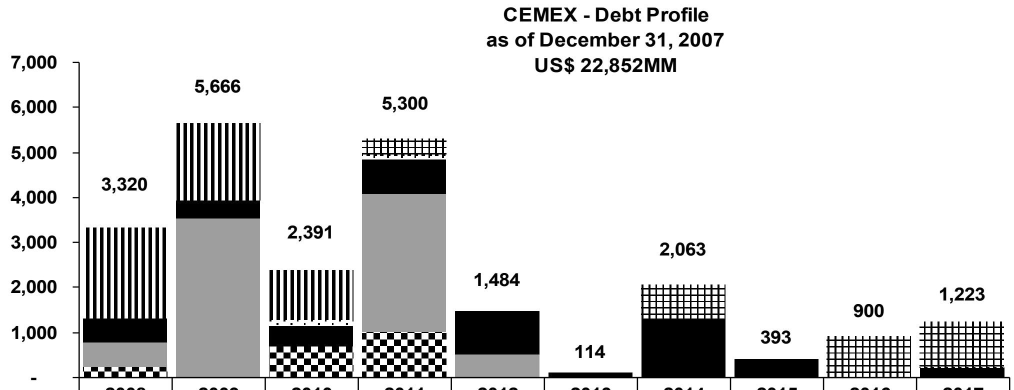
* Includes Perpetual Debentures

**As calculated for financial covenants; excludes Perpetual Debentures

***BNMX estimate; not confirmed by company's guidelines.

**Debt Repayment / Refinancing Strategy**

CEMEX will use FCF in 2008 and 2009 of US$3.5Bn for debt repayment. CEMEX must pay or refinance in 2008 and 2009, US$ 8,986MM. CEMEX's amortization schedule breakdown is as follows:




| | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 |
|---|---|---|---|---|---|---|---|---|---|---|
| Perpetual Bonds | - | - | - | 350 | - | - | 750 | - | 900 | 988 |
| Bilateral Loans | 2,018 | 1,720 | 1,111 | 16 | 14 | 18 | - | - | - | 22 |
| Commercial Paper | - | - | 125 | 80 | - | - | - | - | - | - |
| Fixed Income | 535 | 411 | 465 | 788 | 957 | 96 | 1,313 | 393 | - | 213 |
| Syndicated (Spain) | 525 | 3,525 | - | 3,036 | 513 | - | - | - | - | - |
| Syndicated (Mx+NS) | 242 | 10 | 690 | 1,030 | - | - | - | - | - | - |
| Total | 3,320 | 5,666 | 2,391 | 5,300 | 1,484 | 114 | 2,063 | 393 | 900 | 1,223 |

Cemex debt refinancing / repayment strategy is the following:

| **Cemex Total Debt** (as of Dec 31, 2007) | | **Total Debt** | **2008** | **2009** | **Total 08-09** | **Refinancing / Repayment** | |
|---|---|---|---|---|---|---|---|
| **US$MM** | | | | | | **Refinance** | **Repay** |
| Syndicated Loans | Mexico + NSH | 1,972 | 242 | 10 | 252 | - | 252 |
| Syndicated Loans | Spain | 7,598 | 525 | 3,525 | 4,050 | 1,500 | 2,550 |
| Fixed Income | Mexico + Int'l | 5,170 | 535 | 411 | 946 | 946 | - |
| Commercial Paper | Rinker | 205 | - | - | - | - | - |
| Bilateral Loans | RBS + BBVA + Other | 4,919 | 2,018 | 1,720 | 3,738 | 1,040 | 2,698 |
| Perpetual Bonds | C5 + C10 + C8 + C10E | 2,988 | - | - | - | - | - |
| | **Total** | **22,852** | **3,320** | **5,666** | **8,986** | **3,486** | **5,500** |

Funds to repay debt in 2008 and 2009 should come from:

| | **US$MM** |
|---|---|
| ***Funds:*** | |
| Free Cash Flow* | 3,500 |
| Sale of Assets | 2,000 |
| **Total** | **5,500** |
| | |
| ***Refinance:*** | |
| Syndicated Loan (Spain for Rinker Acq.) | 1,500 |
| Cebure Programs in Mexico | 946 |
| Bilateral Loans (BBVA + RBS) | 1,040 |
| **Total:** | **3,486** |
| | |
| **Repayment & Refinancing 08-09:** | **8,986** |

*After expansionary CAPEX in 08-09

By Year End 2007, the company has not secured debt refinancing for US$3,486 million due 2008-2009. However, formal talks are in progress with BBVA to refinance current bilateral loan of US$1,200 million due 2008. The table shown above assumes the company refinances US$1,500 million related to the US$6,023 million Rinker acquisition financing, US$946 million related to several Cebure programs, and the bilateral loan with BBVA of US$1,200 million.

CEMEX planned to issue a US$1.5Bn 3Yr loan with perpetuity option with the funds to be used to repay debt and will give Cemex additional time to sell its non-core assets. Given the perpetuity option, the loan will be registered as equity in Cemex's consolidated financial statements as minority interest and thus will not count as debt. Financial covenants do not consider perpetual debentures as debt.

Summary of current perpetual debentures is as follows:

| SPV Name | Issuance Date | Amount | | Call Date | Years for Option to redeem debt | Price | Spread vs. Tbill (at Issuance) | Swap to 6m Libor (at Issuance) |
|---|---|---|---|---|---|---|---|---|
| | | USD$ MM | EUR$ MM | | | | | |
| C5 | 12/18/2006 | 350 | | 12/31/2011 | 5 Yrs | 6.196% | 170 | 121 |
| C10 | 12/19/2006 | 900 | | 12/31/2016 | 10 Yrs | 6.722% | 220 | 164 |
| C8 | 02/12/2007 | 750 | | 12/31/2014 | 8 Yrs | 6.640% | 187 | 135 |
| C10E | 05/9/2007 | | 730 | 06/30/2017 | 10 Yrs | 6.280% | 179 Mid-swap | |

– In addition, most of current OSUC we have operating companies' avals as a second way out.

| Product Type | % OSUC | Risk | Security |
|---|---|---|---|
| RCF of US$1,200MM (Hold of US$81MM) | 9.2% | Cemex SAB de CV | Avals from Cemex, Cemex Mexico & Empresas Tolteca |
| Syndicated Loan of US$700MM (Hold 54.1MM) | 6.1% | New Sunward Ho. | Avals from Cemex Mexico & Empresas Tolteca |
| RCF of US$700MM (Hold of US$33.4MM) | 3.8% | Cemex SAB de CV | Avals from Cemex Mexico |
| STOM line of US$270MM | 30.6% | Cemex SAB de CV | Avals from Cemex Mexico & Empresas Tolteca |
| STOM line of US$25MM (Banamex USA) | 2.8% | Cemex SAB de CV | Avals from Cemex Mexico |
| Banker's Leasing line of US$24.1MM | 2.7% | Cemex Inc. | Pledge on leased asset |

– However, facilities related to Rinker acquisition package extended to Cemex España (hold of US$181MM) and the facilities related to the refinancing of RMC acquisition also extended to Cemex España (hold of US$68.1MM) do not have as collateral avlas from operating companies.

In the first quarter of 2008, CEO Lorenzo Zambrano made the following remarks to investors and analysts:

Remarks by Lorenzo H. Zambrano
Chairman and CEO
Annual Analyst and Investor Meeting
March 2008

Good morning. I am pleased that so many of you have joined us once today for what has become a regular, if not quite annual, event. I am particularly proud to be hosting you here in Monterrey, a city that has grown almost as fast as CEMEX over the past years. We have a full agenda today, but essentially everything we will share with you aims at answering three questions:

• First, what is CEMEX's overall strategy?
• Second, how are we going to produce the results we have promised the market and owe to our shareholders?
• Third, what are the biggest opportunities for, and challenges to, maintaining our long track record of value creation well into the future?

I am sure it won't surprise you to hear that I believe CEMEX has a good story to tell. We are in the right markets, with the right strategies, the right management teams and the right mix of assets to continue to generate quality earnings and profitable growth. What we have done in the past, we will do in the future: deliver good results in bad times and great results in good times. One thing I am not going to do today is to dwell on the economic outlook. Everyone here knows that the global economy and financial market s are passing through difficult times. Whether or not the U.S. economy is actually in recession, the U.S. housing sector certainly is. We are also seeing softening demand in markets like Spain and the U.K. However, because we are globally diversified, the impact of those slowdowns will be somewhat offset by continuing strength in Mexico, Eastern Europe, South America and Australia. Let me make two points:
• First, even if some of the headline pessimism may be overdone, there is no doubt that this year—and maybe the next one as well—are going to be challenging.
• Second, in an uncertain environment, like the one we face today, core values become even more important. While we can't control the trajectory of the markets, there are many things we can manage. I believe we have the right operating and financial strategies, and that the key to success is the same at the bottom of a cycle as at the top: disciplined execution. My commitment to you is that we will continue to deliver value to our shareholders, regardless of the environment. We have a proven management team that has over come many challenges during my 23 years as CEMEX's CEO. We have lived and prospered through the ebb and flow of economic cycles. And, I am confident we will continue to do so. I know that some of you were at our 2004 investor and analyst conference in Connecticut, and heard me say then that CEMEX's long-term strategy was to create value by investing in and operating across our industry's value chain. I remember that we had a good discussion about the opportunities we saw in different markets and in different market segments. But, I doubt that many of you fully anticipated that the result would be our acquisition of, first, RMC and then Rinker. The strategy I described four years ago was, and continues to be, to build strong positions in large, highly profitable markets.
• We look for markets that offer us the sustainable opportunity to generate significant EBITDA.
•This means markets with long-term growth potential, favorable industry characteristics, manageable risks, and attractive financials.
• And, it also means we invest in markets where and when opportunities are available.

In Connecticut, I also told you that we would continue to grow our global footprint, investing in both acquisition and organic growth. And I said that we would use our strong balance sheet and cash flow generation, while safeguarding our investment grade ratings. That is exactly the road map we have been following, and the one that we will continue to follow.

Our major investments—as well as bolt-on acquisitions, divestments, and growth cap ex—have all reflected the same strategic drivers. In the process, we have begun a profound transformation of CEMEX.

Since the turn of the century, we have significantly extended our geographic reach, and we now operate in more than 50 countries. We have built leadership positions in aggregates and ready-mix that enhance our historic strength in cement. Today we are among the top three producers world-wide in cement, aggregates, and ready-mix. We have diversified our portfolio, from the perspective of geography as well business line. Today, the U.S., our largest market, accounts for roughly 30% of EBITDA generation, while Mexico and Europe each account for another quarter, with Australia and the rest of world providing the balance. We have grown our operating profits. In 2000, we generated $2 billion in EBIDTA. Last year we generated $4.6 billion and we have told you we expect $5.6 billion in 2008. That represents a compound average annual growth of 14% from 2000 through this year. We have increased our headcount, enriching CEMEX's culture even while confirming our core identity.

Today we employ around 67,000 people throughout our global network. We have added new skills and expertise to manage new businesses. But we are all CEMEX. I want to emphasize two things:
• First, this is a snapshot of a work in progress. CEMEX is a growth company and I am sure we will continue to grow in the coming years.
• Second, size is neither our objective, nor our metric. The measure by which we judge ourselves, and by which we want to be judged, is our ability to create value.
Our philosophy is simple: we can produce sustainable, profitable growth through disciplined execution of a clearly articulated strategy. That is how we got here, and that is how we are moving into the future.
Our value chain strategy is based on three building blocks: cement, aggregates and ready-mix. Each of these businesses is attractive in its own right. However, the real opportunity to generate value comes in markets where we have or can build integrated positions. We have long been one of the leading cement producers in the world, and we continue to invest in new capacity in this high margin business. Aggregates have profitability characteristics similar to cement, which make the business quite attractive to us. Investing in aggregates helps us manage our supply chain in a business with significant barriers to entry and where scarcity is an important value driver. Being the leading global player in the ready-mix business gives us the opportunity to better understand our customers' needs, improve our service, and develop new products. Ready-mix is a critical link in the value chain. Putting all three businesses together produces benefits in terms of market dynamics, efficiency, and customer service. In other words, integration creates value. Today's CEMEX is bigger, more profitable, and more complex than we were just a few years ago.
Of course, rapid growth produces important management challenges—but those are the kind of problems we like to have. At CEMEX, we produce profitable growth through several inter-related efforts:
• First, constant commitment to operational excellence.
At the core, ours is a culture of engineers, and we pride ourselves on efficient, effective management of our productive assets.
• Second, cost efficiency.
We want to be the most efficient global building materials company. That means managing our costs throughout the business cycle, not just when weakening demand puts pressure on margins.
• Third, nurturing strong customer relationships.
We aim to be the supplier of choice in our key markets. That means understanding and segmenting our customers, developing new strategies, and constantly improving our service.
• Fourth, industry-leading integration capabilities.
Our post merger integration process—what we call the PMI—is designed to extract value from every acquisition, quickly and efficiently. But the PMI is also designed to assure that our whole network benefits from newly identified best practices as well as newly acquired management talent.
• Fifth, rigorous investment discipline.
Whether we are investing in acquisitions or in growth cap ex, we apply disciplined, return-driven criteria. Every investment we make flows through the same process, and we allocate capital based on return, not geography or business line.
• Sixth, attracting, investing in, and retaining the best people.
Most of our new talent comes to us through the acquisitions we make. We work very hard to identify the best people and to assure that they stay with CEMEX. We also work every bit as hard to identify and promote the best people within legacy CEMEX. And we succeed on both counts. Today, I want to touch briefly on three of these strategies—cost containment, cap ex allocation, and integration capacity.
We have transformed CEMEX from a leading global cement player to an integrated building materials company. But we have not changed our unwavering commitment to managing costs effectively.

During the past several years, we have reduced the ratio of SG&A to sales—from 22.1% in 2003 to 19.6% in 2007, in spite of sky rocketing transportation costs. But I know we can do better. Thus, our manage ment team has built a series of major cost savings initiatives into this year's budget. We will reduce operating costs as well as headcount in order to improve our efficiency. Coupled with PMI savings, my target is to reduce the ratio of SG&A to sales by around 150 basis points this year. And we will work to reduce other costs as well. Let me give you two examples of practices that are already delivering savings. First, as we grow, we benefit from economies of scale in our purchasing. Size matters, and we can negotiate better prices on everything from trucks to pet coke. And every dollar of negotiated savings releases a dollar of working capital. Second, one of our largest input costs is energy, which accounts for about one-third of total costs. Fuel and electricity prices have soared, but we have worked hard—and successfully—to contain our costs. For example, even though oil prices have risen 120% over the last three years, our energy cost per ton of cement produced has increased only 31%. The key to our robust energy strategy is flexibility. We have re-engineered many of our plants to allow us to optimize our fuel mix as prices evolve. Recently, we have made alternative fuels an increasingly important part of our energy strategy. Last year, 7% of our total energy was produced using fuels ranging from bio mass to tires, and we are aiming to more than double that share in coming years. Extending our capacity to use lternative fuels requires relatively small investments, but produces big returns in a world where carbon-based fuels get more expensive every year. Overall, my message is simple: CEMEX will continue to focus on efficiency, regardless of where we are in the cycle. That commitment is central to our business model, and central to our ability to deliver value to our shareholders. CEMEX grows by acquisition as well as organically. Once we have established a significant market position, we build out across the value chain through targeted bolt-on acquisitions and growth cap ex.

All these capital expenditures go through the same rigorous capital budgeting process—a process that engages CEMEX's top management. This ensures that our investment dollars go to the projects that will yield the highest returns, on a global basis. Over the past two years, we have invested almost $2.2 billion in growth cap ex projects. These include about 13.5 million metric tons of cement capacity in Mexico, the U.S., Panama, Spain, and Latvia. In addition, we are increasing cement grinding capacity by 3.2 million metric tons in Spain, the U.K, and the United Arab Emirates. This year, we will invest more than half our expected $3 billion free cash flow in growth cap ex, primarily to complete the projects already underway. All of these projects are expected to produce return on capital employed in excess of 10%. I have asked Hector Medina to share with you some detail on how we are generating value from these investments. For a company like CEMEX that grows in large part through acquisition, integration skills are essential to long term value creation. I believe that our PMI process is a key competitive advantage. Coupled with our global network, it allow us to generate more value from an acquired company than either the sellers or our competitors. If we couldn't, we wouldn't make the acquisition in the first place. That means we conduct each PMI with the same template, endlessly adjusted for local conditions. Over the course of this morning we will share the details of how we conducted the Rinker PMI. But I want to give you some context. The key point to make about Rinker is that the acquisition was a continuation of our strategy of evolving from a cement company to an integrated building materials producer.

- It significantly increased our aggregates positions, consistent with our global strategy.
- It considerably strengthened our positions in the most dynamic market segments and geographies of the U.S.
- It established us in Australia, which is a large, healthy market with sound foundations for future growth.
- It brought a significant infusion of managerial talent. I am sure some of you remember that U.S. market demand collapsed not long after we acquired Southdown. Then, like now, we were criticized for our timing and for the price we paid. After we bought Southdown, we told the market that we were investors, not traders. We said that, although we would prefer to acquire assets at the trough, we bought them when they were available. We insisted that we had the management team to build a substantial and profitable business in the United States. And we said we believed that investing in high growth U.S. markets would reduce our cost of capital and improve our risk profile. As you know, all of that worked out. Once the recession ended, once we fully integrated the people and assets into the global CEMEX network and culture, and once we added RMC, the U.S. became a tremendous source of value creation. I am confident that, with Rinker, history can be made to repeat itself. We are already on a good track:

• During the core PMI, we identified and are now capturing synergies worth about $400 million. Originally, we had estimated that we would achieve synergies of $130 million after three years, but we now expect to exceed this amount during 2008.
• We have merged, reorganized and right-sized our two organizations in the United States. After synergies and divestments, we essentially combined two organizations, each with about 9,000 people into a single organization with roughly 15,000.
• We have restructured our new Australian operation and are rapidly integrating it into our global network.
• We succeeded in retaining key operating talent in both the U.S. and Australia. In addition, our original expectation was that the average cost of funding the Rinker acquisition would be 6 percent, but we now estimate that our average cost for 2008 will be closer to 4 percent. As Rodrigo Trevino will explain in detail, this means the free-cash-flow and cash-earnings accretion from Rinker in 2008 will be better than we assumed when we made the acquisition, despite the U.S. downturn. Frankly, we are well ahead of where we expected to be when we closed the transaction last summer. You may fault our acquisition timing, but I am confident you will value the consequences. That is what matters most to all of us. The bottom line for the Rinker acquisition:
• In the short run it is accretive and is producing positive returns.
• In the long run it is on track to create considerable value for our shareholders.
That is precisely what we expect and demand from a major acquisition. Now, let’s shift to the short run. Specifically, how are we going to deliver profitable growth again in 2008? As previously announced, we expect to generate EBITDA of about $5.6 billion this year, compared to $4.6 billion last year. On a like-to-like basis, this represents an EBITDA increase of more than $500 million, and would be another record for CEMEX. In a challenging environment, I imagine some of you might think this is an aggressive target. But I believe we can deliver these results if we execute our operational and financial strategies this year with the same discipline we have shown in the past. Of course, some help from the construction markets would be nice, but we aren’t counting on it. That means, in order to deliver our targeted results, we need to do five important things during 2008:
• First, we need to capture the synergies that we have identified in the Rinker PMI, as well as to deliver on the cost savings and efficiencies we are pursuing throughout our global network.
• Second, we need to continue to adjust our U.S. business to rapidly evolving market conditions.

CEMEX uses derivative financial instruments such as interest rate and currency swaps, currency and equity forward contracts, options, futures, among others. According to its 2008 annual report, the notional amounts of derivatives substantially match the amounts of underlying assets, liabilities or equity transactions on which the derivatives are being entered into.

CEMEX's financial problem began in 2008 with market volatility; a challenging operating environment; and lack of financial flexibility all hit at once. CEMEX stock price plunged; the peso devalued; and CEMEX experienced a ratings downgrade. The market began to worry about CEMEX liquidity due to mark to market on derivatives contracts and pending 2009 debt maturities and also the firms solvency.

Some people thought that CEMEX's use of derivatives was sound, although these people were concerned that concentration of counterparties exacerbated the situation. Citi's margin calls alone exceeded $142 million in a month during 2008. By the end of 2008, the liquidity issue was resolved with some bank waivers, refinancings, a liquidity facility and importantly, a consolidation of bilateral loans into 1 facility.

On September 11, 2008, CEMEX issues the following press release prior to releasing 3Q-08 numbers:

## CEMEX provides guidance for the third quarter of 2008

**Monterrey, Mexico. September 11, 2008**

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CEMEX, S.A.B. de C.V. (NYSE: CX) announced today that it expects EBITDA for the quarter ending September 30, 2008 to be about US$1.25 billion, a decrease of about 3% on a like-to-like basis for the ongoing operations versus the same period last year, while operating income is expected to be close to US$800 million. CEMEX expects sales for the third quarter to be about US$5.9 billion, flat on a like-to-like basis versus the same period last year. For the first nine months of the year and on a like-to-like basis, CEMEX expects EBITDA of about US$3.55 billion, an 8% decline versus the same period last year, while revenue is expected at about US$17.6 billion, a 2% increase in the same period.

Like-to-like basis comparisons include the effects of: the consolidation of Rinker starting July 1, 2008; the sale of some U.S. assets as required by the U.S. Department of Justice related to the Rinker acquisition; the sale of certain U.S. assets to our joint venture with Ready Mix USA; as well as the exclusion of our Venezuelan operations starting August 1, 2008, reflecting the nationalization of our assets in that country, despite the fact that CEMEX's compensation has not yet been determined.

"We continue to face a challenging economic environment in most of our markets. Volumes during the quarter have been negatively affected by the continuing downturn in markets such as the United States, Spain, and the United Kingdom. In addition, foreign-exchange fluctuations have also had an impact on our full-year estimates, as the Mexican peso has depreciated since the end of the second quarter," said Rodrigo Treviño, CEMEX's Chief Financial Officer.

Realized synergies and cost-cutting initiatives to improve efficiency have helped to partially offset the sharp increase in energy and transportation costs. Furthermore, average pricing for our products remained resilient and has helped mitigate input-cost inflation.

For 2008 we now expect EBITDA to be between US$4.6 and US$4.7 billion. About half of the drop in our EBITDA guidance is the result of the lower expected performance from our U.S. operations. We also expect lower EBITDA contribution from our Spanish and UK operations. Additionally, this guidance reflects the exclusion of our Venezuelan operations starting in August, as well as a negative foreign-exchange effect of close to US$100 million, primarily as a result of the weaker Euro. We expect free cash flow after maintenance capital expenditures to be about US$2.6 billion for the year.

Our net-debt-to-EBITDA ratio was slightly below 3.5 times by the end of the second quarter. We expect to continue to be in compliance of this ratio going forward.

During the third quarter, CEMEX expects domestic cement and ready-mix sales volumes in Mexico to decrease by about 3% and 1%, respectively, versus the comparable period last year. For the first nine months of the year volumes are expected to decrease by about 3% and 7%, respectively, versus the same period of last year. The main driver of cement demand in the country continues to be the formal residential sector. Higher input cost inflation has negatively affected the self-construction sector. In addition, the infrastructure sector continues to be affected by a delay in project starts, which are expected to pick up in the last quarter of 2008. Finally, adverse weather conditions throughout the country have affected volumes during the quarter. Given this performance in volumes for the first nine months of the year, we now expect domestic cement volumes in Mexico to decrease by about 1% for the full year 2008, and ready-mix volumes to decrease by approximately 2% for the full year 2008.

Cement, ready-mix, and aggregates volumes for CEMEX's operations in the United States are expected to decrease by about 17%, 34%, and 39%, respectively, during the third quarter versus the same period last year. For the first nine months of the year, cement volumes are expected to decrease by about 10%, ready-mix volumes are expected to decrease by about 1%, and aggregates volumes are expected to increase by about 20% versus the same period last year.

On a like-to-like basis for the ongoing operations, ready-mix volumes are expected to decrease by about 29%, and aggregates volumes are expected to decrease by about 31% for the quarter versus the comparable period last year. For the first nine months of the year, also on a like-to-like basis for the ongoing operations, cement volumes are expected to decrease by about 19%, ready-mix volumes are expected to decrease by about 29%, and aggregates volumes are expected to decrease by about 28% for the quarter versus the comparable period last year.

Given this performance in volumes for the first nine months of the year, we now expect domestic cement volume in the U.S. to decrease, on a like-to-like basis, by around 18%, ready-mix volume to decrease by about 28% and aggregates volumes to decrease by around 28% for the full year 2008.

The expected decline in volumes for the quarter was driven mainly by the continued decline in the residential sector, which has negatively impacted other demand sectors. In the industrial-and-commercial sector while nominal spending is up, contract awards have fallen by double-digit figures due to the spillover effect of the residential sector. The public sector continues to see increases in construction put in place in nominal terms, but these increases have been fully offset by input-cost inflation. In addition, adverse weather conditions, mainly in Florida, the Carolinas, Arizona and many parts of Texas have also affected our volumes during the quarter. We continue with our cost cutting initiatives as well as with the implementation of synergies from the Rinker integration process.

Cement and ready-mix volumes for CEMEX's operations in Spain, are expected to decline by about 30% and 23% respectively, during the third quarter versus the comparable period of last year. For the first nine months of 2008, cement volumes are expected to decrease by about 24% while ready-mix volumes are expected to decrease by about 20% versus the same period in 2007. The decline in volumes was driven mainly by the continued decline in the residential sector. In addition, infrastructure projects continue to be on stand-by due to weaker than expected overall economic conditions and tighter lending policies for construction companies. Given this performance in volumes for the first nine months of the year, we now expect domestic cement volumes to decrease by about 24% and ready-mix volumes to decline by around 22% for the full year 2008.

During the quarter, CEMEX expects cement, ready-mix and aggregates volumes in the United Kingdom to decrease by about 17%, 24%, and 10%, respectively, versus the same period last year. On a like-to-like basis for the ongoing operations-adjusting for the divestments done during 2007-ready-mix volumes are expected to decrease by about 20% versus the comparable period of last year. For the first nine months of the year, cement, ready-mix and aggregates volumes are expected to decrease by about 13%, 17%, and 7%, respectively, versus the same period in 2007. Activity across all sectors continues to soften as overall economic conditions in the country have weakened and are signaling towards a recession. Given this performance in volumes for the first nine months of the year, we now expect domestic cement volume in the U.K. to decrease by around 14% and aggregates volumes to decrease by around 8% for the full year 2008. On a like-to-like basis-adjusting for the divestments made during 2007-ready-mix volumes are expected to decrease by about 14% versus the comparable period in 2007.

On September 9, 2008, the Mexican Supreme Court ruled against CEMEX's constitutional challenge of the controlled foreign corporation tax rules in effect in Mexico for tax years 2005 to 2007. CEMEX has not yet determined the amount of tax it will have to pay as a result, but its preliminary estimates indicate that this amount will not be material, although no assurance can be given that additional analysis will not lead to a different conclusion. If the tax authorities do not agree with CEMEX's self-assessment, they may assess additional amounts, which may be material.

During the third quarter, we experienced a significant reduction in our average funding cost of debt reflecting the lower interest-rate environment. Interest expense for the second half of this year is expected to be about US$100 million lower than that of the first half. As of the end of the second quarter, 24% of our total debt was denominated in Euros. Since then, the Euro has depreciated 11%, translating into a conversion-effect gain of about US$400 million. In addition, the estimated aggregate fair market value of our derivative instruments-excluding those associated with our perpetual instruments-has improved from US$414 million at the end of the second quarter to US$496 million as of yesterday.

Given the sharper-than-expected drop in our main operations, we have instituted a third round of cost-cutting initiatives at the operating level to rightsize our business and reduce fixed costs reflecting the continued deterioration in several of our markets. We will update the market as we have an estimate of the expected savings from these efforts. Additionally, we will continue to use free cash flow to delever and pursue different initiatives to divest non-core operations. We are also lowering our capital-expenditures program for this and next year.

Guidance and historic numbers are calculated on the basis of the average of monthly exchange rates through August 2008 and market close exchange rates as of September 10, 2008 for subsequent guidance periods. Given the volatility of foreign exchange rates and the exposure of our operations to factors beyond our control, our actual results could be materially different from our indicative guidance.

CEMEX is a growing global building materials company that provides high quality products and reliable service to customers and communities in more than 50 countries throughout the world. CEMEX has a rich history of improving the well-being of those it serves through its efforts to pursue innovative industry solutions and efficiency advancements and to promote a sustainable future.

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The main subsidiaries as of December 31, 2009 and 2008 were as follows:

| Subsidiary | | % interest 2009 | % interest 2008 |
|---|---|---|---|
| CEMEX México, S. A. de C.V. [1] | Mexico | 100.0 | 100.0 |
| CEMEX España, S.A. [2] | Spain | 99.8 | 99.8 |
| CEMEX, Inc. [3] | United States | 100.0 | 100.0 |
| CEMEX (Costa Rica), S.A. | Costa Rica | 99.1 | 99.1 |
| Assiut Cement Company | Egypt | 95.8 | 95.8 |
| CEMEX Colombia S.A. | Colombia | 99.7 | 99.7 |
| Cemento Bayano, S.A. | Panama | 99.5 | 99.5 |
| CEMEX Dominicana, S.A. | Dominican Republic | 100.0 | 99.9 |
| CEMEX de Puerto Rico Inc. | Puerto Rico | 100.0 | 100.0 |
| CEMEX France Gestion (S.A.S.) | France | 100.0 | 100.0 |
| CEMEX Australia Pty. Ltd. [3] | Australia | — | 100.0 |
| CEMEX Asia Holdings Ltd. [4] | Singapore | 100.0 | 100.0 |
| Solid Cement Corporation [4] | Philippines | 100.0 | 100.0 |
| APO Cement Corporation [4] | Philippines | 100.0 | 100.0 |
| CEMEX (Thailand) Co., Ltd. [4] | Thailand | 100.0 | 100.0 |
| CEMEX U.K. | United Kingdom | 100.0 | 100.0 |
| CEMEX Investments Limited | United Kingdom | 100.0 | 100.0 |
| CEMEX Deutschland, AG. | Germany | 100.0 | 100.0 |
| CEMEX Austria plc. | Austria | 100.0 | 100.0 |
| CEMEX Hrvatska d.d. | Croatia | 100.0 | 99.2 |
| CEMEX Czech Operations, s.r.o. | Czech Republic | 100.0 | 100.0 |
| CEMEX Polska sp. Z.o.o. | Poland | 100.0 | 100.0 |
| CEMEX Hungária Kft. [5] | Hungary | 100.0 | 100.0 |
| Readymix PLC. [6] | Ireland | 61.2 | 61.7 |
| CEMEX Holdings (Israel) Ltd. | Israel | 100.0 | 100.0 |
| CEMEX SIA | Latvia | 100.0 | 100.0 |
| CEMEX Topmix LLC, Gulf Quarries LLC, CEMEX Supermix LLC and CEMEX Falcon LLC [7] | United Arab Emirates | 100.0 | 100.0 |

**1.** *CEMEX México, S.A. de C.V.* is the indirect holding company of *CEMEX España, S.A.* and subsidiaries.

**2.** *CEMEX España, S.A.* is the indirect holding company of all CEMEX's international operations.

**3.** CEMEX Inc. is the indirect holding company of 100% of the common stock of Rinker Materials LLC's equity, while CEMEX Australia Pty. Ltd. was the holding co
the common stock of Rinker Group Pty Ltd. CEMEX's assets in Australia were sold in 2009.

**4.** Represents CEMEX's indirect interest in the economic benefits of these entities.

**5.** On March 31, 2008, Danubiusbeton Betonkeszito Kft changed its name to CEMEX Hungária Kft.

**6.** Readymix PLC is listed on the Irish stock exchange.

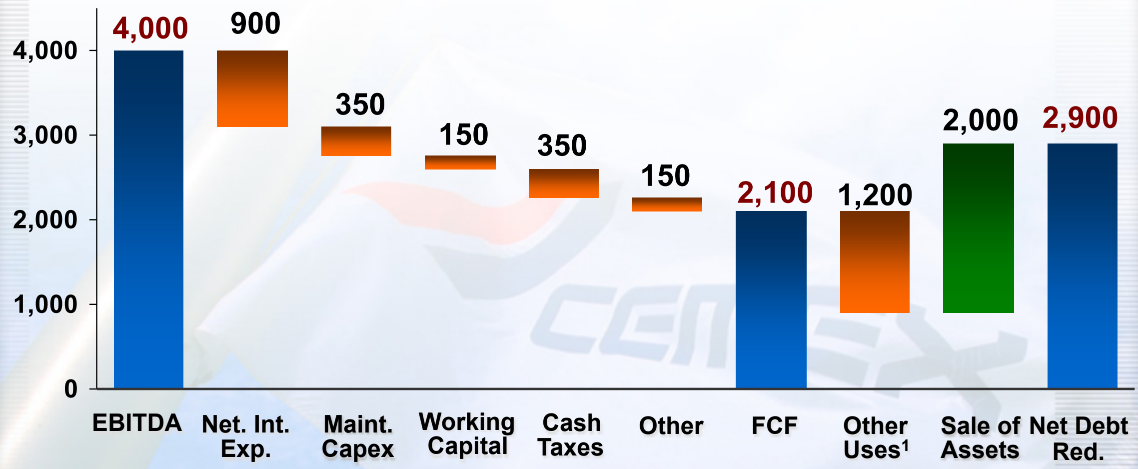
**7.** CEMEX owns 49% of the common stock of these entities and obtains 100% of the economic benefits, through arrangements with other stockholders.

In October 2008, CEMEX arranged a meeting in NY with Citi to present its financial plan for 2008 and 2009, which implied the refinancing of a US $1Bn maturity in Dec-2009. In addition, there is over $6 billion of debt maturing in fiscal 2010, which also needs refinancing.

# 2009 FCF AND CASH FOR NET DEBT REDUCTION

## Before Revenue Enhancing Actions

*Millions of Dollars*




7

1 Expansion Capex (500), Perpetual Interests (150), PMI, Derivatives

# FULL YEAR RESULTS

| US$ MM | 2008e | 2009e | 2009e w/ SofA |
|---|---|---|---|
| EBITDA | 4,460 | 4,000 | 3,800[1] |
| Free Cash Flow[2] | 2,600 | 2,100 | n/a |
| Net Debt | 15,943 | 15,043 | 13,043 |
| Covenant[3] | 3.6x | 3.8x | 3.4x |

Building the future

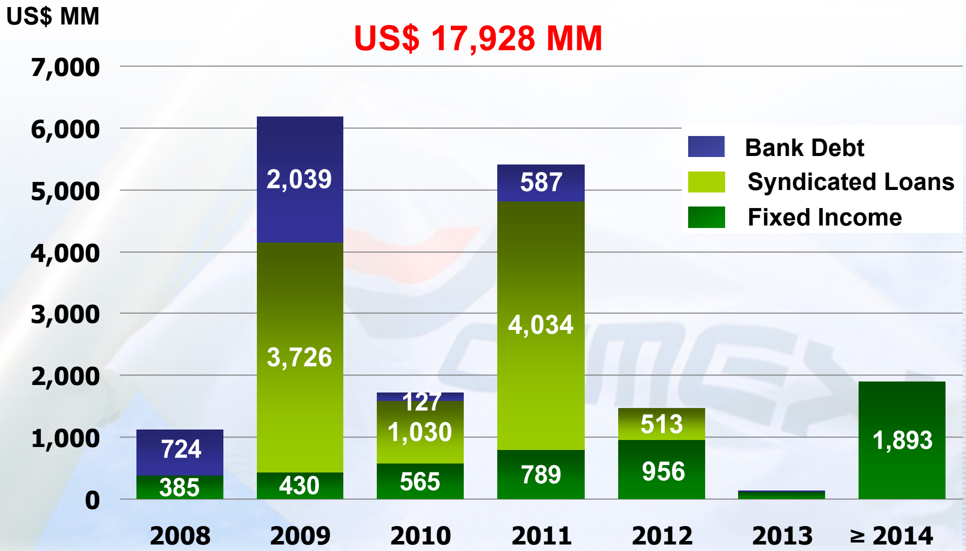


1 Proforma with divestments 2 Before Expansion Capex 3 In accordance with our contractual obligations

# CONSOLIDATED DEBT MATURITY PROFILE

## As of September 2008

Average Life: 2.5 years



After the meeting, CEMEX stock continued to fall and Citi's collection of margin calls from Put option continue. Through October 2008, the Peso devalues and margin calls under Put option and Peso-dollar swaps continues. CEMEX faces significant liquidity pressures and CEMEX request a liquidity Facility.

Citi initially signalled a positive response but the facility was never approved. Most of October 2008 was spent reviewing CEMEX derivative position, which was eventually controlled as the Spanish banks provided some liquidity relief and many positions were closed. The company's prospects were not good, they were highly leveraged with large amortization payments ($18B coming due in next the 2-3 years).

CEMEX issued the following press release:

## CEMEX statement in light of current market conditions

Monterrey, Mexico. October 09, 2008

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In light of the current extraordinary market conditions, CEMEX S.A.B. de C.V. (NYSE: CX) would like to take this opportunity to assure the market that our business model continues to be intact and the capital structure of the company remains unchanged. We wish to reaffirm to the market that we have slightly exceeded our guidance for third quarter and that we remain in compliance at the end of the third quarter with our financial covenant test. As of September 30th, 2008, our net debt to EBITDA ratio was reduced to 3.4:1, due to a significant reduction in net debt during the quarter from about US$17.6 billion to about US$16.4 billion.

With regard to our derivatives strategy, we continue to employ derivatives only to execute our financing plan and to partially hedge our capital investment in our foreign subsidiaries. The mark to market of our derivatives position as of September 30th, 2008 was a positive US$100 million for all of our derivatives including our perpetual securities. This represents a US$400 million decline from the date of our mid quarter guidance on September 11th, 2008. The decline from September 11th, 2008 is primarily explained by the realization of close to US$300 million in gains in our capital hedge program which was used primarily to reduce net debt. Currently, and as a result of the recent high volatility in the foreign exchange and equity capital markets, the aggregate mark to market is approximately negative US$500 million (including our perpetual securities). We continue to have cash on hand to meet all of our operational and financial requirements. We will be addressing all of these issues in more detail in our third quarter conference call on Wednesday, October 22nd, 2008.

In December 2008, Citi and other financial institutions (BBVA, Bancomer, Santander, RBS and HSBC) defined a comprehensive refinancing plan to support CEMEX during the then credit crisis. The plan comprised a number of actions, the single most important goal was to preserve CEMEX's liquidity.

On January 27, 2009, as a starting point for the subsequent global renegotiation of its principal credit facilities, CEMEX and its creditors agreed to:

a) extend until February 2011 its short-term bilateral loans for approximately US$2,314 [million], including amortizations of US$607 [million] in 2009 and US$536 [million] in 2010;

b) extend until December 2010, US$1,700 [million] principal amount of the syndicated loan facility of US$3,000 [million] negotiated for the Rinker acquisition, which were originally due in December 2009; and

c) modify the consolidated leverage ratio, among other conditions, of several syndicated loans.

All IR and FX positions with Citi have been closed out as of April 6, 2009 for a total of US$51.9MM. Interest Rate, Cross Currency and Equity derivative are described on the following pages.

All outstanding interest rate swaps related to debt as of December 31, 2008 were settled in April 2009. As of December 31, 2009 and 2008, a summary of these interest rate derivative instruments was as follows:

| (U.S. dollars millions) | 2009 | | | | | | |
|---|---|---|---|---|---|---|---|
| | Notional amount | | Fair value | Effective rate | Maturity | CEMEX receives* | CEMEX pay s* |
| Energy projects **1** | US$ | 202 | 27 | — | September 2022 | Dollar 5.4% | LIBOR |

| (U.S. dollars millions) | 2008 | | | | | | |
|---|---|---|---|---|---|---|---|
| | Notional amount | | Fair value | Effective rate | Maturity | CEMEX receives* | CEMEX pays* |
| Energy projects **1** | US$ | 208 | 54 | — | September 2022 | Dollar 5.4% | LIBOR |
| Short-term debt in US$ | | 188 | (1) | 4.8% | February 2009 | LIBOR | Dollar 4.8% |
| Short-term debt in US$ | | 3,000 | (18) | 3.0% | June 2009 | LIBOR | Dollar 3.0% |
| Long-term debt in US$ **2** | | 8,500 | (78) | 2.7% | June 2011 | Cap dollar 3.5% | Cap dollar 1.9% |
| Long-term debt in € | | 1,258 | 100 | 4.5% | March 2014 | Euro 4.8% | EURIBOR plus 78bps |
| Long-term debt in US$ **3** | | 500 | (25) | 5.0% | April 2011 | LIBOR plus 133bps | Dollar 5.0% |
| Long-term debt in € **4** | | 1,174 | 10 | 4.3% | December 2011 | EURIBOR | Euro 4.3% |
| Long-term debt in US$ **5** | | 70 | (13) | 2.8% | March 2011 | Pesos 8.7% | LIBOR plus 19bps |
| Long-term debt in US$ **5** | | 48 | (1) | 1.6% | May 2009 | TIIE minus 30bps | LIBOR |
| Long-term debt in US$ **5** | | 136 | (15) | 3.0% | April 2012 | Pesos 11.5% | Dollar 3.0% |
| Long-term debt in US$ **5** | | 295 | (51) | 1.4% | September 2012 | CETES plus 49bps | LIBOR plus 27bps |
| Long-term debt in US$ **5** | | 150 | (11) | 2.8% | June 2020 | LIBOR | ¥ LIBOR |
| | US$ | 15,527 | (49) | | | | |
| Deposits in margin accounts | | — | 85 | | | | |
| | US$ | 15,527 | 36 | | | | |

* At December 31, 2009 and 2008, LIBOR was 0.43% and 1.43%, respectively, while EURIBOR was 2.89% at December 31, 2008. The contraction "bps" means basis points. One basis point is 0.01 percent. TIIE represents the *Interbank Offering Rate* in Mexico. UDIs are investment units indexed to inflation in Mexico; the UDI closing quotation at the end of 2008 was 4.18 pesos per UDI. CETES are public debt instruments issued by the Mexican government. At the end of 2008, TIIE was 8.69% and the CETES yield was 7.96%.

**1** Derivative instruments associated with agreements entered into by CEMEX for the acquisition of electric energy in Mexico.

**2** The effective rate represented the average of the cap rate of 3.5% and the floor rate of 1.9%.

**3** From these contracts, a notional amount of US$400 was accounted as cash flow hedges recognizing their effects in stockholders' equity, representing a loss of US$22 in 2008. This loss was reclassified to earnings in 2009 upon settlement.

**4** The rate that CEMEX paid on this instrument was limited to 4.9%.

**5** In connection with these instruments, CEMEX negotiated currency forward contracts with opposite exposure to the original positions, eliminating the exchange of notional amounts and consequently the exposure to foreign exchange rates but maintaining the exchange of interest rates, which was denominated as a basis swap.

All outstanding Cross Currency Swap as of December 31, 2008 were settled in April 2009. As of December 31, 2008, a summary of these derivative instruments was as follows:

| | 2008 | | | | | |
|---|---|---|---|---|---|---|
| (U.S. dollars millions) | Notional amount | Fair value | Effective rate | Maturity | CEMEX receives | CEMEX pays |
| **Short-term** | | | | | | |
| Exchange Ps1,000 to US$ | US$ 96 | (24) | 0.7% | June 2009 | TIIE minus 30bps | LIBOR |
| Exchange UDIs 425 to US$ | 148 | (16) | 3.0% | January 2009 | UDIs 6.5% | LIBOR minus 20bps |
| Exchange Ps647 to US$ | 50 | (3) | 3.8% | April 2009 | Pesos 9.3% | LIBOR |
| | 294 | (43) | | | | |
| **Long-term** | | | | | | |
| Exchange Ps2,500 to US$ US$ | 234 | (47) | 2.1% | March 2011 | CETES plus 59bps | LIBOR minus 11bps |
| | 234 | (47) | | | | |
| | 528 | (90) | | | | |
| Deposits in margin accounts | — | 33 | | | | |
| | US$ 528 | (57) | | | | |

### Equity forwards in third party shares

In connection with the sale of shares of AXTEL and in order to maintain the exposure to changes in the price of such entity, on March 31, 2008, CEMEX entered into a forward contract to be settled in cash over the price of 119 million CPOs of AXTEL (59.5 million CPOs with each counterparty) which originally was set to mature in April 2011. In 2008, fair value included deposits in margin accounts for US$184 million (Ps2,528), which were presented net within liabilities, as a result of net settlement agreements with the counterparties.

During 2009, in order to restate the exercise price included in the contracts, CEMEX instructed the counterparties to definitively dispose of the deposits in margin accounts for approximately Ps207, and the contracts were renewed until October 2009. Each of the counterparties exercised an option to maintain the contracts over 59.5 million CPOs of AXTEL until October 2011.

### Forward instruments over indexes

During 2008, CEMEX negotiated forward derivative instruments over the TRI (Total Return Index) of the Mexican Stock Exchange, maturing in October 2009 through which CEMEX maintained exposure to increases or decreases of such index. TRI expresses the market return on stocks based on market capitalization of the issuers comprising the index. At their maturity in 2009, these derivative instruments were renegotiated until October 2010. Changes in the fair value of these instruments generated a gain of approximately US$18 (Ps245) in 2009 and a loss of approximately US$32 (Ps359) in 2008.

### Options in CEMEX's own shares

In June 2008, CEMEX entered into a structured transaction of US$500 (Ps6,870) paying an interest coupon of LIBOR plus 132.5 bps, which includes options based on the price of CEMEX's ADSs for a notional amount of US$500, pursuant to which if the ADS price exceeds US$32, the net interest rate of this debt would be zero. This rate increases as the price of the ADS decreases, with a maximum rate of 12% when the price per ADS is below US$23. CEMEX values the options based on the price of its ADS at fair value, recognizing gains and losses in the income statement. As of December 31, 2009 and 2008, the fair value included deposits in margin accounts of approximately US$54 (Ps707) and US$69 (Ps948), respectively, which were offset within CEMEX's liabilities as a result of a net settlement agreement with the counterparty.

In April 2008, Citibank entered into put option transactions on CEMEX's CPOs with a Mexican trust that CEMEX established on behalf of its Mexican pension fund and certain of CEMEX's directors and current and former employees. CEMEX granted a guarantee over this transaction for a notional amount of approximately US$360 in both 2009 and 2008. As of December 31, 2009 and 2008, the fair value of such guarantee, net of deposits in margin accounts, represented a liability of approximately US$2 (Ps26) and an asset of approximately US$3 (Ps41), respectively.

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Citi prepared this internal presentation in February 2009 for Richard Evans.

# Cemex (ORR 7+ / Classified II)

## Company Highlights

Recent Developments

- Feb/09 – CEMEX mandated Citi for an up to US$1.0Bn Bond Offer
- Jan/09 – Refinanced US$2.3Bn of ST Maturities to a LT Deal and extend US$1.7Bn amortization due in Dec/09 to Dec/10
- Dec/08 – obtained necessary leverage ratio amendments in order to comply during 2009-2010 with contractual covenants.
- Dec/08 – facilities were classified II (US$45.7MM of Reserves).
- Dec/08 – issuance of Ps$970MM of LT debt, exchanging ST CEBURES.
- Nov/08 – agreed to sell Canary Islands operations for €162MM.
- Jul/08 – agreed to sell Austrian and Hungarian operations for €310MM.
- Feb/08 – facilities classified IA.

## Financial Highlights

| Figures in USD (MM) | 2007 | 3Q 2008 | 2008 | 2009 F |
|---|---|---|---|---|
| Revenues | 24,193 | 17,480 | 21,689 | 17,894 |
| Cost of Goods Sold | 14,205 | 11,874 | 14,823 | 11,005 |
| EBITDA | 5246 | 3610 | 4,343 | 3,500 |
| EBITDA Margin | 21.68% | 20.65% | 20.02% | 19.56% |
| Interest Expenses | 1,370 | 700 | 912 | 1,000 |
| Net Income | 2,382 | 1,113 | 203 | 163 |
| Cash | 767 | 1,390 | 990 | 600 |
| Current Assets | 5,581 | 6,329 | 4,969 | 4,418 |
| Total Assets | 49,635 | 49,519 | 45,289 | 47,691 |
| Current Liabilities | 7637 | 8,212 | 11,122 | 8,350 |
| Total Debt (with perpetual bonds) | 22,824 | 22,043 | 21,912 | 18,312 |
| Equity | 14,942 | 20,218 | 17,158 | 17,321 |
| Total Debt / EBITDA | 4.35 | 4.66 | 5.05 | 5.23 |
| EBITDA / Int. Exp. | 3.83 | 4.80 | 4.76 | 3.50 |

## Ownership

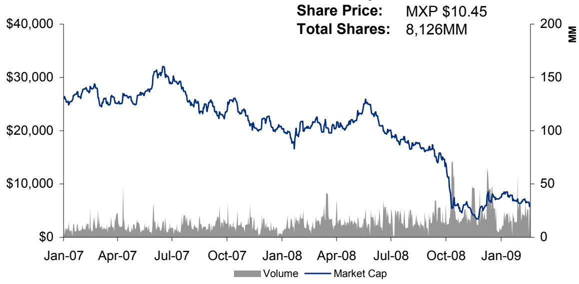
| | | |
|---|---|---|
| Zambrano and other Families* | | 34.1% |
| Publicly Owned | 40.0% | |
| Southeastern Asset Mgmt | 7.9% | |
| CEMEX Subsidiaries | 7.3% | |
| Dodge & Cox | 6.2% | |
| Senior mgmt and their immediate families | 4.5% | |
| Total | 100.0% | |

*Zambrano Villarreal, Zambrano Price, García Segovia, etc.

## Market Capitalization

(US $MM)

As of Feb 18, 2009:
**Market Cap:** USD $5,793MM
**Share Price:** MXP $10.45
**Total Shares:** 8,126MM




## Latest Analyst's Opinion

- Hold by Citi (13/02/09)
- Hold by Deutsche Bank (10/2/09)
- Underperform by BBVA (5/02/09)
- Overweight by JPMorgan (1/02/09)
- Sell by UBS (21/01/09)

## Company Ratings

| Agency | Local | Foreign |
|---|---|---|
| S&P | mxAA-(Neg) | BB+ (Neg) |
| Fitch | mxAA-(Neg) | BB+ (Neg) |

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# Relationship Overview

## Exposure

US$ Thousand *as of Jan '09*

**Total Facilities** **1,108,759**

| **OSUC** | **Outstanding** | **Unused** | **Total** |
|---|---|---|---|
| Direct | 582,608 | - | 582,608 |
| Contingency | 2,339 | - | 2,339 |
| Derivatives | 426,000 | - | 426,000 |
| Total OSUC | 1,010,947 | - | 1,010,947 |

| **Approved:** | **(Mexico/Elsewhere)** |
|---|---|
| Mexico | 826,831 |
| Elsewhere | 281,928 |
| Total | 1,108,759 |

**OSUC Breakdown**

| | **Mexico** | **Spain** | **Elsewhere** | **TOTAL** |
|---|---|---|---|---|
| Syndicated Loans | 294,800 | 232,600 | 0 | 527,400 |
| ABF | 17,100 | 0 | 0 | 17,100 |
| Commercial Paper (1) | 15,800 | 0 | 0 | 15,800 |
| Derivatives | 426,000 | 0 | 0 | 426,000 |
| Trade Products | 1,400 | 0 | 1,000 | 2,400 |
| Others | 0 | 0 | 22,200 | 22,200 |
| TOTAL | 755,100 | 232,600 | 23,200 | 1,010,900 |

(1) As of Feb/5/09 the position was sold.

## Derivative Exposure

US$ Thousand *as of Feb 17, 2009*

| | **OSUC*** | **MTM** | **Threshold** | **Cash Collateral** | **Other Collateral** | **Net of Cash** |
|---|---|---|---|---|---|---|
| Equity Derivatives | 360,000 | -259,793 | 20,000 | 209,712 | 43,454 [1] | -50,081 |
| IR & FX Derivatives | 66,000 | -34,941 | 66,000 | 0 | 0 | -34,941 |
| Total | 426,000 | -294,734 | 86,000 | 209,712 | - | -85,022 |

[1] NAFTRAC and CEMEX Stock
* PSLE (MTM + 20%*MLIV) + Unused Threshold

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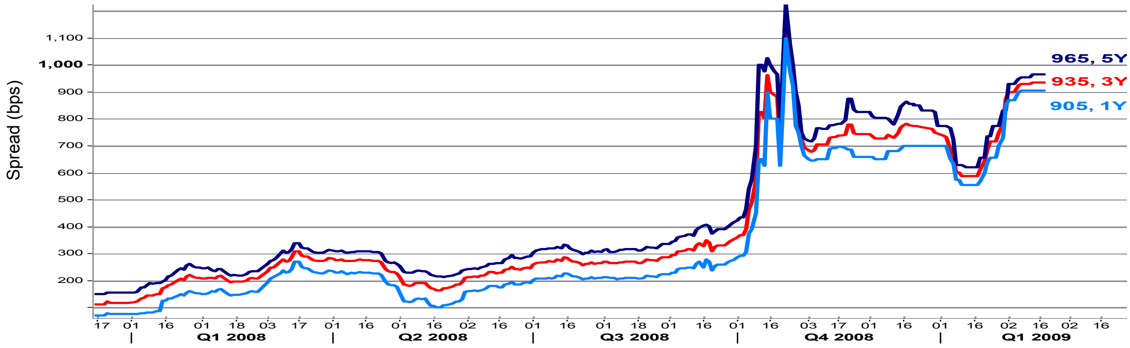
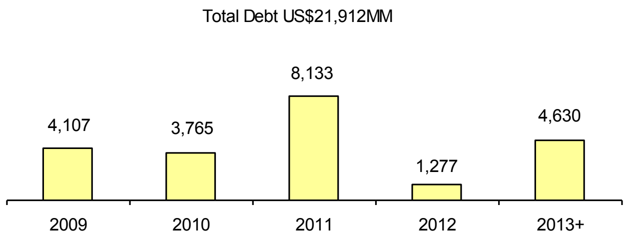
## Debt Profile

### Credit Default Swaps




### CEMEX Debt Profile as of 4Q'08 US$MM




### Top Lending Banks

| | US$MM | Loan Amount | % |
|---|---|---|---|
| 1 | BBVA | 1,443 | 10.6% |
| 2 | Santander | 1,301 | 9.6% |
| 3 | BNP Paribas | 927 | 6.8% |
| 4 | RBS | 858 | 6.3% |
| 5 | HSBC | 689 | 5.1% |
| 7 | CITI | 527 | 3.8% |

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# Other Relevant Information

Amounts in USD million

**2009 CEMEX Cash Flow Analysis**

| Cash Flows & Refinancing Plan | | Payment Obligations | |
|---|---|---|---|
| **Expected Net Free Cash Flow [1]** | **$1,350** | **Debt Amortizations** | |
| | | Commercial Paper | $110 |
| | | Syndicated Loans | 718 |
| **Refinancing Plan** | | Fixed Income | 343 |
| Extension of Tranche B of Rinker | $1,700 | Capital Hedge | 300 |
| Bilaterals Refinancing | 2,414 | Tranche B of Rinker Facility | 3,000 |
| Commercial Paper | 110 | Bilateral Loans | 2,658 |
| **Subtotal Refinancing Plan** | **$4,224** | **Subtotal Debt Amortizations** | **$7,129** |
| **Divestment Plan (Austria and Hungary)** | **$403** | **Amortization under New JBF** | **$675** |

## Break-Even Analysis

| | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Available Cash after Operating Needs | 690 | 557 | 529 | 57 | 0 | 83 | 75 | 220 | 404 | 376 | 259 | (220) |
| (+) Net FCF | (3) | (3) | 7 | 108 | 108 | 18 | 209 | 209 | 209 | 121 | 121 | 61 |
| (-) Syndicated Loan Amortizations | - | - | (455) | - | - | - | - | - | (213) | - | (806) | - |
| (-) Tranche B of Rinker Facility | - | - | - | - | - | - | - | - | - | - | - | (1,300) |
| (-) International Bonds | - | - | - | - | - | - | (39) | - | - | (62) | - | - |
| (-) Local Bonds | (106) | - | - | (136) | - | - | - | - | - | - | - | - |
| (-) Bilateral Loans | - | - | - | (150) | - | - | - | - | - | (150) | - | - |
| (-) Payments of negative MtM | (25) | (25) | (25) | (25) | (25) | (25) | (25) | (25) | (25) | (25) | (25) | (25) |
| (+) Sale of Assets | 0 | 0 | 0 | 147 | 0 | 0 | - | - | - | - | 231 | 1,484 |
| **Change in cash** | (134) | (28) | (473) | (57) | 83 | (8) | 145 | 184 | (29) | (116) | (479) | 220 |
| ***Available Cash after Operating Needs*** | **557** | **529** | **57** | **0** | **83** | **75** | **220** | **404** | **376** | **259** | **(220)** | **(0)** |

Source: Company information and Banamex assumptions.
(1) Expected Net Free Cash Flow = Free Cash Flow - Expansionary Capex - Perpetual Interest and Others.

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## Refinancing Plan Update

1) **Amendment and Extension of US$4 Bn. Executed.**
   a. US$1.7Bn. 1-year extension of the Rinker Acquisition Facility – Tranche B due 2009 to 2010
      - Citi hold is US$89MM
   b. US$2.3 Bn. bilateral loans refinancing in CEMEX Mexico and CEMEX España
      - Citi hold is US$145MM. US$72.5MM in Pesos and the rest in USD at CEMEX México

2) **International Bond Offer. Proceeds to repay schedule amortizations during 2009.**
   a. Offer Amount: **Up to US$ 1.0 Bn.**
   b. Maturity: **5/10 years (NC5)**
   c. Expected Issue Date: **First Week of March**

3) **Exposure Reduction – US$50MM Monthly CDS Purchase Program**
   a. For the moment Control Group decline approval to transact with CEMEX CDS or to sell/buy CEMEX assets in the secondary market. Today Citi holds material non public information which can have an impact in the price of these assets. We will await for the Bond Offer public announcement and revert to Control Group to re-assess Citi position.

4) **On-Going Divestment Strategy**
   a. US$403 million Austria and Hungary divestment still under regulatory approvals. P&S agreement signed.
   b. CEMEX will shortly announce the divestment of the US concrete pipes business. Estimated cash proceeds from such assets are US$720 million. CEMEX expects to receive proceeds by Jun-09.
   c. Mandated divestments to Citi:
      - UK – assets valued at approximate US$50-70MM
      - UAE – assets valued at approximate US$150-200MM
      - Australia – assets valued at approximately US$1.2-1.5Bn

5) **Anchor Investor / Equity Placement**
   a. Presented different alternatives to CEMEX's Chairman in mid-January.
   b. Company started to prepare for an equity issuance through the market or through a private investor.
   c. CEMEX has US$550 million of secondary shares (CPO's) which can be sold without shareholders or regulatory approvals but would imply a dilution for existing shareholders.

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In February 2009, CEMEX started a road show for a US$500 million bond offering. The bond, together with proceeds from asset sales were to be used to repaid upcoming principal amortizations. Assets sales did not go through and bonds were not issued. Just after the bond failure, CEMEX gathered all relationship banks to present situation and work out a plan. As neither the bond or the asset sales materialized, prospects were looking grim.

In March 2009, a bank meeting took place which set the stage for addressing the fundamental financial structure issues not addressed earlier. CEMEX initiated negotiations with its core bank lenders in order to extend the maturity of approximately US$15,000 in syndicated and bilateral loans, as well as private placement obligations.

CEMEX met in NY and Madrid with main lenders. The G-5 was created (steering committee). Citi was not among the 5 largest lenders but its relevance of its relationship allowed Citi to be part of this group. CWEA (Conditional Waiver and Extension Agreement) was put in place (Standstill). CEMEX entered into the CWEA to have time to negotiate the comprehensive Financing Agreement. The Banks appointed FTI[4] as financial advisor and Cleary Gottlieb and Clifford Chance as legal advisors. CEMEX appointed Lazard as financial advisor.

While the discussions were ongoing, CEMEX met its interest payment obligations under both its bank and capital markets debt. The lenders party to the CWEA agreed to extend to July 31, 2009, the date by which the Financing Agreement was expected to be completed, scheduled principal payment obligations which were originally due between March 24, 2009 and July 31, 2009. The term of the CWEA was subsequently extended to August 14, 2009 in order to complete the Financing Agreement. Completion of the comprehensive Financing Agreement required consent from all the lenders party to the CWEA.

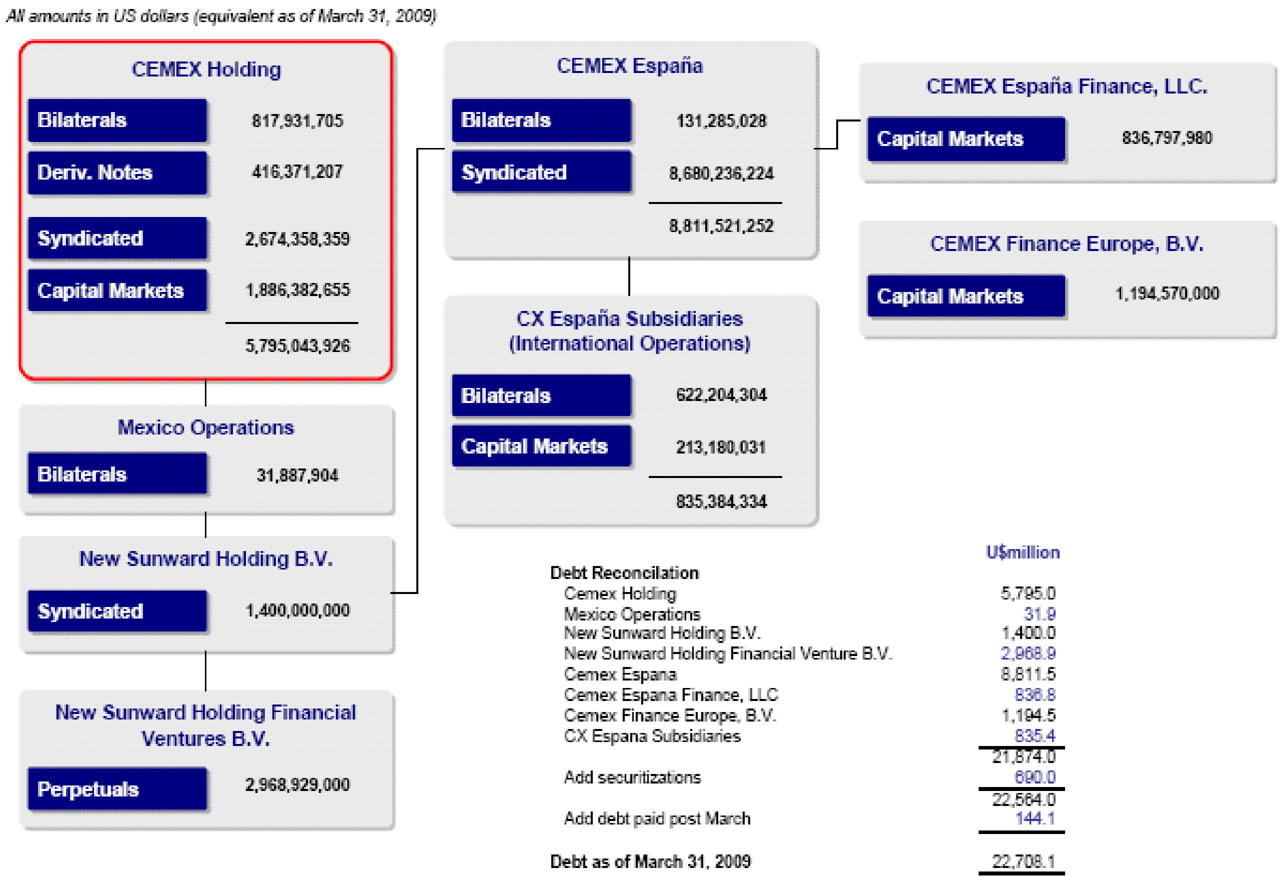
During 2009, certain consolidated entities, including CEMEX, S.A.B. de C.V. and CEMEX España, S.A., operated under the CWEA with their lenders through August 14, 2009.

CEMEX agreed that if by June 30th, 2009, the aggregate proceeds from sale of assets is less than US$1.0Bn., CEMEX agreed to issue securities under predefined market parameters. Proceeds from such securities issue would be used to repay the amortizations scheduled for 2009. In addition to the above, CEMEX also agreed to prepay in December 2009 the amortizations of 2010 (US$200MM) in an amount equivalent to 1/3 of the excess above US$1.5Bn of the extension of Tranche B of Rinker Facility.

[4] FTI Consulting is a global business advisory firm offering multidisciplinary business services in five key practice areas – Corporate Finance/Restructuring, Economic Consulting, Forensic and Litigation

## Corporate Structure and Debt

In this figure below, you can see how CEMEX's debt is divided among the corporate structure, as of March 31, 2009.




As of July 2009, total OSUC corresponding to CEMEX and its main subsidiaries facilities amount US$1,005MM. Most OSUC is related to hold positions in syndicated loans and derivative exposure related to Cemex Equity Put.

- Total OSUC extended in Mexico represented 75% of total OSUC
- Total OSUC extended in Spain represented 24% of total OSUC
- As of August 7, 2009, US$203MM was held as collateral under CX Equity Put derivative; cash collateral represented 80% of total collateral while NAFTRAC[5] shares and other CX shares represented 15% and 5% respectively. Negative MTM amounted US$224MM.

In addition, during July Citigroup approved an additional increase of US$30MM in our exposure in order to document an exchange of participation between Citi and

[5] NAFTRAC index is comprised of 35 of the largest issuers of the Mexican stock market based on market capitalization.

Commerzbank (formerly Dresdner Bank) in Cemex ING & RMC credit facilities which was documented under a silent sub participation agreement.
Settlement and clearing risk facilities amount to US$952MM related to FX and derivative settlement lines and DOL lines for CEMEX subsidiaries. OLR and ORR remains as 07+ for Cemex as per CMB Credit Policy given the classification II status. For information purposes only, DRM output was 06+ while adjusted ORR and OLR resulted in 06-.

98% of Company's OSUC is described below:

| Facility # | OSUC US$MM | Facility Description |
|---|---|---|
| 341 | 360 | Notional amount accounted as OSUC for Cemex Equity Put |
| 288 | 90.8 | Hold Position in Rinker's acquisition's finance (Trance C) |
| 287 | 87.7 | Hold Position in Rinker's acquisition's finance (Trance B) |
| 256 | 81 | Syndicated Loan |
| 355 | 74.4 | JBF Hold Position (Mxp) |
| 357 | 51.9 | ST Derivative Closed Out Facility |
| 353 | 47.5 | JBF Hold Position (USD) |
| 259-260 | 45.6 | Hold Position in Cemex España Syndicated Loan |
| 222 | 34.9 | Nwe Sunward Syndicated Loan |
| 234 | 28 | RCF Syndicated Loan |
| 354 | 25 | JBF Hold Position (USD CCB) |
| 359 | 20 | RCF Syndicated Loan (Sub participation agreement) |
| 298 | 16.4 | Leasing LT line |
| 281 | 10 | RCF Syndicated Loan (CCB) |
| 232 | 9 | LT Japanese Yen Line |
| 360 | 5 | Cemex España Syndicated Loan (Sub participation agreement) |
| 361 | 5 | Cemex España Syndicated Loan (Sub participation agreement) |
| **Total** | **992.2** | |

As of July 2009, Citigroup was CEMEX main bank in transactional and cash management services around the globe where Citi's global presence acts as the anchor in most of CEMEX transactional needs. Service Lines are a major part of the support that we provide CEMEX given its operational need. CEMEX uses these facilities to fund their operations throughout the rest of the world via their In House Banks (CEMEX SAB, CIFCO and CFC) and cover the overdrafts at the end of the day with the same collections done in each country. The company also uses these facilities to make a series of real money movements (once a month) within their own accounts to settle intercompany debt, capital injections or capital withdraws. This allows CEMEX to increase its efficiency in their cash management as they are able to reduce their idled cash balance as well as to receive a fiscal benefit in the case of the intercompany movements.

Nevertheless, given CEMEX current financial position, Citigroup reduced Service Lines from US$1.6Bn [at January 2009] to US$945MM by July 2009. The company's needs for the usage of these facilities has not decreased in the same proportion as we have reduced the facilities but the company has understood our position and have been more aggressive in their funding administration which has allowed them not to upset their ongoing operations. Citigroup still believed that US$1.0Bn in Service Lines on a clean basis is not acceptable given CEMEX situation and have started talks with company's management to reduce even further the outstanding service lines to US$800MM as well as request these facilities to be guaranteed by CEMEX SAB or CEMEX España.

By August 2009, a Financing Agreement (FA) was closed. Key element of the successful refinancing/restructure include:

- early in the negotiations, standstill agreement by all key lenders;
- appointment by banks of FTI as financial advisor and Clearly Gottlieb and Clifford Chance as legal advisors;
- appointment by CEMEX of Lazard, trusted by the banks;
- FTI's assessment that the company's financial models were robust, company professionally managed, and the best way out is "time";
- company willingness to commit to sale of assets and equity;
- structure that established an aggressive maturity profile that gave "time" yet ensured performance else pricing step-ups.

The Financing Agreement extended the maturities of approximately US$14,961 (Ps195,839) in syndicated and bilateral loans, private placements and other obligations, providing for a semi-annual amortization schedule. As of December 31, 2009, after the application of the net proceeds obtained from the sale of assets in Australia, the equity offering, and the issuance of Dollar and Euro-denominated notes described above, there was a remaining debt balance under the Financing Agreement of Ps141,621 (US$10,819), with payments due for approximately US$764 in December 2011, US$794 in 2012, US$2,393 in 2013 and US$6,868 in 2014.

Under the Financing Agreement, in addition to several covenants and restrictions and subject in each case to the permitted negotiated amounts and other exceptions, including but not limited to incurring debt, granting security, engaging in acquisitions and joint ventures, granting guarantees, declaring and paying cash dividends and making other cash distributions to stockholders, CEMEX agreed to comply with several financial ratios and tests described below.

The Financing Agreement requires, in addition to the predefined debt amortization, the application of cash on hand for any period for which it is being calculated in excess of US$650 to prepay debt. Pursuant to the Financing Agreement, CEMEX is prohibited from making aggregate capital expenditures in excess of US$600 in 2009 (plus an additional US$50 contingency to account for currency fluctuations and certain additional costs and expenses), US$700 in 2010 and US$800 for each year after 2011 until debt under the Financing Agreement has been repaid in full.

In September 2009, CEMEX announces Global Public offering for US$1.8Bn used to repay FA. Cit acted as Joint Bookrunner. This was the press release:

## CEMEX announces completion of global offering

Monterrey, Mexico. September 28, 2009

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CEMEX, S.A. de C.V. (NYSE: CX) announced that a total of 1,495,000,000 Ordinary Participation Certificates (CPOs), directly or in the form of American Depositary Shares (ADSs), were sold in a global offering completed today. The underwriters fully exercised their options to purchase additional CPOs and ADSs to cover over-allotments.

Of the 1,495,000,000 CPOs offered, 1,121,250,000 CPOs, directly or in the form of ADSs, were sold in the United States and elsewhere outside of Mexico and 373,750,000 CPOs were sold in Mexico. The ADSs were offered to the public at a price of US$12.50 per ADS, and the CPOs were offered to the public at a price of MXN16.65 per CPO.

The estimated net aggregate proceeds from the global offering, including proceeds from the exercise of the over-allotment option, were approximately US$1.782 billion. The over-allotment option relating to the Mexican portion of the offering will be completed tomorrow. CEMEX intends to use the net proceeds from the global offering to pay down debt as required by the financing agreement recently entered into with its creditors.

J.P. Morgan, Citi, Santander Investment and BBVA acted as global coordinators for the global offering. J.P. Morgan, Citi, Santander Investment, BBVA, BNP Paribas, HSBC and RBS acted as joint bookrunning managers on the international offering. Acciones y Valores Banamex Casa de Bolsa, J.P. Morgan Casa de Bolsa, Casa de Bolsa BBVA Bancomer, Santander Casa de Bolsa and HSBC Casa de Bolsa acted as bookrunning managers for the Mexican offering.

CEMEX sells Australian operations in October 2009. This is the press release:

## CEMEX completes sale of Australian operations

Monterrey, Mexico. October 1, 2009

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CEMEX, S.A.B. de C.V. (NYSE: CX) announced today that it has completed the previously announced sale of its Australian operations to Holcim Group.

The proceeds from this sale are approximately A$2.02 billion (approximately US$1.7 billion) and will be used to reduce debt and to strengthen CEMEX's liquidity position.

This asset divestment marks another milestone in CEMEX's efforts to regain its financial flexibility; these include the refinancing of US$15 billion dollars of debt and the global offering of 1.495 billion Ordinary Participation Certificates (CPOs), including the over-allotment option, with estimated net proceeds of US$1.782 billion.

Then CEMEX announced the following:

## CEMEX announces filing of mandatorily convertible securities transaction

Monterrey, Mexico. November 4, 2009

CEMEX, S.A.B. de C.V. (NYSE: CX), announced today that it intends to issue mandatorily convertible securities (the "Securities") through an exchange offering directed to holders of *Certificados Bursátiles* issued by CEMEX. These Securities will be mandatorily convertible into *Certificados de Participación Ordinaria* ("CPOs") similar to those already outstanding. The transaction is expected to be launched for a minimum amount of Securities of MXN3.0 billion that will be mandatorily convertible into approximately 114.5 million CPOs, using the conversion price as of October 30, 2009. However, CEMEX may issue Securities mandatorily convertible into a maximum amount of 400 million CPOs. The issuance of these Securities has already been approved by CEMEX's shareholders. This transaction is not expected to result in cash proceeds to CEMEX or any of its subsidiaries. To this end, a registration statement relating to the Securities has been filed with the *Comisión Nacional Bancaria y de Valores* ("CNBV", or the Mexican securities authority). This transaction is subject to approval from the CNBV. Once the approval is granted, the offer period will last a minimum of 20 business days.

Key terms of the Securities include:

- The conversion price will be determined by multiplying the volume-weighted average price of the CPO for 10 trading days prior to closing of the offer, times a conversion rate in the range of 1.62 to 1.65
- A coupon which will yield 10% annually, and will be payable every 91 days
- Maturity at 3,640 days from the issuance date, or approximately 10 years, unless there is a conversion event before maturity
- Mandatory conversion triggered by (among others): the price of the CEMEX CPO reaching certain thresholds, or by reaching the maturity date
- Holders will have the option to voluntarily convert, after one year of issuance, on interest payment dates
- The Securities will have stock market restrictions until March 30, 2010

CEMEX intends to place these securities with Mexican Pension Funds (*Sociedades de Inversión Especializadas en Fondos para el Retiro*, or SIEFORES) and other investors outside the United States that are not U.S. persons in transactions exempt from registration under the U.S. Securities Act of 1933, as amended (the "Securities Act"), in exchange for outstanding debt securities (*Certificados Bursátiles*) previously issued in the Mexican capital markets, which the company intends to cancel, once the exchange offer is consummated. **The Securities and the CPOs issuable upon conversion have not been and will not be registered under the Securities Act or any state securities laws, and they may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the Securities Act.**

In December 2009, CEMEX issues notes for US$1.75Bn to repay FA; Citi was one of the Joint Bookrunner; with the following press release

## CEMEX issues notes in excess of US$1.75 billion

Monterrey, Mexico. December 9, 2009

CEMEX, S.A.B. de C.V. (NYSE: CX), announced today the pricing of offerings of US$1.25 billion aggregate principal amount of US Dollar denominated notes and €350 million aggregate principal amount of Euro denominated notes.

The US Dollar-denominated notes mature in 7 years and will pay a coupon of 9.50%, annually. The Euro-denominated notes mature in 8 years and will pay a coupon of 9.625%, annually.

The notes will be issued at par and will be callable commencing on their 4th anniversary. The closing of the offerings is expected to occur on December 14, 2009, subject to satisfaction of customary closing conditions.

CEMEX intends to use a majority of the net proceeds from the offerings of the notes to prepay principal outstanding under the Company's debt Financing Agreement completed on August 14, 2009 and approximately US$400 million of the net proceeds will increase its cash balance and be used for general corporate purposes.

By the end of 2009, the company was well on its way to accessing the capital markets to repay the FA as agreed as well as selling assets. Under the terms of the FA, the company was required to unwind all outstanding derivatives contracts, except for Citi's equity put option.

Despite the Company's performance under the FA related to restructuring of its balance sheet, leverage was still high and operating performance still lagged due to continued slow global economic recovery, in the US in particular.

By early 2010, covenants were not being met and covenant waivers/amendments were required, first, at the beginning of the year and late 2010. Each time the company requested a waiver, they also proposed a commitment for prepayment. At the end of 2010, the banks and FTI approved covenant modifications with CEMEX's further agreement to issue more capital markets solutions (debt and equity) to repay the FA. (For purposes of calculating debt under the FA, subordinated convertible notes are NOT included, making these an attractive financing source).

CEMEX issued convertible debt, and purchased from Citi a cap call option to limit the economic dilution of potential conversion. The option cost CEMEX $100mm. The option was used to offset cash collateral required under Citi's $200mm equity put option. Both the put option and the cap call are outside the terms of the FA.

During the first quarter of 2010, CEMEX operating performance was not picking up in the US as projected. FTI started to predict a possible covenant default. CEMEX has significant goodwill with banks as the amount of repayment under the FA has been more than expected and in a shorter period of time.

CEMEX issued subordinated convertible notes for US$715MM and purchased capped call. Proceeds were used to prepay the FA and Certificados Bursatiles maturing in late 2010. Cit acted as Joint Boorunner and sold capped call.

This is the press release:

## CEMEX announces closing of offering of convertible subordinated notes

Monterrey, Mexico. March 30, 2010

CEMEX, S.A.B. de C.V. (NYSE: CX), announced today the closing of an offering of U.S.$715 million aggregate principal amount of 4.875% convertible subordinated Notes due 2015 (the "Notes"). The aggregate principal amount of the Notes issued reflects the full exercise of the U.S.$65 million over-allotment option granted to the initial purchasers with respect to the Notes.

In connection with the offering of the Notes, CEMEX entered into a capped call transaction with an affiliate of one of the initial purchasers. This transaction is expected to generally reduce the potential cost to CEMEX upon future conversion of the Notes. CEMEX intends to use the net proceeds from the offering of the Notes to fund the purchase of the capped call transaction, for general corporate purposes and to repay indebtedness, which may include indebtedness under CEMEX's Financing Agreement, as amended.

CEMEX management went through several changes during 2010 as EVP of Planning and Finance, Hector Medina, was replaced by Fernando Gonzalez, who has a long tenure in the company. Also, Capital Markets Director, Humberto Moreira, was replaced by Hector Vela who used to run CEMEX Spain's operations. Both, Fernando Gonzalez and Hector Vela, are well known to Citi and have demonstrated in the past that they are very capable. With regards to the rest of the management that did not suffer any changes our assessment has not been modified from being a talented management team who is widely regarded as highly professional and capable.

The company was able to fulfill several accomplishments during 2009 and mid 2010 that has allowed them to be well positioned for the near future once the American economy starts its recovery[6].

In May 2010, CEMEX closed an exchange offer for its perpetual securities into 10 year notes which implied a net debt reduction of US$440MM.

This is the press release:

## CEMEX announces expiration of the exchange offers for its perpetual securities

Monterrey, Mexico. May 10, 2010

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CEMEX, S.A.B. de C.V. (NYSE: CX), announced today the results of its four separate private offers to exchange CEMEX's currently outstanding perpetual debentures for new senior secured notes to be denominated in Dollars and Euros (the "New Senior Secured Notes"). The settlement date for the New Senior Secured Notes is expected to be May 12, 2010.

The issuer of the New Senior Secured Notes (the "Issuer") is CEMEX España, S.A., acting through its Luxembourg branch. The Issuer, subject to the terms and conditions described in the Issuer's confidential offering memorandum dated April 5, 2010 (as supplemented and amended, the "Offering Memorandum") and the accompanying letter of transmittal (the "Letter of Transmittal"), offered to exchange:

1. any and all of the properly tendered and accepted outstanding U.S. dollar-denominated 6.196% Fixed-to-Floating Rate Callable Perpetual Debentures at U.S.$743.75 per U.S.$1,000 principal amount for New Dollar Senior Secured Notes (the "USD 6.196% Exchange Offer"),
2. any and all of the properly tendered and accepted outstanding U.S. dollar-denominated 6.640% Fixed-to-Floating Rate Callable Perpetual Debentures at U.S.$746.25 per U.S.$1,000 principal amount for New Dollar Senior Secured Notes (the "USD 6.640% Exchange Offer"),
3. any and all of the properly tendered and accepted outstanding U.S. dollar-denominated 6.722% Fixed-to-Floating Rate Callable Perpetual Debentures at U.S.$753.75 per U.S.$1,000 principal amount for New Dollar Senior Secured Notes (the "USD 6.722% Exchange Offer"), and
4. any and all of the properly tendered and accepted outstanding Euro-denominated 6.277% Fixed-to-Floating Rate Callable Perpetual Debentures at €717.50 per €1,000 principal amount for either New Euro Senior Secured Notes or New Dollar Senior Secured Notes at the option of the exchanging holder (the "Euro Exchange Offer" and, together with the USD 6.196% Exchange Offer, the USD 6.640% Exchange Offer and the USD 6.722% Exchange Offer, the "Exchange Offers"). The exchange of Euro-denominated Perpetual

[6] *Read CEMEX 2010*

Debentures for New Dollar Senior Secured Notes will be done at U.S.$1.3468 per €1.00, the official exchange rate published by the European Central Bank on April 1, 2010.

The Exchange Offers expired at 11:59 p.m., New York City time on May 7, 2010 (the "Revised Expiration Date"). As of the Revised Expiration Date, the following amounts had been properly tendered and not withdrawn by series along with the corresponding consents to the proposed amendments to the indentures governing the Perpetual Debentures, the underlying Dual Currency Notes and the related collateral documents:

1. U.S.$203,098,000 in aggregate principal amount (or 58.03%) of outstanding U.S. dollar-denominated 6.196% Fixed-to-Floating Rate Callable Perpetual Debentures
2. U.S.$381,118,000 in aggregate principal amount (or 50.82%) of outstanding U.S. dollar-denominated 6.640% Fixed-to-Floating Rate Callable Perpetual Debentures
3. U.S.$451,057,000 in aggregate principal amount (or 50.12%) of outstanding U.S. dollar-denominated 6.722% Fixed-to-Floating Rate Callable Perpetual Debentures
4. €463,948,000 in aggregate principal amount (or 63.55%) of outstanding Euro-denominated 6.277% Fixed-to-Floating Rate Callable Perpetual Debentures

CEMEX has received requisite consents from a majority of the holders on all four aforementioned tranches of its perpetual debentures. Accordingly, the condition relating to the receipt of such requisite consents from eligible holders on or prior to the Revised Expiration Date has been satisfied for each of the Exchange Offers.

The tendered perpetual debentures will be accepted for exchange into (1) U.S.$1,067,665,000 New Senior Secured Notes denominated in Dollars, maturing on May 12, 2020 with a coupon of 9.25%, and callable commencing on the fifth anniversary of their initial issuance and (2) €115,346,000 New Senior Secured Notes denominated in Euros, maturing on May 12, 2017 with a coupon of 8.875%, and callable commencing on the fourth anniversary of their original issuance. Interest on the New Dollar Senior Secured Notes and on the New Euro Senior Secured Notes will be payable semi-annually in arrears on each May 15 and November 15, beginning on November 15, 2010 through their final maturity.

As a result of the Exchange Offers, CEMEX's overall indebtedness (including the perpetual debentures) will be reduced by approximately $437 million (calculated by using the representative Euro/Dollar exchange rate published by the European Central Bank on April 1, 2010, of 1.3468).

The New Senior Secured Notes (i) will represent senior obligations of the Issuer, (ii) will be unconditionally guaranteed on a senior secured basis by the same guarantors of the Dual Currency Notes: CEMEX, S.A.B. de C.V., CEMEX México, S.A. de C.V., and New Sunward Holding B.V., and (iii)will share the same collateral that secures the obligations under the Dual Currency Notes, the Financing Agreement, dated August 14, 2009, as amended (the "Financing Agreement"), and other senior secured debt having the benefit of such collateral, since the New Senior Secured Notes are refinancing or replacing existing financial indebtedness under the Financing Agreement.

Through nine months of 2010, CEMEX performance in the US is not performing as expected and new amendment to covenant is required. After much deliberations from the banks and FTI on the covenants, the proposal was finally approved.

## Proposed Amendments to Financing Agreement

CEMEX

**1) Increase Leverage Covenants (2/3 approval of FA participants)**

| | Dec-10 | Jun-11 | Dec-11 | Jun-12 | Dec-12 | Jun-13 | Dec-13 |
|---|---|---|---|---|---|---|---|
| CX Projection | **7.04x – 6.72x** | **6.67x** | **6.41x** | **6.05x** | **5.60x** | **4.89x** | **4.27x** |
| Original Covenants | 6.75x | 5.75x | 5.25x | 4.75x | 4.25x | 3.90x | 3.50x |
| Proposed Covenants | 7.75x | 7.75x | 7.00x | 6.50x | 5.75x | 5.00x | 4.25x |

**Securities Demand up to US$1.0Bn.** If by Dec-11, CEMEX has not reduced the Consolidated Funded Debt by US$1Bn., banks under the Financing Agreement (FA) have a six month period to demand CEMEX to issue equity, equity-like and or debt securities for up to US$1Bn. Additional margin of 50bps will occur while this milestone is not met.

**2) Certificados Bursátiles Reserve (2/3 approval of FA participants)**

a. Maintain CB Reserve account for up to 12 months (currently there is a gradual step down to 6 months by Mar-11)
b. Allow the creation of CB Reserve with proceeds from Equity issuance up to 50% of the net proceeds after cash replenishment and securities demand (if applicable).
c. Ability to replenish CB reserve with cash-in-hand and asset sales for up to the voluntary prepayment amount to the FA

**4) Exclude subordinated intercompany transactions under insolvency test for intercompany liabilities of Holding Co. of material subsidiaries that are not obligors. (2/3 approval of FA participants)**

**5) Allow for the liability management of the €$900MM 2014 Eurobond (trading at 84/100) with a new High Yield bond that would imply for FA creditors to share existing guarantees and security package. Subject to US$650MM repayment of FA debt. (85% of Inter-creditor Agreement Creditors)**

Banamex

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CEMEX continued to access the capital markets as agreed in the condition of the October 2010 waiver during early 2011. However, by mid year 2011, a failed bond issue indicated potential change in the market's perception of CEMEX and concern that future FA milestones would not be met.

In June, Citi helped to issue a USD 650MM bond issue, successfully, using a "reverse inquiry basis" to determine what structure/pricing investors needed to make the bond salable.

CEMEX issued a US$1Bn note to paydown FA and complied with the agreement under the recent amendment.

Here is the press release:

## CEMEX to issue U.S.$1,000 million of senior secured notes

Monterrey, Mexico. January 4, 2011

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CEMEX, S.A.B. de C.V. (NYSE: CX), announced today the pricing of an offering of U.S.$1,000 million aggregate principal amount of U.S. Dollar denominated senior secured notes (the "Notes").

The Notes will mature in 2018 and will pay a coupon of 9.00%annually. The Notes will be issued at a discount at 99.364% of face value and will be callable commencing on their 4th anniversary. The closing of the offering is expected to occur on January 11, 2011, subject to satisfaction of customary closing conditions.

CEMEX intends to use the proceeds from the offering for general corporate purposes, which may include the repayment of indebtedness, including indebtedness under CEMEX's Financing Agreement completed on August 14, 2009, as amended, all in accordance with the terms of the Financing Agreement. This transaction is intended to improve CEMEX's debt maturity profile and reduce short term refinancing risk.

The Notes will share in the collateral pledged to the lenders under the Financing Agreement and other senior secured indebtedness having the benefit of such collateral, and will be guaranteed by CEMEX México, S.A. de C.V., CEMEX España, S.A., and New Sunward Holding B.V.

CEMX then issued subordinated convertible notes for US$1.67 Bn. to paydown FA in March 2011.

## CEMEX announces closing of U.S. $1.67 billion offering of convertible subordinated notes

Monterrey, Mexico. March 16, 2011

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CEMEX, S.A.B. de C.V. (“CEMEX”) (NYSE: CX), announced today the closing of an offering of U.S. $1.67 billion aggregate principal amount of two series of convertible subordinated notes, one of which matures in 2016, and the other in 2018. This amount reflects the full exercise of the U.S. $267.5 million over-allotment options granted to the initial purchasers.

Substantially all the new shares approved at CEMEX's extraordinary shareholders' meeting on February 24, 2011 are being reserved by CEMEX to satisfy conversion of the notes. Consequently, CEMEX does not expect to undertake any additional equity capital rising in the near future.

CEMEX is using a portion of the net proceeds from the offering of the notes to fund the purchase of capped call transactions, which are expected generally to reduce the potential cost to CEMEX upon future conversion of the notes, and to prepay indebtedness under CEMEX's Financing Agreement, as amended, and expects to use the remaining net proceeds to repay *Certificados Bursátiles*.

As a result of the prepayments made under the Financing Agreement, CEMEX will avoid an increase of 150 basis points in the agreement's annual interest rate and has also made all required principal payments under the Financing Agreement until June 2013.

Completion of this transaction marks a significant milestone in CEMEX's 2011 financial plan, allowing CEMEX to further reduce refinancing risk and improve its capital structure.

The notes and the capped call transactions, as well as ADSs and *Certificados de Participación Ordinarios*, or CPOs, underlying such securities, have not been registered under the U.S. Securities Act of 1933 (the "Securities Act") or any applicable state securities laws. The notes were offered only to qualified institutional buyers pursuant to Rule 144A and outside the United States pursuant to Regulation S, both as promulgated under the Securities Act. Unless so registered, the notes and the securities issuable upon conversion may not be offered or sold in the United States except pursuant to an exemption from the registration requirements of the Securities Act and applicable state securities laws.

In March 2011, CEMEX also issued US$800MM in floating rates notes to paydown FA and other indebtedness. Please refer to the press release:

## CEMEX announces pricing of U.S.$800 million in floating rate notes

Monterrey, Mexico. March 29, 2011

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CEMEX, S.A.B. de C.V. (CEMEX) (NYSE: CX), announced today the pricing of U.S.$800 million aggregate principal amount of floating rate senior secured notes (the "Notes") denominated in U.S. Dollars.

The Notes will mature on September 30, 2015, will pay interest quarterly at three-month U.S. Dollar LIBOR plus 500 basis points, and will be issued at a price of 99.001% of face value. The closing of the offering is expected to occur on April 5, 2011, subject to satisfaction of customary closing conditions.

CEMEX intends to use the net proceeds from the offering to prepay principal outstanding under its Financing Agreement completed on August 14, 2009, as amended. As a result of this expected prepayment and, taking into account other prepayments, CEMEX will have (i) addressed all maturities under the agreement until December 2013, (ii) repaid approximately 50% of the original balance outstanding under the agreement, significantly improving CEMEX's debt maturity profile, and (iii) repaid approximately 98% of the total amount required to be repaid by December 31, 2011 to reach the second milestone under the agreement, which would enable CEMEX to avoid the remaining 50 basis points increase in the agreement's annual interest rate.

The Notes will share in the collateral pledged for the benefit of the lenders under the Financing Agreement and other secured obligations having the benefit of such collateral, and will be guaranteed by CEMEX Mexico, S.A. de C.V., CEMEX España, S.A. and New Sunward Holding B.V.

Citi helped CEMEX in the issuing of the following:

## CEMEX prices U.S.$650 million reopening of 9.000% notes due 2018

Monterrey, Mexico. July 6, 2011

CEMEX, S.A.B. de C.V. (CEMEX) (NYSE: CX) announced today the pricing of a U.S.$650 million reopening of its 9.000% Senior Secured notes due 2018, which were originally issued on January 11, 2011 in the amount of U.S.$1 billion.

The additional U.S.$650 million of notes will be issued at a price of U.S.$97.616 per U.S.$100 principal amount, plus any accrued interest. The closing of the offering is expected to occur on July 11, 2011, subject to satisfaction of customary closing conditions. CEMEX intends to use the net proceeds from the offering for general corporate purposes and the repayment of indebtedness, including indebtedness outstanding under CEMEX´s Financing Agreement, dated August 14, 2009, as amended, all in accordance with CEMEX's debt contracts. This transaction is intended to allow CEMEX to continue addressing its debt maturities ahead of schedule and to contribute to CEMEX's objective of meeting the prepayment milestone under the Financing Agreement, in order to avoid incremental interest costs.

The Notes will share in the collateral pledged for the benefit of the lenders under the Financing Agreement and other secured obligations having the benefit of such collateral, and will be guaranteed by CEMEX Mexico, S.A. de C.V., CEMEX España, S.A. and New Sunward Holding B.V.

Although all the key milestones in the FA were met during early 2012, with repayments exceeding expectations, its 2014 maturity was a concern[7]. CEMEX contemplated asking the Participating Creditors to extend the tenor and change the terms of the Financing Agreement, through 2017 and, accordingly, the business plan was prepared by FTI[8].

Since the 2009 refinancing, CEMEX has reduced FA debt by more than 50% and continued to be proactive about reducing leverage and improving CEMEX's credit profile.

CEMEX

- Raised $4.6bn of equity and equity-linked instruments and issued $7.0bn of long term debt, including approximately $940 million of notes in March 2012 to fund an exchange for the Company's Eurobonds and other debt
- Sold assets for $2.6bn
- Prepaid $7.7bn of FA debt, more than 50% of original balance; repaid 100% of CB maturities and maintained its working capital facilities

Notwithstanding CEMEX's diligence in managing liabilities, end markets have continued to decline, resulting in increased total leverage. EBITDA declined $2.8bn since 2006, predominantly driven by U.S. and Mediterranean markets. In 2011, EBITDA was negative in the United States. [See financial information on the next page].

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[7] *Read the pdf titled "Cement Industry Study 2012"*

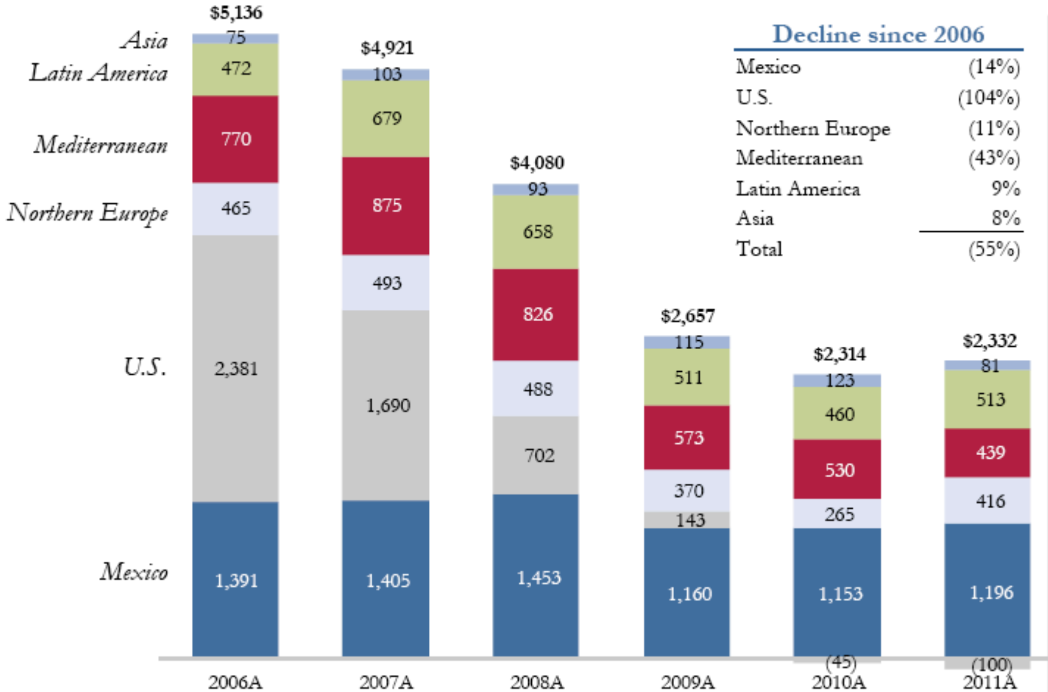
[8] *Read the pdf titled " CEMEX FTI report March 2012'*

# Delay in Recovery in Key Markets

**($ in millions)**

**Delay in expected recovery resulted in approximately 40% lower EBITDA than forecasted when Cemex entered into the FA**

## CONSOLIDATED EBITDA PERFORMANCE SINCE 2006 (BY REGION)




| Decline since 2006 | |
|---|---|
| Mexico | (14%) |
| U.S. | (104%) |
| Northern Europe | (11%) |
| Mediterranean | (43%) |
| Latin America | 9% |
| Asia | 8% |
| Total | (55%) |

| | 2006A | 2007A | 2008A | 2009A | 2010A | 2011A |
|---|---|---|---|---|---|---|
| Sales | $22,608 | $22,665 | $20,131 | $14,544 | $14,069 | $15,139 |
| EBITDA Margin | 22.7% | 21.4% | 20.3% | 18.3% | 16.4% | 15.4% |

- 2011 EBITDA was $2.3bn, versus more than $5.1bn in 2006 (pro forma), representing 55% decline
- Majority of EBITDA decline has come from U.S. and Mediterranean
  - U.S. EBITDA negative since 2010
- Mexico, Northern Europe and Latin America all still performing well
- CEMEX has pursued significant cost reduction measures to mitigate downturn, increasing operational leverage in recovery
- 2012 expected to show high single digit EBITDA improvement vs. 2011
  - Continued challenges in Mediterranean offset by strength in Northern Europe

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Despite these challenges, CEMEX has met its leverage covenants through 2011 and expects to meet its 2012 covenants. However, CEMEX will remain over-leveraged and 2014 refinancing will be challenging without a comprehensive solution. In the beginning of 2012, capital market access is restricted. Early in 2012, the bank consortium began discussions on a new loan, with new covenants and new collateral, and a 2017 expiration, called the "new" FA. In June 2012, CEMEX announced that it scheduled meetings with the full syndicate of lenders under its August 2009 financing agreement, to outline a refinancing proposal. Such proposal has been discussed and negotiated with a number of CEMEX's banks, which hold approximately 50% of the outstanding balance under the financing agreement. Some of the key elements of the refinancing proposal for lenders who elect to participate are as follows:

- a three-year extension of the maturity—from February 2014 to February 2017;
- an up-front fee and revised margin;
- a US$1 billion pay down in 2013;
- an enhanced guarantor package; and
- revised operational and financial covenants.

CEMEX expects that in order to make the 2013 pay down, they may have select asset sales. The New Financing Agreement was proposed in July 2012; it is summarized in the following pages.

# Annual Review and New Refinancing Agreement Approval

July 2012

# Annual Review Approval

- CEMEX, Substandard / 7+, Co-managed with IRM
- Total Facilities remain unchanged at US$882MM
- Annual Review comprises the approval of the refinancing of existing Financing Agreement (FA) into a New Financing Agreement (New FA) maturing in 2017. New FA amount is US$7.3 billion
- OSUC has come down from US$688 million to US$348 million from Aug-09 when CEMEX refinanced US$15 billion of debt
- Passive OLE represent USD$322 MM on the 0-7 days bucket, USD$344 MM on the beyond 7 days bucket, and USD$51 MM on Risk Capital bucket as of May 2012. CDS and secondary loan markets have not been an alternative to reduce exposure as Citi has had access to non-public privileged information derived from the execution of a series of capital markets deals (HYB Offering, Convertible Bonds, Caliza among others) which have restricted our access to these markets.

## Exposure

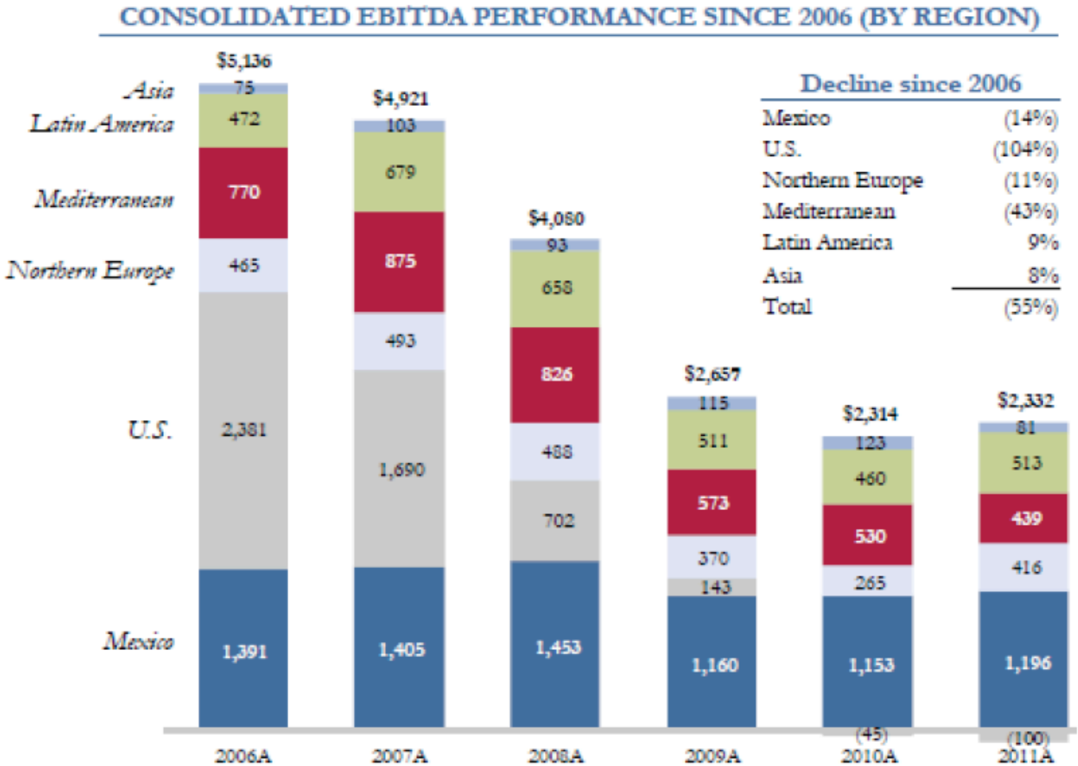
| *US$ Millions* *OSUC PSE basis* | TFA PSE | O/S Aug´09 | O/S May´12 | Reduction Δ Time |
|---|---|---|---|---|
| Financing Agreement | 300 | 615 | 299 | -317 |
| Leasing LT | 13 | 16 | 11 | -5 |
| ST Loans | 104 | 19 | 5 | -14 |
| L/C | 0 | 0 | 0 | 0 |
| SBLC | 3 | 1 | 3 | 2 |
| **Direct** | **420** | **651** | **317** | **651** |
| **Derivatives** | **393** | **37** | **31** | **-6** |
| **Total** | **813** | **688** | **348** | **-341** |
| *Settlement & Clearing* | *882* | | | |

**PSLE (MTM+MLIV)+Unused Threshold or Trading Losses*
*** Total facilities are calculated adding Direct, Contingent and Derivative Exposures*

1

# Company Update

- The world economic downturn experienced during recent years has affected CEMEX's financial results given the close correlation between GDP behavior and private consumption of cement derived products.
- CEMEX recovery is highly dependent on the US Construction Sector and it is not expected to show clear signs of recovery until early 2013 according to the Portland Cement Association.
- The graph below shows historical EBITDA by region starting in 2006 which as explained before is vulnerable to the US economy, resulting in a decline of 104% since 2006.




2

# Relationship Update as of Jul-12

- Citi was appointed as one of the 8 Structuring Banks (the "G8") to design the existing refinancing strategy. The expected Structuring Fee is US$ 2.5MM, on top of the upfront fees and spread to Citi as a Lender.
- We have also been appointed as an Advisor to CEMEX together with JPM and BNP to add a US$ 500MM HY Note exchange to the refinancing transaction. Expected Fee is US$1.0 MM.
- We are currently executing Project Caliza, which is the divestment of a minority stake of certain subsidiaries of CEMEX in South America. This represents the first opportunity for CEMEX to raise US$1.0 BN a milestone to be paid before Mar'13 on the new refinancing strategy. Expected Fee in this transaction is US$7 MM.
- Last year, after CEMEX was forced to pull out a US$650 MM bond offering in mid June as a result of the deterioration of the High Yield markets, we took the mandate away from HSBC and MLBA and took CEMEX back to the market with a very successful reopening of one of the existing bonds.
- As one of the company's most important relationship banks CEMEX expects Citi s support in the execution and leadership of their 2012 refinancing strategy.
- RORC levels fall below target based on current SS classification but is one of the top revenue companies in Latin America.
- Over the past 36 month, Citi has led CEMEX s most important transactions. We are ranked #1 in CEMEX s fee based revenues wallet share while we make up 4% of CEMEX's direct exposure to its lenders (ranked 7th). This situation has generated concern within CEMEX to the point of asking Citi for greater reciprocity in the use of its balance sheet

## Revenues

| US$ Thousands | '09 | '10 | '11 | LTM May '12 |
|---|---|---|---|---|
| Lending | 4,504 | 15,589 | 15,146 | 14,799 |
| GTS (SFS+TTS) | 6,477 | 4,753 | 8,970 | 7,389 |
| Markets (FICC) | 12,969 | 25,941 | 8,134 | 4,053 |
| M&A/CMO | 43,541 | 18,596 | 13,419 | 5,436 |
| **Total Revenues** | **67,491** | **64,879** | **45,669** | **31,676** |
| Expenses | 24,110 | 27,619 | 18,721 | 11,050 |
| CoC | 39,169 | 27,641 | 22,297 | 20,745 |
| **EBIT** | **43,284** | **37,240** | **26,948** | **20,627** |
| **Net Income** | **2,654** | **6,191** | **2,999** | **-76** |
| **Risk Capital** | **123,748** | **97,173** | **66,707** | **56,810** |
| **RORC%** | **2%** | **6%** | **5%** | **0%** |

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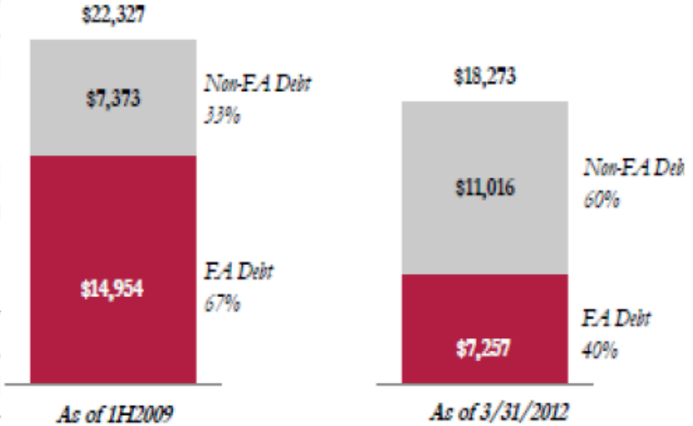
# The FA Arrangement in 2009

- On August 2009 CEMEX and its main banks (the "G14") agreed in the terms and conditions of company's restructuring process. The refinancing agreement contemplated syndicated loan facilities, bilateral facilities, promissory notes and USPP bonds.

- Working capital facilities at the operating subsidiary level and capital markets debt (other than USPP) were not included in the refinancing plan.

- Total refinancing agreement exposure (FA) amounted approximately US$15 BN (which included loans for US$13.7 BN, private placements for US$837MM and US$437MM related to promissory notes of closed derivative positions). Since the signing of the Existing FA in August 2009, CEMEX has proactively addressed its capital structure through the following actions:

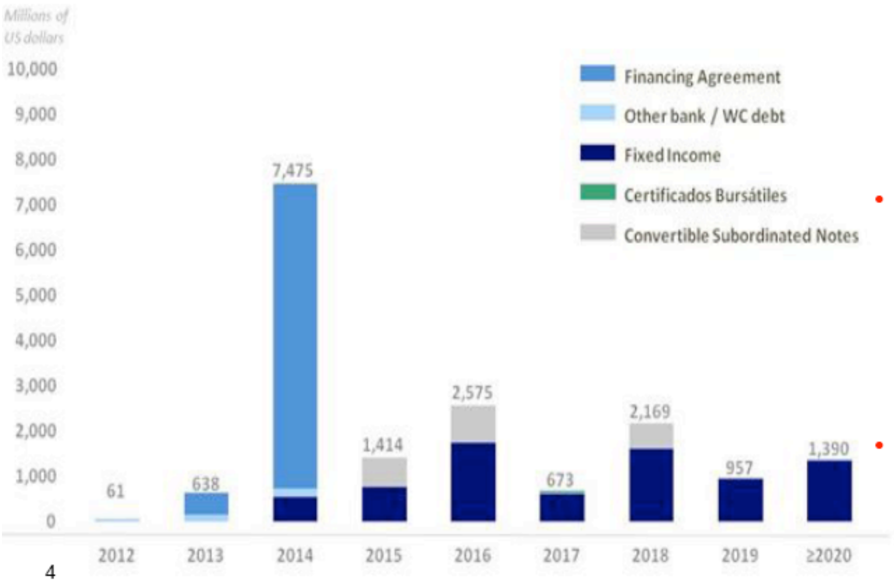



- ISSUED U.S.$4.6 BILLION OF EQUITY OR EQUITY LINKED INSTRUMENTS
- SOLD ASSETS FOR APPROXIMATELY U.S.$2.6 BILLION
- ISSUED OVER U.S.$7.0 BILLION OF LONG-TERM DEBT SECURITIES

## Debt Profile

- Mainly as a result of the before mentioned transactions, the initial amount of the Existing FA has been reduced to USD$7.3 BN as of 31 March 2012, representing a reduction of approximately 51% (as shown in the above graph). In addition, during this period CEMEX has been able to repay or refinance other maturities.

- As of April 2012, the maturity profile of the Group was as shown:

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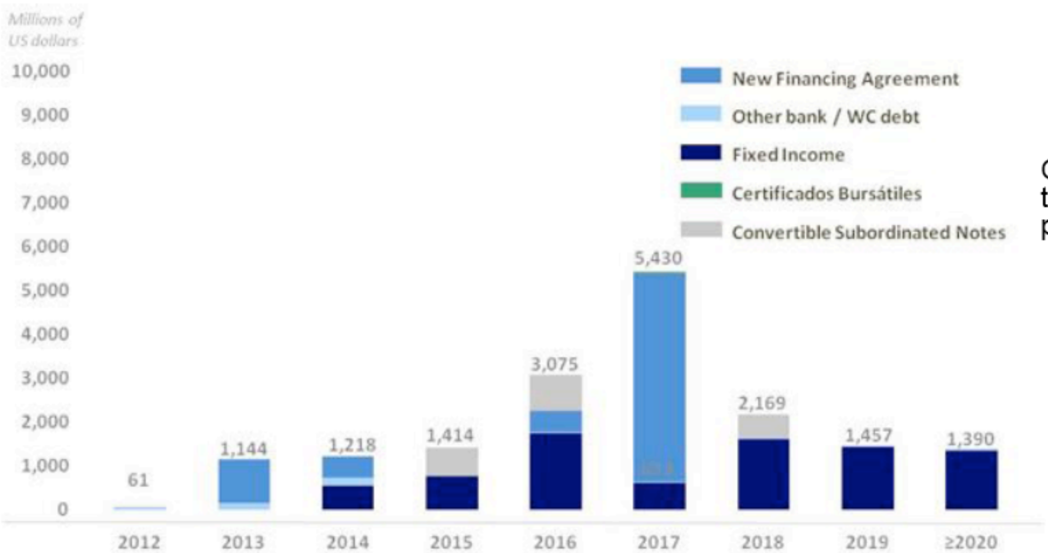
# Proposed Transaction

- CEMEX is requesting that Participating Creditors exchange their Existing Exposures under the Existing Financing Agreement for new indebtedness that would effectively extend the maturity date of such indebtedness from February 14th, 2014 to February 14th, 2017 (subject to certain prepayment and automatic maturity date reset provisions in certain circumstances, as to which, please see below).
- CEMEX is therefore proposing that each Participating Creditor exchange the Existing Exposures held by that Participating Creditor into one or a combination of the following: (a) New Loans (New FA) or, in the case of the USPP Noteholders, New USPP Notes, or (b) New HY Notes due 2018.
- Participating Creditors that: (a) elect to participate in the Exchange Offer will receive the Exchanging Participating Creditor Fee, unless they elect to exchange into the New HY Notes in which case they will benefit from high yield provisions; and/or (b) provide the Amendment Consents, will receive the Participating Creditor Amendment Fee. In addition, in the event at least one USPPN provides an Amendment Consent.
- Debt maturity profile pro-forma (after the implementation of the Transaction) on the basis of 100% acceptance of the Exchange Offer by Participating Creditors and USD$500 MM of New HY Notes issued is as follows:




Our recommendation is to exchange into the New FA and to consent to the proposed amendments.

# Benefits of the Proposed Structure

- "Springing" maturity in the event of Relevant Capital Markets Debt is not repaid, prepaid, refinanced or extended
- Material exposure reduction of an aggregate of U.S.$1.0 billion prior to 31 March 2013
- Additional amortization of U.S.$1 billion of amortization prior to maturity as extended to 2017
- Additional guarantors and the New Security Package, and
- Incentive fee structure to induce additional amortization
- Spread increase of 75 bps above the existing spread, with certain step downs if amortization targets are achieved
- Amendment and exchange fees totaling 100 bps of the relevant Existing Exposures of such Accepting Participating Creditors at the relevant time and
- Reduced refinancing risk.

### FA REFINANCING TODAY

- Creates longer runway for CEMEX to continue addressing capital structure while end markets recover
- FA lenders maintain payment priority through "springing maturities"
- Improved company leverage that will enhance credit profile for FA lenders
- Provides incentives for CEMEX to accelerate FA debt paydown
  - FA lenders to receive initial $1.0bn paydown plus additional subsequent amortization of $1.0bn, with an incentive structure to paydown further $1.0bn ($3bn total) prior to maturity
- Removes 2014 FA refinancing uncertainty/overhang and provides mechanisms to address other senior debt maturing in 2014–2016
  - CEMEX more likely to access capital markets for 2014 – 2016 maturities

### MAINTAIN EXISTING FA UNTIL 2013

- Minimum asset sales or FA reduction absent broader refinancing agreement
- One-off exchange offers not prudent in absence of comprehensive solution for 2014 maturity
- Persistent refinancing risk due to (i) size of 2014 maturity wall and (ii) other debt maturities soon thereafter (i.e., 2014-2017)
- CEMEX total leverage at ~ 7.0x at time of refinancing
- Lack of deleveraging restricts CEMEX's operational flexibility

# Project Caliza

- CEMEX is asking the Participating Creditors of the current FA to extend the tenor and change the terms of the current Financing Agreement. As part of the incentive for the Participating Creditors agreeing to an extension of the maturity of the Financing Agreement, it is contemplated that the Company will make a minimum prepayment under the Financing Agreement of USD$1.5 billion during 2012 to 2014.

- The Company has indicated it is contemplating several asset sale alternatives to raise such proceeds. One of such alternatives is a sale of a minority stake (e.g. 40%), via IPO in a new corporate structure that owns the operations of the Colombia, Costa Rica, Panama, El Salvador, Brazil, Guatemala and Nicaragua operations, collectively referred to as “Caliza”. The ultimate interest in Caliza that will be sold to third parties will depend upon market conditions at the time of the IPO. It should be noted that CEMEX may or may not complete the Caliza transaction and that it may sell other assets in order to raise the targeted of proceeds to repay the Participating Creditors.

- The sale of a 40% interest in Caliza results in approximately USD$1 billion of net proceeds based on the existing valuations contained the Invitation Memorandum distributed last week. The proposed structure would also allow CEMEX to receive the first USD$1.5 billion of cash that is generated by Caliza post IPO. This represents all of the projected cash flow of Caliza through Q4 2015, less dividends to Caliza minority shareholders, totaling USD$99 MM over 3 years.



in 2016

# Comparison Tables

## Credit Considerations

| | Existing FA | New FA |
|---|---|---|
| **Maturity** | Feb-2014 | February 14, 2017 – subject to "spring back" of the maturity date upon occurrence of certain events |
| **Mandatory Prepayments** | None | Right to mandatory prepayments (and, while Existing FA is outstanding, voluntary prepayments with deposit of relevant amounts in segregated accounts) |
| **Collateral** | None | Share pledges over all holding companies between CEMEX Mexico and CEMEX España (included) |
| **Gurtantees** | Existing FA Guarantees | Existing FA guarantees + New Guarantees |
| **Other Credit Enhancements** | None | - Mexican Voting Trust<br>- Subordination of intercompany claims |
| **Covenants** | None | Similar to Existing FA, but with some additional flexibility. |
| **FRR** | 07-<br>(2 subgrades downgrade) | 07+ |

# Comparison Tables

## Capital / Return Consideration

| | Existing FA [1] | New FA |
|---|---|---|
| Transaction Revenue | NRFF (PV): $17,006,605 | NRFF (PV): $35,086,679<br>Structuring Fee: $2,800,000<br>Upfront Fee: $3,000,000<br>Caliza IPO Fee: $7,000,000<br>HYB Exchange Fee: $1,000,000<br>Admin Agent Fee (PV / Lifetime): $1,872,225<br>Exchange Agent Fee: $50,000<br><br>**Total: $50,808,904** |
| Transaction RORC (Lifetime) | -22.59% | -8.60% |
| Transaction ROBC | -20.3% | -8.02% |
| Proforma Relationship RORC[2] | -10.3% | 9.0% |
| Proforma Relationship Gap | $76,048,600 | $63,055,100 |
| Day 1 Risk Capital – Deal | $46,280,000 | $58,680,000 |
| Day 1 Risk Capital – Relationship | $53,350,000 | $65,750,000 |
| Day 1 RWA – Deal | $582,400,000 | $599,600,000 |
| Day 1 RWA – Relationship | $664,200,000 | $676,100,000 |
| LTC [3] | $24,200,000 | US$12,800,000 |

1) Estimates in this column imply an ORR of 07 (flat) as RORC Calculator does not allow for lower ratings. Implied ORR for New FA remains unchanged at 07+
2) Includes all expected Capital Markets, GTS and Markets revenues.
3) Current LTC stands at US$23MM. It will be allocated to the products based on Last 36 months revenues. 24.4% Equity U/W , 17.6% Equity Markets, 13.1% IG Loans U/W , 10.2% Cash, 9.5% IG Bonds U/W, 8.3% RT Finance Rates

# Overview of Commitment and Economics

## Commitment Overview

| Facility | Current ORR | Total Refinancing Amount | Citi Commitment (4.12% of Financing) | Net Spread | NRFF LIFETIME (4.5 Years) |
|---|---|---|---|---|---|
| New Financing Agreement | 7+ | $7,257million | $299 million | 500 bps | 35.1 million |

## Transaction RORC

| Description | Total Refinancing Amount | Citi Hold | Structruing Fee | Upfront Fee | Total Fees |
|---|---|---|---|---|---|
| US$7,257 million Bank Loan | $7,257 million | $299 million | $2.80 | $3.00 | [$5.80] |
| Project Caliza IPO | $1000 million | | | | [$7.00] |
| HY Bond Exchange | $500 million | | | | [$1.00] |
| Administrative Agent Services Annual Fee [1] | | | | | [$0.75] |
| HY Bond Exchange Administrative Agent Services | | | | | [$0.05] |
| **Total** | | | | | **$14.60** |

| | RORC |
|---|---|
| RORC 1 Year | -5.54% |
| RORC Lifetime | -8.60% |

## Proforma Relationship RORC*

| Description | Total Refinancing Amount | Citi Hold | Structruing Fee | Upfront Fee | Total Fees |
|---|---|---|---|---|---|
| US$7,257 million Bank Loan | $7,257 million | $299 million | $2.80 | $3.00 | [$5.80] |
| Project Caliza IPO | $1000 million | | | | [$7.00] |
| HY Bond Exchange | $500 million | | | | [$1.00] |
| Administrative Agent Services Annual Fee [1] | | | | | [$0.75] |
| HY Bond Exchange Administrative Agent Services | | | | | [$0.05] |
| ADITIONAL EXPECTED FEES IN THE FOLLOWING 3 YEARS | | | | | |
| GTS Revenues | | | | | [$30.40] |
| CMO Revenues | | | | | [$53.60] |
| Markets Revenues | | | | | [$16.70] |
| **Total** | | | | | **$115.30** |

| | RORC |
|---|---|
| RORC 1 Year | 9.00% |
| RORC Lifetime | 9.00% |

[1] Administrative Agent Service Fees throughout the life of the transaction total US$3.38MM

*GTS, CMO and Markets revenues are considered on an annual average throughout the life of the transaction.

# New FA Terms and Conditions

- Amount: Will depend on the amount of exposures tendered in connection with the Loan Exchange Transactions. We estimate to be US$6.7 BN with the remaining US$500 MM going to the HYB Exchange.

- Maturity Date: February 14th, 2017, subject to an automatic reset to the following dates (Springing Maturity):

  - February 14th, 2014, upon failure to make at least USD$1 billion of prepayments to New FA Lenders on or prior to March 31st, 2013.

  - March 5th, 2014, if 100% of Euro USD$430 MM Eurobonds due on March 5th, 2014 have not been refinanced or extended beyond 2017 or purchased, repurchased or refinanced as permitted by the New FA.

  - March 15th, 2015, if 100% of the USD$715 MM 4.875% Subordinated Convertible Notes due March 15th, 2015 have not been extended beyond 2017 or purchased, repurchased or refinanced as permitted by the New FA.

  - September 30th, 2015, if 100% of the USD$800 MM Floating Rate Notes due September 30th, 2015 have not been refinanced or extended beyond 2017 or purchased, repurchased or refinanced as permitted by the New FA.

  - March 15th, 2016, if 100% of the USD$977.5 MM 3.25% Subordinated Convertible Notes due March 15th, 2016 have not been extended beyond 2017 or purchased, repurchased or refinanced as permitted by the New FA.

  - December 14th, 2016, if 100% of the USD$1.75 billion 9.5% Senior Notes due December 14th, 2016 have not been refinanced or extended beyond 2017 or purchased, repurchased or refinanced as permitted by the New FA.

# New FA Terms and Conditions

- Guarantees: The New FA Lenders will benefit from guarantees on the same terms and from the same Group companies as under the Existing Financing Agreement which will remain in place and, in addition, will also receive guarantees from certain sub-holding companies owners of certain material operating subsidiaries, owned directly or indirectly by CEMEX España.

- Amoritzations: In addition, the New Facilities Agreement will have the following intermediate amortizations:
  - February 14th 2014: USD$500 MM
  - June 30th 2016: USD$250 MM (or other currency equivalent)
  - December 31st 2016: USD$250 MM (or other currency equivalent)

- Spread: The New FA Lenders will also benefit from amended pricing. Pricing under the New Facilities Agreement will be as follows:
  - Libor + 525 bps until such time as the aggregate New FA Exposures under the New Facilities Agreement have been reduced by USD$1.5 BN from the Transaction Completion Date;
  - Libor + 500 bps after the aggregate New FA Exposures under the New Facilities Agreement have been reduced by USD$1.5 BN until such time as the aggregate New FA Exposures under the New Facilities Agreement have been reduced by USD$2 BN from the Transaction Completion Date; and
  - Libor + 450 bps after the aggregate New FA Exposures under the New Facilities Agreement have been reduced by USD$2 BN from the Transaction Completion Date.

## Consents

- Existing FA lenders not extending will be requested to provide consents to the Existing FA to release all collateral and to delete substantially all mandatory prepayment provisions, all covenants, all representations and warranties and most events of default as further described below. The acceptance notice provided for responses from Existing FA Lenders will include, where an Existing FA lender responds agreeing to subscribe to the Exchange Transactions, provisions confirming agreement to the FA Amendment.



and will be

# New FA Terms and Conditions

- Financial Covenants: Were set based on FTI (lenders Financial Advisor) base case scenario and standard market cushions.

| | Consolidated Leverage Ratio | Consolidated Coverage Ratio |
|---|---|---|
| 31-Dec-12 | 7.00x | 1.50x |
| 30-Jun-13 | 7.00x | 1.50x |
| 31-Dec-13 | 7.00x | 1.50x |
| 30-Jun-14 | 6.75x | 1.50x |
| 31-Dec-14 | 6.50x | 1.75x |
| 30-Jun-15 | 6.00x | 1.75x |
| 31-Dec-15 | 5.50x | 1.85x |
| 30-Jun-16 | 5.00x | 2.00x |
| 31-Dec-16 | 4.25x | 2.25x |

# Terms of New High Yield Notes

- Up to $500mm of FA debt can be exchanged par-for-par into 9.5% Senior Secured Notes due June 2018 (“New HY Notes”)(a)
- Priority allocation is offered to Early Bird Participating Creditors
  - Early Bird Participating Creditors have revocation rights if less than 75% of amount tendered is allocated into New HY Notes
  - Allocation will be ratable if amount exchanged into New HY Notes exceeds maximum New HY Notes amount(a)
  - Any amount not allocated to New HY Notes will be automatically allocated to New FA
  - Creditors that exchange into New HY Notes are also consenting to proposed amendments to the existing FA

| | |
|---|---|
| **Issuer:** | CEMEX S.A.B. de C.V. / CEMEX España, S.A., Luxembourg Branch |
| **Amount:** | US$ 500 MM, subject to increase or decrease. |
| **Maturity:** | Jun-18 |
| **Coupon:** | 9.50%, semiannually |
| **Guarantors:** | Similar as to New Financing Agreement |
| **Security:** | Similar to that of New Financing Agreement. Holders of HY Notes will not be entitled to direct foreclosure. |
| **Rank** | Equal in right payment with all other existing and future Senior Indebtedness of CEMEX. |
| **Optional Redemption:** | Up to 100% after Jun-16 with the payment of a Make Whole Amount<br>Up to 35% before Jun-16 with a redemption price of 109.5% |

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By August 2012, subject to documentation and certain other conditions and in relation to the Invitation Memorandum to Participating Creditors, CEMEX received

(i) Acceptance Notices representing approximately 90% of the Exposures under the Financing Agreement dated as of August 14, 2009, as amended (the "2009 FA"), and
(ii) indications of an intent to participate in the exchange transaction from additional Participating Creditors representing approximately 1.5% of the Exposures, aggregating in total approximately 91.5% of the Exposures under the 2009 FA.

Acceptance Notices from Participating Creditors wishing to exchange into the New HY Notes represent an anticipated issuance of approximately U.S.$470 million in aggregate principal amount of such notes.

The Acceptance Notices received to date satisfy the requisite thresholds for the Amendment Consents relating to the 2009 FA which, provided that the relevant conditions are satisfied, means that the 2009 FA will be amended and restated as at the Transaction Completion Date.

Considering the level of Acceptance Notices and indications of intent to participate, CEMEX decided to extend the Acceptance Deadline until September 7, 2012.

On September 17, 2012, the firm issued the following press release:

## CEMEX announces successful completion of refinancing

Monterrey, Mexico. September 17, 2012

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CEMEX, S.A.B. de C.V. ("CEMEX") (NYSE: CX) announced today that it has successfully completed the previously announced refinancing of its Financing Agreement, dated as of August 14, 2009, as amended.

Fernando Gonzalez, Executive Vice President of Finance and Administration of CEMEX, stated "CEMEX is pleased to have accomplished this significant milestone, with support from over 55 banks and institutions. We intend to continue to proactively address our maturities and work towards reducing our leverage and strengthening our capital structure."

Pursuant to the refinancing, participating creditors representing approximately 92.7% of the aggregate principal amount outstanding under the existing Financing Agreement agreed to extinguish their existing loans and private placement notes and to receive in place thereof:

- approximately U.S.$6.155 billion in aggregate principal amount of new loans and new U.S. Dollar private placement notes issued pursuant to a New Facilities Agreement and a New Note Purchase Agreement, both dated as of September 17, 2012; and
- U.S.$500 million of new 9.5% senior secured notes due 2018, issued pursuant to an indenture dated as of September 17, 2012, which notes are expected to be delivered by the exchange agent to recipients today.

As a result of the refinancing, the New Facilities Agreement, with a final maturity of February 14, 2017, the principal terms of which were previously announced in CEMEX's press release dated June 29, 2012, has become effective today. Also, approximately U.S.$525 million aggregate principal amount of loans and U.S. Dollar private placement notes remain outstanding under the original Financing Agreement, as amended and restated pursuant to the terms of the exchange offer, and the Note Purchase Agreement, each with a final maturity of February 14, 2014.

The following press release from December summarizes the refinancings:

## CEMEX successfully completes financial plan for 2012

Monterrey, Mexico. December 17, 2012

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CEMEX S.A.B. de C.V. ("CEMEX") (NYSE: CX) announced today the completion of its financial plan for 2012, which included several transactions to refinance and/or prepay debt scheduled to mature through 2014, thereby increasing the company's financial flexibility and significantly reducing its refinancing risk.

Under this year's financial plan, CEMEX reduced the amount of debt maturing through March 2015 to about U.S.$650 million, at currently prevailing foreign-exchange rates, of which approximately U.S.$600 million matures during the first quarter of 2014. In addition, the average life of debt increased to 5.6 years, from 3.8 years at the beginning of this year, with no significant change in yearly interest expense.

The execution of the 2012 financial plan included various transactions, among others:

- Refinancing of close to U.S.$6.7 billion of debt under the Financing Agreement dated as of August 14, 2009, as amended (the "Financing Agreement"), into a new Facilities Agreement (the "New Facilities Agreement") with a final maturity in 2017 and U.S.$500 million of new senior secured notes due 2018. The New Facilities Agreement provides CEMEX with more flexible operating and financial covenants.
- Issuance of U.S.$940 million in new senior secured notes maturing in 2019 in exchange for approximately U.S.$452 million in perpetual debentures and U.S.$619 million in 2014 Eurobonds, resulting in a reduction of CEMEX's overall indebtedness of U.S.$131 million.
- Issuance of U.S.$1.5 billion of new senior secured notes due 2022 (the "2022 Notes").
- Initial share offering of a 26.65% minority position in CEMEX Latam Holdings, S.A.("CLH"), resulting in net proceeds of about U.S.$960 million.

Proceeds from the 2022 Notes and CLH's initial share offering were used to prepay debt under the New Facilities Agreement and the Financing Agreement. As a result of these prepayments, the spread over 3-month LIBOR on the New Facilities Agreement was reduced to 450 basis points, the same spread CEMEX had under the original Financing Agreement while, as a result of the refinancing of this agreement, the final maturity of this debt was extended by three years.

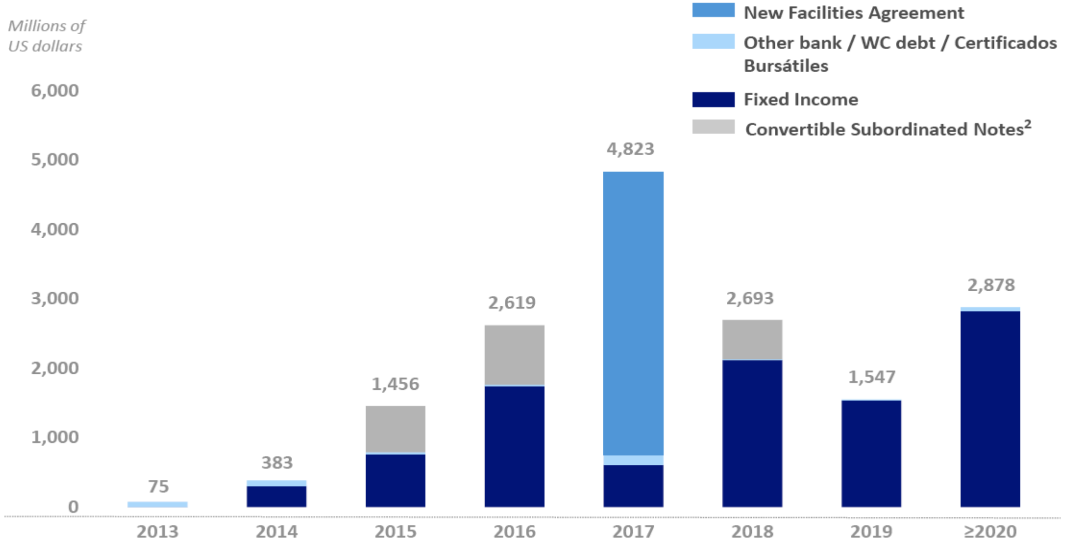
Through six months of fiscal 2013, sales decreased by 1% to US$7.322 billion, and Operating EBITDA declined by 2% to US$1.251 billion[9]. The debt profile is shown on the attached page[10].

[9] Read the pdf "CEMEX April 2013" pages 3 – 7 and 11 – 102.

[10] Read the pdf "CEMEX Feb 2013"

# Consolidated debt maturity profile

Total debt excluding perpetual notes[1] as of June 30, 2013
US$ 16,476 million




[1] CEMEX has perpetual debentures totaling US$472 million
[2] Convertible Subordinated Notes include only the debt component of US$2,084 million. Total notional amount is about US$2,383 million

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CEO Lorenzo Zambrano, great-grandson of Cemex's founder, took control of the company in 1985. The Zambrano family still controls 33% of the company's outstanding shares. Cemex has 11 directors; the board contains three of the CEO's family members—cousins Rogelio Zambrano Lozano and Roberto Zambrano Villarreal along with nephew Tomás Milmo Santos. Roberto Zambrano Villarreal is the President of the Audit Committee and Rogelio Zambrano Lozano is President of the Finance Committee. The board of directors has relationships as follows:

- Bernardo Quintana Isaac is the chairman of Grupo ICA, a large Mexican construction company that has been involved in significant financial transactions with Cemex.
- Rodolfo García Muriel is the first cousin of Armando J. Garcia Segovia, Cemex's executive vice president of development. He is also a cousin of Jorge Garcia Segovia, an alternate member of Cemex's board.
- José Manuel Rincón Gallardo served alongside Cemex's CEO at Banamex, a subsidiary of Citigroup, where the Cemex CEO sat on the advisory board until 2011.
- Dionisio Garza Medina is currently an honorary chairman and member of the board (as well as the former chairman and CEO) of Alfa S.A. de C.V, where Cemex's CEO served on the board of directors.
- Francisco Javier Fernández Carbajal is the CEO and chairman of Fomento Económico Mexicano S.A.B. de C.V (FEMSA). Cemex's CEO served on FEMSA's board until 2011.
- Rafael Rangel Sostmann is the Dean of Monterrey Tech, a university that receives donations from both Cemex and the Zambrano family.

Of course, Mr. Zambrano, the architect of Cemex's acquisitions, still finds himself firmly in control of the company. Back in 2009, he was asked by *Businessweek* how he had managed to keep his job after the company "suffered such big derivatives losses, share price volatility, and a near-brush with default." His response, fitting of a man who does not fear the checks and balances of his board, sounded a bit like the emperor with his new clothes: "If what you did was an error, there has to be a change in management. But if it…was an act of God, and it wasn't your fault, why?"

## Appendix I The Original Participating Creditors for 2009 Financing Agreement

| Obligation | Original Exposure at the calculation date | Obligor | Guarantor |
|---|---|---|---|
| **Part I** | | | |
| **Part I.A (Syndicated Facilities)** | | | |
| **CEMEX, S.A.B. de C.V. US$700,000,000 (originally US$800,000,000) Credit Agreement dated 23 June, 2004 as amended** | **$ 700,000,000** | **CEMEX, S.A.B. de C.V.** | **CEMEX México, S.A. de C.V.; Empresas Tolteca de México, S.A. de C.V.** |
| BANCO BILBAO VIZCAYA ARGENTARIA, S.A., GRAND CAYMAN BRANCH | $ 38,000,000 | | |
| BANCO SANTANDER S.A., NEW YORK BRANCH | $ 42,000,000 | | |
| HSBC MEXICO, S.A., INSTITUCION DE BANCA MULTIPLE, GRUPO FINANCIERO HSBC | $ 30,000,000 | | |
| BNP PARIBAS PANAMA BRANCH | $ 50,000,000 | | |
| BANK OF AMERICA, N.A. | $ 34,000,000 | | |
| BARCLAYS BANK PLC | $ 42,000,000 | | |
| JPMORGAN CHASE BANK, N.A. | $ 10,000,000 | | |
| CITIBANK N.A., NASSAU, BAHAMAS BRANCH | $ 28,000,000 | | |
| CITIBANK (BANAMEX USA) | $ 10,000,000 | | |
| ING BANK, N.V. (ACTING THROUGH ITS CURACAO BRANCH) | $ 42,000,000 | | |
| CALYON NEW YORK BRANCH | $ 42,000,000 | | |
| DEUTSCHE BANK AG NEW YORK BRANCH | $ 20,000,000 | | |
| THE BANK OF NOVA SCOTIA | $ 42,000,000 | | |
| SOCIÉTÉ GÉNÉRALE | $ 10,000,000 | | |

| Obligation | Original Exposure at the calculation date | Obligor | Guarantor |
|---|---|---|---|
| THE BANK OF TOKYO-MITSUBISHI UFJ, LTD. | $ 42,000,000 | | |
| INTESA SANPAOLO S.p.A., NEW YORK BRANCH | $ 20,000,000 | | |
| BAYERISCHE LANDESBANK | $ 30,000,000 | | |
| UNICREDIT SPA – NEW YORK BRANCH | $ 10,000,000 | | |
| Commerzbank AG (formerly Dresdner Bank AG acting through its lending office, Dresdner Bank AG, New York Branch) | $ 20,000,000 | | |
| STANDARD CHARTERED BANK | $ 34,000,000 | | |
| MIZUHO CORPORATE BANK, LTD | $ 42,000,000 | | |
| WACHOVIA BANK, NATIONAL ASSOCIATION | $ 42,000,000 | | |
| COMERICA BANK | $ 20,000,000 | | |
| **CEMEX, S.A.B. de C.V. US$1,200,000,000 Credit Agreement dated 31 May 2005 as amended** | **$ 1,200,000,000** | **CEMEX, S.A.B. de C.V.** | **CEMEX México, S.A. de C.V.; Empresas Tolteca de México, S.A. de C.V.** |
| BANCO BILBAO VIZCAYA ARGENTARIA, S.A., GRAND CAYMAN BRANCH | $ 79,500,000 | | |
| BANCO SANTANDER S.A., NEW YORK BRANCH | $ 88,000,000 | | |
| HSBC BANK PLC, SUCURSAL EN ESPAÑA | $ 50,000,000 | | |
| BNP PARIBAS PANAMA BRANCH | $ 100,000,000 | | |
| THE ROYAL BANK OF SCOTLAND PLC | $ 50,000,000 | | |
| BANK OF AMERICA, N.A. | $ 25,000,000 | | |
| BARCLAYS BANK PLC | $ 89,500,000 | | |
| JPMORGAN CHASE BANK, N.A. | $ 25,000,000 | | |
| CITIBANK, N.A., NASSAU BAHAMAS BRANCH | $ 81,000,000 | | |
| ING BANK, N.V. (ACTING THROUGH ITS CURACAO BRANCH) | $ 88,000,000 | | |
| CALYON NEW YORK BRANCH | $ 88,000,000 | | |
| THE BANK OF NOVA SCOTIA | $ 88,000,000 | | |
| FORTIS BANK SA/NV CAYMAN ISLANDS BRANCH | $ 50,000,000 | | |

| Obligation | Original Exposure at the calculation date | Obligor | Guarantor |
|---|---|---|---|
| SOCIÉTÉ GÉNÉRALE | $ 50,000,000 | | |

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|---|---|---|---|---|
| THE BANK OF TOKYO-MITSUBISHI UFJ, LTD. | $ | 25,000,000 | | |
| INTESA SANPAOLO S.p.A., NEW YORK BRANCH | $ | 25,000,000 | | |
| CAJA DE AHORROS Y MONTE DE PIEDAD DE MADRID, MIAMI AGENCY | $ | 10,000,000 | | |
| MORGAN STANLEY BANK, N.A. | $ | 25,000,000 | | |
| BAYERISCHE LANDESBANK | $ | 50,000,000 | | |
| WACHOVIA BANK, NATIONAL ASSOCIATION | $ | 88,000,000 | | |
| BANCA MONTE DEI PASCHI DI SIENA S.P.A. | $ | 15,000,000 | | |
| COMERICA BANK | $ | 10,000,000 | | |
| **CEMEX, S.A.B. de C.V. US$437,500,000 & Mex$4,773,282,950 Joint Bilateral Financing Facilities Agreement dated 27 January, 2009** | **$<br>Mex $** | **437,500,000<br>4,773,282,950** | **CEMEX, S.A.B. de C.V.** | **CEMEX México, S.A. de C.V.; CEMEX Concretos, S.A. de C.V.** |
| **USD TRANCHE** | **$** | **437,500,000** | **CEMEX, S.A.B. de C.V.** | **CEMEX México, S.A. de C.V.; CEMEX Concretos, S.A. de C.V.** |
| BBVA BANCOMER, S.A., INSTITUCION DE BANCA MULTIPLE GRUPO FINANCIERO BBVA BANCOMER | $ | 230,000,000 | | |
| BANCO SANTANDER (MEXICO), S.A., INSTITUCION DE BANCA MULTIPLE, GRUPO FINANCIERO SANTANDER | $ | 55,000,000 | | |
| CITIBANK, N.A. NASSAU BAHAMAS BRANCH | $ | 47,500,000 | | |
| CITIBANK (BANAMEX USA) | $ | 25,000,000 | | |
| BANCO NACIONAL DE COMERCIO EXTERIOR, S.N.C. | $ | 80,000,000 | | |
| **Mex$ TRANCHE** | **Mex $** | **4,773,282,950** | **CEMEX, S.A.B. de C.V.** | **CEMEX México, S.A. de C.V.; CEMEX Concretos, S.A. de C.V.** |
| BBVA BANCOMER, S.A., INSTITUCION DE BANCA MULTIPLE GRUPO FINANCIERO BBVA BANCOMER | Mex $ | 2,266,359,200 | | |
| BANCO SANTANDER (MEXICO), S.A., INSTITUCION DE BANCA MULTIPLE, GRUPO FINANCIERO SANTANDER | Mex $ | 742,747,500 | | |

| Obligation | Original Exposure at the calculation date | | Obligor | Guarantor |
|---|---|---|---|---|
| HSBC MEXICO S.A. INSTITUCIÓN DE BANCA MÚLTIPLE, GRUPO FINANCIERO HSBC | Mex $ | 785,100,000 | | |
| BANCO NACIONAL DE MÉXICO, S.A. INTEGRANTE DEL GRUPO FINANCIERO BANAMEX | Mex $ | 979,076,250 | | |
| CEMEX España, S.A. €250,000,000 and ¥19,308,000,000 term and revolving facilities agreement dated 30 March 2004 as amended | €<br>$ | 139,133,387.37<br>8,696,228.26 | CEMEX España, S.A. | N/A |
| **FACILITY C1 (EURO TRANCHE)** | **€** | **139,133,387.37** | **CEMEX España, S.A.** | **N/A** |
| BANCO BILBAO VIZCAYA ARGENTARIA, S.A. | € | 22,035,138.06 | | |
| BANCO SANTANDER S.A. | € | 14,471,725.81 | | |
| HSBC BANK PLC, SUCURSAL EN ESPAÑA | € | 14,471,725.81 | | |
| BNP PARIBAS SUCURSAL EN ESPAÑA | € | 14,471,725.81 | | |
| THE ROYAL BANK OF SCOTLAND PLC | € | 14,471,725.81 | | |
| ING BELGIUM, S.A., SUCURSAL EN ESPAÑA | € | 14,471,725.81 | | |
| FORTIS, S.A., SUCURSAL EN ESPAÑA | € | 4,460,976.01 | | |
| SOCIÉTÉ GÉNÉRALE | € | 17,866,328.16 | | |
| BANCO ESPAÑOL DE CRÉDITO, S.A. MADRID | € | 22,412,316.09 | | |
| **FACILITY C2 (USD TRANCHE)** | **$** | **8,696,228.26** | **CEMEX España, S.A.** | **N/A** |
| CITIBANK INTERNATIONAL PLC, SUCURSAL EN ESPAÑA | $ | 8,696,228.26 | | |
| **CEMEX España, S.A. US$2,300,000,000 RMC Revolving Facilities Agreement dated 24 September 2004 as amended** | **$** | **1,050,000,000** | **CEMEX España, S.A.** | **CEMEX España, S.A.** |
| **FACILITY B (Revolving Facility)** | **$** | **525,000,000** | **CEMEX España, S.A.** | **CEMEX España, S.A.** |
| BANCO BILBAO VIZCAYA ARGENTARIA, S.A. | $ | 45,016,398 | | |

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|---|---|---|---|---|
| BANCO SANTANDER S.A. | $ | 29,577,409 | | |
| CALYON NEW YORK BRANCH | $ | 29,577,409 | | |
| CITIBANK INTERNATIONAL PLC, SUCURSAL EN ESPAÑA | $ | 22,516,398 | | |
| BANCO ESPAÑOL DE CRÉDITO, S.A. MADRID | $ | 25,375,000 | | |

| Obligation | | Original Exposure at the calculation date | Obligor | Guarantor |
|---|---|---|---|---|
| BNP PARIBAS, SUCURSAL EN ESPAÑA | $ | 29,125,000 | | |
| HSBC BANK PLC, SUCURSAL EN ESPAÑA | $ | 22,875,000 | | |
| INSTITUTO DE CREDITO OFICIAL | $ | 31,250,000 | | |
| JPMORGAN CHASE BANK N.A., SUCURSAL EN ESPAÑA | $ | 25,375,000 | | |
| THE ROYAL BANK OF SCOTLAND PLC | $ | 25,375,000 | | |
| WEST LB AG, SUCURSAL EN ESPAÑA | $ | 25,375,000 | | |
| UNICREDIT S.P.A. SUCURSAL EN ESPAÑA | $ | 10,000,000 | | |
| BARCLAYS BANK PLC | $ | 21,560,809 | | |
| BAYERISCHE LANDESBANK | $ | 11,104,669 | | |
| BANK OF AMERICA, N.A., SUCURSAL EN ESPAÑA | $ | 8,988,309 | | |
| BRED BANQUE POPULAIRE | $ | 3,750,000 | | |
| CAJA DE AHORROS DE ASTURIAS | $ | 4,050,000 | | |
| CAJA DE AHORROS DE GALICIA | $ | 2,500,000 | | |
| CAJA DE AHORROS Y MONTE DE PIEDAD DE MADRID | $ | 4,500,000 | | |
| CENTROBANCA - BANCA DE CREDITO | $ | 12,500,000 | | |
| CAISSE REGIONALE DE CREDIT AGRICOLE MUTUEL DE PARIS ET D'ILE-DE-FRANCE | $ | 10,000,000 | | |
| DEUTSCHE BANK LUXEMBOURG S.A. | $ | 11,104,669 | | |
| COMMERZBANK AG LONDON BRANCH | $ | 5,000,000 | | |
| FORTIS BANK, SUCURSAL EN ESPANA | $ | 32,000,000 | | |
| IKB DEUTSCHE INDUSTRIEBANK AG, SUCURSAL EN ESPAÑA | $ | 4,987,500 | | |
| ING BELGIUM SA, Sucursal en España | $ | 14,850,229 | | |
| LLOYDS TSB BANK, PLC | $ | 14,322,978 | | |
| INTESA SANPAOLO S.P.A. SUCURSAL EN ESPAÑA | $ | 9,722,500 | | |
| SCOTIABANK EUROPE, PLC, LONDON | $ | 12,070,725 | | |
| SOCIÉTÉ GÉNÉRALE | $ | 5,000,000 | | |

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|---|---|---|---|---|
| BANK OF TOKYO-MITSUBISHI UFJ LTD. SUCURSAL EN ESPAÑA | $ | 5,550,000 | | |
| THE GOVERNOR AND COMPANY OF THE BANK OF IRELAND | $ | 10,000,000 | | |

| Obligation | | Original Exposure at the calculation date | Obligor | Guarantor |
|---|---|---|---|---|
| **FACILITY C (Revolving Facility)** | **$** | **525,000,000** | **CEMEX España, S.A.** | **CEMEX España, S.A.** |
| BANCO BILBAO VIZCAYA ARGENTARIA, S.A. | $ | 45,568,732 | | |
| BANCO SANTANDER S.A. | $ | 29,577,409 | | |
| CALYON NEW YORK BRANCH | $ | 29,577,409 | | |
| CITIBANK NA INTERNATIONAL PLC, SUCURSAL EN ESPAÑA | $ | 23,068,732 | | |
| BANCO ESPAÑOL DE CRÉDITO, S.A. MADRID | $ | 25,375,000 | | |
| BNP PARIBAS, SUCURSAL EN ESPAÑA | $ | 29,125,000 | | |
| FORTIS BANK, SUCURSAL EN ESPANA | $ | 32,000,000 | | |
| HSBC BANK PLC, MADRID | $ | 22,875,000 | | |
| INSTITUTO DE CRÉDITO OFICIAL | $ | 31,250,000 | | |
| JPMORGAN CHASE BANK N.A., SUCURSAL EN ESPAÑA | $ | 25,375,000 | | |
| THE ROYAL BANK OF SCOTLAND PLC | $ | 25,375,000 | | |
| WEST LB AG, SUCURSAL EN ESPAÑA | $ | 25,375,000 | | |
| UNICREDIT S.P.A. SUCURSAL EN ESPAÑA | $ | 10,000,000 | | |
| BARCLAYS BANK PLC, SUCURSAL EN ESPAÑA | $ | 16,988,309 | | |
| BAYERISCHE LANDESBANK | $ | 11,104,669 | | |
| BANK OF AMERICA, N.A., SUCURSAL EN ESPAÑA | $ | 8,988,309 | | |
| BRED BANQUE POPULAIRE | $ | 13,750,000 | | |
| CAJA DE AHORROS DE ASTURIAS | $ | 4,050,000 | | |
| CAJA DE AHORROS DE GALICIA | $ | 2,500,000 | | |
| CAJA DE AHORROS Y MONTE DE PIEDAD DE MADRID | $ | 9,072,500 | | |
| CENTROBANCA - BANCA DE CREDITO | $ | 12,500,000 | | |
| CAISSE REGIONALE DE CREDIT AGRICOLE MUTUEL DE PARIS ET D'ILE-DE-FRANCE | $ | 10,000,000 | | |
| COMMERZBANK AG LONDON BRANCH | $ | 5,000,000 | | |

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|---|---|---|---|
| IKB DEUTSCHE INDUSTRIEBANK AG, SUCURSAL EN ESPAÑA | $ 4,987,500 | | |

| Obligation | Original Exposure at the calculation date | Obligor | Guarantor |
|---|---|---|---|
| ING BELGIUM SA, Sucursal en España | $ 14,850,229 | | |
| LLOYDS TSB BANK, PLC | $ 14,322,978 | | |
| INTESA SANPAOLO SPA SUCURSAL EN ESPAÑA | $ 9,722,500 | | |
| SCOTIABANK EUROPE, PLC, LONDON | $ 12,070,725 | | |
| SOCIÉTÉ GÉNÉRALE | $ 5,000,000 | | |
| BANK OF TOKYO-MITSUBISHI UFJ LTD. SUCURSAL EN ESPAÑA | $ 5,550,000 | | |
| THE GOVERNOR AND COMPANY OF THE BANK OF IRELAND | $ 10,000,000 | | |
| **CEMEX España, S.A. US$6,000,000,000 (originally US$9,000,000,000) Rinker Acquisition Facilities Agreement dated 6 December, 2006 as amended** | **$ 1,300,999,999**<br>**$ 1,142,939,394**<br>**€ 419,605,045**<br>**€ 1,320,000,000**<br>**$ 1,185,000,000** | **CEMEX España, S.A.** | **N/A** |
| **FACILITY B1** | **$ 1,300,999,999** | **CEMEX España, S.A.** | **N/A** |
| THE BANK OF TOKYO-MITSUBISHI UFJ, LTD. SUCURSAL EN ESPAÑA | $ 105,681,818 | | |
| BARCLAYS BANK PLC | $ 105,681,818 | | |
| BAYERISCHE HYPO- UND VEREINSBANK AG | $ 85,681,818 | | |
| BAYERISCHE LANDESBANK | $ 105,681,818 | | |
| FORTIS BANK, S.A. SUCURSAL EN ESPAÑA | $ 105,681,818 | | |
| CALYON | $ 105,681,818 | | |
| MIZUHO CORPORATE BANK NEDERLAND, N.V. | $ 105,681,818 | | |
| SCOTIABANK EUROPE, PLC | $ 105,681,818 | | |
| SOCIÉTÉ GÉNÉRALE | $ 57,681,818 | | |
| STANDARD CHARTERED BANK | $ 4,318,182 | | |
| WESTLB AG, SUCURSAL EN ESPAÑA | $ 105,681,818 | | |
| THE GOVERNOR AND COMPANY OF THE BANK OF | $ 33,333,333 | | |

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|---|---|---|
| IRELAND | | |
| MEDIOBANCA - BANCA DI CREDITO FINANZIARIO S.P.A. | $ | 70,833,333 |
| CAISSE REGIONALE DE CREDIT AGRICOLE MUTUEL DE PARIS ET D'ILE-DE-FRANCE | $ | 24,166,667 |

| Obligation | | Original Exposure at the calculation date | Obligor | Guarantor |
|---|---|---|---|---|
| CREDIT INDUSTRIEL ET COMMERCIAL LONDON BRANCH | $ | 24,166,667 | | |
| BANCA MONTE DEI PASCHI DI SIENA S.P.A., London Branch | $ | 16,666,667 | | |
| BANCO CAIXA GENERAL | $ | 12,333,333 | | |
| CAJA DE AHORROS DE ASTURIAS | $ | 12,333,333 | | |
| LANDESBANK BADEN-WÜRTTEMBERG, LONDON BRANCH | $ | 14,333,333 | | |
| LANDESBANK BADEN-WÜRTTEMBERG, STUTTGART BRANCH | $ | 49,363,636 | | |
| WESTPAC EUROPE LIMITED | $ | 8,333,333 | | |
| CENTROBANCA - Banca di Credito Finanziario e Mobiliare S.p.A. | $ | 35,000,000 | | |
| ATLANTIC SECURITY BANK | $ | 5,000,000 | | |
| TAKAREKBANK (Magyar) | $ | 2,000,000 | | |
| **FACILITY B2** | **$** | **1,142,939,394** | **CEMEX España, S.A.** | **N/A** |
| CITIBANK INTERNATIONAL PLC, SUCURSAL EN ESPAÑA | $ | 87,666,667 | | |
| THE ROYAL BANK OF SCOTLAND PLC | $ | 116,666,667 | | |
| ABN AMRO Bank N.V. Sucursal en España | $ | 75,000,000 | | |
| BANCO SANTANDER, S.A. | $ | 100,681,818 | | |
| BANCO ESPAÑOL DE CRÉDITO, S.A. MADRID | $ | 38,166,667 | | |
| BANK OF AMERICA, N.A., SUCURSAL EN ESPAÑA | $ | 105,681,818 | | |
| CAJA DE AHORROS DE GALICIA | $ | 95,681,818 | | |
| HSBC BANK PLC, SUCURSAL EN ESPAÑA | $ | 105,681,818 | | |
| INSTITUTO DE CREDITO OFICIAL | $ | 105,681,818 | | |
| JPMORGAN CHASE BANK N.A., SUCURSAL EN ESPAÑA | $ | 99,681,818 | | |
| LLOYDS TSB BANK, PLC | $ | 105,681,818 | | |
| BANCO DE SABADELL, S.A. | $ | 50,000,000 | | |
| CAIXA D'ESTALVIS I PENSIONS DE BARCELONA | $ | 8,333,333 | | |
| MORGAN STANLEY BANK INTERNATIONAL LIMITED | $ | 8,333,333 | | |

| Obligation | | Original Exposure at the calculation date | Obligor | Guarantor |
|---|---|---|---|---|
| BANCO DE GALICIA | $ | 40,000,000 | | |
| **FACILITY B3** | **€** | **419,605,045** | **CEMEX España, S.A.** | **N/A** |
| BANCO BILBAO VIZCAYA ARGENTARIA, S.A. | € | 88,037,026 | | |
| BNP PARIBAS SUCURSAL EN ESPAÑA | € | 79,747,825 | | |
| CAJA DE AHORROS Y MONTE DE PIEDAD DE MADRID | € | 79,747,825 | | |
| ING BELGIUM S.A. SUCURSAL EN ESPAÑA | € | 79,747,825 | | |
| INTESA SANPAOLO S.P.A., SUCURSAL EN ESPAÑA | € | 79,747,825 | | |
| BRED BANQUE POPULAIRE | € | 12,576,718 | | |
| **FACILITY C** | **€**<br>**$** | **1,320,000,000**<br>**1,185,000,000** | **CEMEX España, S.A.** | **N/A** |
| **€ 1,320,000,000** | | | | |
| CITIBANK INTERNATIONAL PLC, SUCURSAL EN ESPAÑA | € | 39,453,333 | | |
| THE ROYAL BANK OF SCOTLAND PLC | € | 51,333,333 | | |
| ABN AMRO BANK N.V. SUCURSAL EN ESPAÑA | € | 33,000,000 | | |
| BANCO BILBAO VIZCAYA ARGENTARIA, S.A. | € | 51,333,333 | | |
| BANCO SANTANDER, S.A. | € | 44,300,000 | | |
| BANCO ESPAÑOL DE CRÉDITO, S.A. MADRID | € | 16,793,333 | | |
| THE BANK OF TOKYO-MITSUBISHI UFJ, LTD. SUCURSAL EN ESPAÑA | € | 46,500,000 | | |
| BARCLAYS BANK PLC | € | 46,500,000 | | |
| BAYERISCHE HYPO- UND VEREINSBANK AG | € | 46,500,000 | | |
| BAYERISCHE LANDESBANK | € | 46,500,000 | | |
| BNP PARIBAS SUCURSAL EN ESPAÑA | € | 46,500,000 | | |
| FORTIS BANK, S.A. SUCURSAL EN ESPAÑA | € | 46,500,000 | | |
| BANK OF AMERICA, N.A., SUCURSAL EN ESPAÑA | € | 46,500,000 | | |
| CAJA DE AHORROS DE GALICIA | € | 35,500,000 | | |

| Obligation | Original Exposure at the calculation date | | Obligor | Guarantor |
|---|---|---|---|---|
| CAJA DE AHORROS Y MONTE DE PIEDAD DE MADRID | € | 46,500,000 | | |
| CALYON | € | 46,500,000 | | |
| HSBC BANK PLC, SUCURSAL EN ESPAÑA | € | 46,500,000 | | |
| ING BELGIUM S.A. SUCURSAL EN ESPAÑA | € | 46,500,000 | | |
| INSTITUTO DE CREDITO OFICIAL | € | 46,500,000 | | |
| INTESA SANPAOLO S.P.A., SUCURSAL EN ESPAÑA | € | 46,500,000 | | |
| JPMORGAN CHASE BANK N.A., SUCURSAL EN ESPAÑA | € | 43,860,000 | | |
| LLOYDS TSB BANK, PLC | € | 46,500,000 | | |
| MIZUHO CORPORATE BANK NEDERLAND, N.V. | € | 46,500,000 | | |
| SCOTIABANK EUROPE PLC | € | 46,500,000 | | |
| SOCIÉTÉ GÉNÉRALE | € | 46,500,000 | | |
| STANDARD CHARTERED BANK | € | 20,100,000 | | |
| WESTLB AG, SUCURSAL EN ESPAÑA | € | 46,500,000 | | |
| BANCO DE SABADELL, S.A. | € | 22,000,000 | | |
| THE GOVERNOR AND COMPANY OF THE BANK OF IRELAND | € | 14,666,667 | | |
| MEDIOBANCA - BANCA DI CREDITO FINANZIARIO S.P.A. | € | 31,166,667 | | |
| BRED BANQUE POPULAIRE | € | 7,333,333 | | |
| CAISSE REGIONALE DE CREDIT AGRICOLE MUTUEL DE PARIS ET D'ILE-DE-FRANCE | € | 10,633,333 | | |
| CRÉDIT INDUSTRIEL ET COMMERCIAL LONDON BRANCH | € | 10,633,333 | | |
| BANCA MONTE DEI PASCHI DI SIENA S.P.A., London Branch | € | 7,333,333 | | |
| BANCO CAIXA GENERAL | € | 5,426,667 | | |
| CAIXA D'ESTALVIS I PENSIONS DE BARCELONA | € | 3,666,667 | | |
| CAJA DE AHORROS DE ASTURIAS | € | 5,426,667 | | |
| LANDESBANK BADEN-WÜRTTEMBERG, LONDON BRANCH | € | 6,306,667 | | |
| MORGAN STANLEY BANK INTERNATIONAL LIMITED | € | 3,666,667 | | |

| Obligation | | Original Exposure at the calculation date | Obligor | Guarantor |
|---|---|---|---|---|
| WESTPAC EUROPE LIMITED | € | 3,666,667 | | |
| CENTROBANCA - Banca di Credito Finanziario e Mobiliare S.p.A. | € | 15,400,000 | | |
| **$ 1,185,000,000** | | | | |
| CITIBANK INTERNATIONAL PLC, SUCURSAL EN ESPAÑA | $ | 35,418,333 | | |
| THE ROYAL BANK OF SCOTLAND PLC | $ | 46,083,333 | | |
| ABN AMRO BANK N.V. SUCURSAL EN ESPAÑA | $ | 29,625,000 | | |
| BANCO BILBAO VIZCAYA ARGENTARIA, S.A. | $ | 46,083,333 | | |
| BANCO SANTANDER, S.A. | $ | 39,769,318 | | |
| BANCO ESPAÑOL DE CRÉDITO, S.A. MADRID | $ | 15,075,833 | | |
| THE BANK OF TOKYO-MITSUBISHI UFJ, LTD. SUCURSAL EN ESPAÑA | $ | 41,744,318 | | |
| BARCLAYS BANK PLC | $ | 41,744,318 | | |
| BAYERISCHE HYPO- UND VEREINSBANK AG | $ | 41,744,318 | | |
| BAYERISCHE LANDESBANK | $ | 41,744,318 | | |
| BNP PARIBAS SUCURSAL EN ESPAÑA | $ | 41,744,318 | | |
| FORTIS BANK, S.A. SUCURSAL EN ESPAÑA | $ | 41,744,318 | | |
| BANK OF AMERICA, N.A., SUCURSAL EN ESPAÑA | $ | 41,744,318 | | |
| CAJA DE AHORROS DE GALICIA | $ | 31,869,318 | | |
| CAJA DE AHORROS Y MONTE DE PIEDAD DE MADRID | $ | 41,744,318 | | |
| CALYON | $ | 41,744,318 | | |
| HSBC BANK PLC, SUCURSAL EN ESPAÑA | $ | 41,744,318 | | |
| ING BELGIUM S.A. SUCURSAL EN ESPAÑA | $ | 41,744,318 | | |
| INSTITUTO DE CREDITO OFICIAL | $ | 41,744,318 | | |
| INTESA SANPAOLO S.P.A., SUCURSAL EN ESPAÑA | $ | 41,744,318 | | |
| JPMORGAN CHASE BANK N.A., SUCURSAL EN ESPAÑA | $ | 39,374,318 | | |

| Obligation | | Original Exposure at the calculation date | Obligor | Guarantor |
|---|---|---|---|---|
| LLOYDS TSB BANK, PLC | $ | 41,744,318 | | |
| MIZUHO CORPORATE BANK NEDERLAND, N.V. | $ | 41,744,318 | | |
| SCOTIABANK EUROPE PLC | $ | 41,744,318 | | |
| SOCIÉTÉ GÉNÉRALE | $ | 41,744,318 | | |
| STANDARD CHARTERED BANK | $ | 18,044,318 | | |
| WESTLB AG, SUCURSAL EN ESPAÑA | $ | 41,744,318 | | |
| BANCO DE SABADELL, S.A. | $ | 19,750,000 | | |
| THE GOVERNOR AND COMPANY OF THE BANK OF IRELAND | $ | 13,166,667 | | |
| MEDIOBANCA - BANCA DI CREDITO FINANZIARIO S.P.A. | $ | 27,979,167 | | |
| BRED BANQUE POPULAIRE | $ | 6,583,333 | | |
| CAISSE REGIONALE DE CREDIT AGRICOLE MUTUEL DE PARIS ET D'ILE-DE-FRANCE | $ | 9,545,833 | | |
| CRÉDIT INDUSTRIEL ET COMMERCIAL LONDON BRANCH | $ | 9,545,833 | | |
| BANCA MONTE DEI PASCHI DI SIENA S.P.A., London Branch | $ | 6,583,333 | | |
| BANCO CAIXA GENERAL | $ | 4,871,667 | | |
| CAIXA D'ESTALVIS I PENSIONS DE BARCELONA | $ | 3,291,667 | | |
| CAJA DE AHORROS DE ASTURIAS | $ | 4,871,667 | | |
| LANDESBANK BADEN-WÜRTTEMBERG, LONDON BRANCH | $ | 5,661,667 | | |
| MORGAN STANLEY BANK INTERNATIONAL LIMITED | $ | 3,291,667 | | |
| WESTPAC EUROPE LIMITED | $ | 3,291,667 | | |
| CENTROBANCA - Banca di Credito Finanziario e Mobiliare S.p.A. | $ | 13,825,000 | | |
| **CEMEX España, S.A. US$617,500,000 & EUR 587,500,000 Joint Bilateral Financing Facilities Agreement dated 27 January, 2009 (as amended)** | **$**<br>**€** | **617,500,000**<br>**587,500,000** | **CEMEX España, S.A.** | **CEMEX Australia Holdings Pty Ltd.; CEMEX, Inc.** |
| **FACILITY A** | **$** | **617,500,000** | **CEMEX España, S.A.** | **CEMEX Australia Holdings Pty Ltd.; CEMEX, Inc.** |
| THE ROYAL BANK OF SCOTLAND PLC | $ | 362,500,000 | | |

| Obligation | | Original Exposure at the calculation date | Obligor | Guarantor |
|---|---|---|---|---|
| BANCO SANTANDER, S.A. | $ | 105,000,000 | | |
| BANK OF AMERICA, N.A., SUCURSAL EN ESPAÑA | $ | 150,000,000 | | |
| **FACILITY B** | **€** | **587,500,000** | **CEMEX Espa ña, S.A.** | **CEMEX Australia Holdings Pty Ltd.; CEMEX, Inc.** |
| LLOYDS TSB BANK PLC, SUCURSAL EN ESPAÑA | € | 22,500,000 | | |
| BANCO SANTANDER S.A. | € | 307,000,000 | | |
| BANCO ESPAÑOL DE CRÉDITO, S.A. MADRID | € | 40,000,000 | | |
| BANCO BILBAO VIZCAYA ARGENTARIA, S.A. | € | 48,000,000 | | |
| CAIXA D'ESTALVIS I PENSIONS DE BARCELONA | € | 70,000,000 | | |
| BANCO CAIXA GERAL, S.A. | € | 50,000,000 | | |
| HSBC BANK, PLC, SUCURSAL EN ESPAÑA | € | 30,000,000 | | |
| CAJA DE AHORROS Y MONTE DE PIEDAD MADRID | € | 20,000,000 | | |
| **New Sunward Holding B.V. US$1,050,000,000 Senior Unsecured Dutch Loan "A & B" Agreement dated 2 June, 2008 (Club Loan)** | **$** | **1,050,000,000** | **NEW SUNWA RD HOLDING B.V.** | **CEMEX, S.A.B. de C.V.; CEMEX México, S.A. de C.V.** |
| BANCO SANTANDER, S.A. | $ | 250,000,000 | | |
| HSBC MÉXICO, S.A., Institución de Banca Multiple, Grupo Financiero HSBC, acting through its Grand Cayman Branch | $ | 250,000,000 | | |
| THE ROYAL BANK OF SCOTLAND PLC | $ | 250,000,000 | | |
| ING BANK, N.V., acting through its Curacao Branch | $ | 150,000,000 | | |
| CAJA DE AHORROS Y MONTE DE PIEDAD DE MADRID - Miami Agency | $ | 150,000,000 | | |
| **New Sunward Holding B.V. US$700,000,000 Facilities Agreement dated 27 June 2005 (as amended)** | **$** | **350,000,000** | **NEW SUNWARD HOLDING B.V.** | **CEMEX, S.A.B. de C.V.; CEMEX México, S.A. de C.V.; Empresas Tolteca de México S.A. de C.V.** |
| **FACILITY B (Revolving Facility)** | | | | |
| BANCO BILBAO VIZCAYA ARGENTARIA, S.A. | $ | 34,916,667 | | |

| Obligation | Original Exposure at the calculation date | | Obligor | Guarantor |
|---|---|---|---|---|
| SANTANDER OVERSEAS BANK INC | $ | 24,250,000 | | |
| BNP PARIBAS | $ | 31,166,667 | | |
| THE ROYAL BANK OF SCOTLAND PLC | $ | 24,250,000 | | |
| BANK OF AMERICA, N.A. | $ | 7,500,000 | | |
| JPMORGAN CHASE BANK, N.A. | $ | 24,250,000 | | |
| CITIBANK, N.A. NASSAU BAHAMAS BRANCH | $ | 34,916,667 | | |
| ING BANK N.V. | $ | 24,250,000 | | |
| CALYON SUCURSAL EN ESPAÑA | $ | 24,250,000 | | |
| FORTIS BANK S.A./N.V. | $ | 15,000,000 | | |
| LLOYDS TSB BANK PLC | $ | 24,250,000 | | |
| THE BANK OF TOKYO-MITSUBISHI UFJ, LTD. | $ | 15,000,000 | | |
| BANCO DE SABADELL, S.A. | $ | 10,000,000 | | |
| THE GOVERNOR AND COMPANY OF THE BANK OF IRELAND | $ | 7,500,000 | | |
| MIZUHO CORPORATE BANK, LTD. | $ | 24,250,000 | | |
| WACHOVIA BANK, NATIONAL ASSOCIATION | $ | 24,250,000 | | |
| **Part I.B (Bilateral Facilities)** | | | | |
| US$500,000,000 Pez Loan between Banco Bilbao Vizcaya Argentaria, S.A. and CEMEX, S.A.B. de C.V. dated 25 June 2008, as further amended | $ | 500,000,000 | CEMEX, S.A. B. de C.V. | CEMEX México, S.A. de C.V. |
| US$170,000,000 Loan Facility Agreement between JPMorgan Chase Bank, N.A. and CEMEX Materials LLC, dated 1 October 2007 (as amended) | $ | 170,000,000 | CEMEX Materials LLC | CEMEX España, S.A. |
| US$37,500,000 Facility Agreement between CEMEX BNP Paribas (Sydney Branch) and CEMEX Materials LLC, dated 1 October 2007 (as amended) | $ | 37,500,000 | CEMEX Materials LLC | CEMEX España, S.A. |
| €3,900,291 and $38,431,286 bilateral revolving loan agreements dated 29 September 2009 between Banco de Sabadell, S.A. and CEMEX España, S.A (replacing, respectively, a €3,900,291 bilateral loan agreement dated 13 August 2009 which in turn replaced a €32,000,000 bilateral loan agreement dated 24 June 2008, and a $38,431,286 bilateral loan agreement dated 13 August 2009 which in turn replaced a $51,000,000 bilateral loan agreement dated 24 June 2008 (as amended), each between the same parties) | €<br>$ | 3,900,291<br>38,431,286 | CEMEX España, S.A. | N/A |

| Obligation | Original Exposure at the calculation date | | Obligor | Guarantor |
|---|---|---|---|---|
| €40,000,000 Multidivisa Bilateral Loan Agreement between Fortis, S.A., Sucursal en España and CEMEX España, S.A., dated 28 August 2006 | $<br>€ | 24,616,009<br>10,662,171 | CEMEX Espa ña, S.A. | N/A |
| **Part I.C (Promissory Notes)** | | | | |
| Promissory Note US$45,434,817 JPMorgan Chase Bank, N.A. | $ | 45,434,817 | CEMEX, S.A.B. de C.V. | CEMEX México, S.A. de C.V. |
| Promissory Note US$20,000,000 JPMorgan Chase Bank, N.A. | $ | 20,000,000 | CEMEX, S.A.B. de C.V. | CEMEX México, S.A. de C.V. |
| Promissory Note US$50,000,000 BNP Paribas | $ | 50,000,000 | CEMEX, S.A.B. de C.V. | N/A |
| Promissory Note US$49,128,020 Barclays Bank plc | $ | 49,128,020 | CEMEX, S.A.B. de C.V. | N/A |
| Promissory Note US$50,000,000 BBVA Bancomer, S.A., Institución de Banca Múltiple Grupo Financiero BBVA Bancomer | $ | 50,000,000 | CEMEX, S.A.B. de C.V. | N/A |
| Promissory Note US$6,625,000 ABN AMRO Bank, N.V. | $ | 6,625,000 | CEMEX, S.A.B. de C.V. | N/A |
| Promissory Note US$1,296,000 Calyon | $ | 1,296,000 | CEMEX, S.A.B. de C.V. | N/A |
| Promissory Note US$ 34,318,339 ING Bank N.V., sucursal Curazao | $ | 34,318,339 | CEMEX, S.A.B. de C.V. | N/A |
| Promissory Note Mex$ 739,385,879.95 HSBC México, S.A., Institución de Banca Múltiple, Grupo Financiero HSBC | Mex $ | 739,385,879.95 | CEMEX, S.A.B. de C.V. | N/A |
| Promissory Note US$4,093,054 Bank of America, N.A. | $ | 4,093,054 | CEMEX S.A.B. de C.V. | N/A |
| Promissory Note US$4,504,861 The Royal Bank of Scotland plc | $ | 4,504,861 | CEMEX S.A.B. de C.V. | N/A |
| Promissory Note US$34,072,566 Merrill Lynch International Bank Limited | $ | 34,072,566 | CEMEX S.A.B. de C.V. | N/A |
| Promissory Note US$51,947,000 Citibank N.A. New York | $ | 51,947,000 | CEMEX S.A.B. de C.V. | N/A. |
| **Part I.D (US Private Placements)** | | | | |
| **US$882,407,495.57 Note Purchase Agreement** | **US$** | **882,407,495.57** | **CEMEX Espa ña Finance** | **CEMEX España, S.A.** |

| | | | | |
|---|---|---|---|---|
| | | | **LLC** | |

Noteholders breakdown as identified in Schedule A to the USPP Note Purchase Agreement

| | | | | |
|---|---|---|---|---|
| **¥1,185,389,696.06 Note Purchase Agreement** | **¥** | **1,185,389,696.06** | **CEMEX España Finance LLC** | **CEMEX España, S.A.** |

Appendix II

| Turnover - Euros m | 1993 | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 |
|---|---|---|---|---|---|---|---|---|---|
| Buzzi Unicem | | | | | | 992 | 1,148 | 1,334 | 1,474 |
| CRH | 1,812 | 2,047 | 2,426 | 3,202 | 4,080 | 5,034 | 6,599 | 8,702 | 10,207 |
| Heidelberg | 1,612 | 3,201 | 3,088 | 3,310 | 3,679 | 3,913 | 6,389 | 6,809 | 6,689 |
| Holcim | 8,429 | 9,106 | 8,271 | 9,952 | 11,485 | 7,215 | 7,663 | 8,476 | 9,033 |
| Italcementi | | | 2,824 | 2,655 | 2,878 | 3,017 | 3,406 | 3,811 | 4,063 |
| Lafarge | 4,639 | 5,007 | 5,064 | 5,376 | 6,413 | 9,801 | 10,528 | 12,216 | 13,698 |
| Titan | | | | | | | | 623 | 983 |
| Vicat | | | | | | | | 1,197 | 1,446 |
| **Total** | **16,492** | **19,361** | **21,672** | **24,495** | **28,535** | **29,973** | **35,734** | **43,167** | **47,593** |
| % change | | | | | | 5% | 19% | 21% | 10% |
| | | | | | | | | | |
| **EBITDA - Euros m** | **1993** | **1994** | **1995** | **1996** | **1997** | **1998** | **1999** | **2000** | **2001** |
| Buzzi Unicem | | | | | | 248 | 332 | 415 | 447 |
| CRH | 180 | 223 | 286 | 373 | 470 | 591 | 920 | 1,253 | 1,430 |
| Heidelberg | 279 | 565 | 547 | 621 | 676 | 740 | 1,150 | 1,223 | 1,153 |
| Holcim | 1,716 | 2,042 | 1,824 | 2,078 | 2,782 | 1,837 | 1,850 | 1,961 | 2,219 |
| Italcementi | | | 639 | 556 | 639 | 712 | 836 | 934 | 1,029 |
| Lafarge | 858 | 936 | 957 | 930 | 1,291 | 2,131 | 2,380 | 2,592 | 2,862 |
| Titan | | | | | | | | 198 | 246 |
| Vicat | | | | | | | | 273 | 337 |
| **Total** | **3,032** | **3,766** | **4,253** | **4,558** | **5,858** | **6,260** | **7,467** | **8,850** | **9,722** |
| % change | | | | | | 7% | 19% | 19% | 10% |

| Turnover - Euros m | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013e | 2014e | 2015e | 10 Year CAGR |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Buzzi Unicem | 1,494 | 1,474 | 2,771 | 2,951 | 3,205 | 3,496 | 3,520 | 2,672 | 2,648 | 2,787 | 2,813 | 2,916 | 3,083 | 3,256 | 7% |
| CRH | 10,517 | 9,385 | 12,280 | 14,449 | 18,737 | 20,992 | 20,887 | 17,372 | 17,173 | 18,081 | 18,659 | 18,842 | 19,767 | 20,862 | 6% |
| Heidelberg | 6,570 | 6,372 | 6,929 | 7,803 | 9,234 | 12,244 | 14,275 | 11,117 | 11,762 | 12,902 | 14,020 | 14,709 | 15,536 | 16,453 | 8% |
| Holcim | 8,869 | 8,285 | 8,560 | 11,927 | 15,237 | 16,465 | 15,856 | 13,998 | 15,683 | 16,826 | 17,876 | 18,465 | 19,665 | 21,001 | 7% |
| Italcementi | 4,262 | 4,285 | 4,528 | 5,000 | 5,854 | 6,001 | 5,776 | 5,006 | 4,791 | 4,721 | 4,480 | 4,488 | 4,699 | 4,977 | 1% |
| Lafarge | 14,610 | 13,658 | 14,436 | 15,969 | 18,534 | 17,614 | 19,033 | 15,884 | 16,169 | 15,284 | 15,816 | 16,080 | 17,198 | 18,390 | 1% |
| Titan | 1,036 | 1,036 | 1,143 | 1,342 | 1,568 | 1,497 | 1,578 | 1,361 | 1,350 | 1,091 | 1,131 | 1,134 | 1,209 | 1,304 | 1% |
| Vicat | 1,463 | 1,468 | 1,619 | 1,804 | 2,082 | 2,136 | 2,057 | 1,896 | 2,014 | 2,265 | 2,292 | 2,348 | 2,472 | 2,594 | 5% |
| **Total** | **48,821** | **45,961** | **52,265** | **61,244** | **74,451** | **80,444** | **82,984** | **69,306** | **71,591** | **73,958** | **77,087** | **78,982** | **83,629** | **88,837** | **5%** |
| % change | 3% | -6% | 14% | 17% | 22% | 8% | 3% | -16% | 3% | 3% | 4% | 2% | 6% | 6% | |
| | | | | | | | | | | | | | | | |
| **EBITDA - Euros m** | **2002** | **2003** | **2004** | **2005** | **2006** | **2007** | **2008** | **2009** | **2010** | **2011** | **2012** | **2013e** | **2014e** | **2015e** | **10 Year CAGR** |
| Buzzi Unicem | 470 | 444 | 699 | 801 | 931 | 1,046 | 923 | 542 | 398 | 422 | 447 | 497 | 571 | 655 | -1% |
| CRH | 1,471 | 1,463 | 1,652 | 1,948 | 2,430 | 2,825 | 2,622 | 1,749 | 1,615 | 1,656 | 1,640 | 1,721 | 1,956 | 2,178 | 1% |
| Heidelberg | 1,147 | 1,024 | 1,220 | 1,507 | 1,975 | 2,536 | 3,087 | 2,102 | 2,239 | 2,321 | 2,477 | 2,620 | 2,905 | 3,260 | 8% |
| Holcim | 2,278 | 2,177 | 2,324 | 2,988 | 3,901 | 4,226 | 3,563 | 3,157 | 3,269 | 3,224 | 3,504 | 3,893 | 4,448 | 4,907 | 4% |
| Italcementi | 1,109 | 1,061 | 1,096 | 1,137 | 1,433 | 1,404 | 1,113 | 972 | 836 | 697 | 632 | 664 | 769 | 868 | -5% |
| Lafarge | 3,101 | 2,820 | 3,231 | 3,330 | 3,967 | 4,196 | 4,618 | 3,600 | 3,614 | 3,217 | 3,450 | 3,730 | 4,267 | 4,616 | 1% |
| Titan | 292 | 296 | 319 | 389 | 481 | 426 | 380 | 330 | 314 | 243 | 196 | 199 | 229 | 282 | -4% |
| Vicat | 356 | 337 | 401 | 466 | 564 | 593 | 528 | 473 | 504 | 491 | 437 | 470 | 529 | 590 | 2% |
| **Total** | **10,224** | **9,622** | **10,942** | **12,567** | **15,682** | **17,251** | **16,835** | **12,924** | **12,790** | **12,271** | **12,784** | **13,794** | **15,673** | **17,356** | **2%** |
| % change | 5% | -6% | 14% | 15% | 25% | 10% | -2% | -23% | -1% | -4% | 4% | 8% | 14% | 11% | |

| **EBITDA Margin** | **1993** | **1994** | **1995** | **1996** | **1997** | **1998** | **1999** | **2000** | **2001** |
|---|---|---|---|---|---|---|---|---|---|
| Buzzi Unicem | | | | | | 25% | 29% | 31% | 30% |
| CRH | 10% | 11% | 12% | 12% | 12% | 12% | 14% | 14% | 14% |
| Heidelberg | 17% | 18% | 18% | 19% | 18% | 19% | 18% | 18% | 17% |
| Holcim | 20% | 22% | 22% | 21% | 24% | 25% | 24% | 23% | 25% |
| Italcementi | | | 23% | 21% | 22% | 24% | 25% | 25% | 25% |
| Lafarge | 18% | 19% | 19% | 17% | 20% | 22% | 23% | 21% | 21% |
| Titan | | | | | | | | 32% | 25% |
| Vicat | | | | | | | | 23% | 23% |
| **Average** | **18%** | **19%** | **20%** | **19%** | **21%** | **20.9%** | **20.9%** | **20.5%** | **20.4%** |
| | | | | | | | | | |
| | | | | | | | | | |
| **Net Income normalised - Euros** | **1993** | **1994** | **1995** | **1996** | **1997** | **1998** | **1999** | **2000** | **2001** |
| Buzzi Unicem | | | | | | | | | 163 |
| CRH | 79 | 115 | 153 | 194 | 235 | 298 | 430 | 532 | 631 |
| Heidelberg | 83 | 161 | 156 | 228 | 211 | 276 | 353 | 367 | 313 |
| Holcim | 331 | 453 | 536 | 634 | 1,001 | 773 | 633 | 484 | 690 |
| Italcementi | | | | | | 95 | 142 | 143 | 222 |
| Lafarge | 199 | 258 | 310 | 325 | 358 | 504 | 504 | 808 | 631 |
| Titan | | | | | | | | 101 | 116 |
| Vicat | | | | | | | | 112 | 126 |
| **Total** | **692** | **987** | **1155** | **1381** | **1805** | **1945** | **2062** | **2547** | **2892** |
| % change | | | | | | | 6.0% | 23.5% | 13.5% |

| EBITDA Margin | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013e | 2014e | 2015e | 10 Year average |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Buzzi Unicem | 32% | 30% | 25% | 27% | 29% | 30% | 26% | 20% | 15% | 15% | 16% | 17% | 19% | 20% | 23.4% |
| CRH | 14% | 16% | 13% | 13% | 13% | 13% | 13% | 10% | 9% | 9% | 9% | 9% | 10% | 10% | 11.9% |
| Heidelberg | 17% | 16% | 18% | 19% | 21% | 21% | 22% | 19% | 19% | 18% | 18% | 18% | 19% | 20% | 19.0% |
| Holcim | 26% | 26% | 27% | 25% | 26% | 26% | 22% | 23% | 21% | 19% | 20% | 21% | 23% | 23% | 23.4% |
| Italcementi | 26% | 25% | 24% | 23% | 24% | 23% | 19% | 19% | 17% | 15% | 14% | 15% | 16% | 17% | 20.5% |
| Lafarge | 21% | 21% | 22% | 21% | 21% | 24% | 24% | 23% | 22% | 21% | 22% | 23% | 25% | 25% | 22.1% |
| Titan | 28% | 29% | 28% | 29% | 31% | 28% | 24% | 24% | 23% | 22% | 17% | 18% | 19% | 22% | 25.6% |
| Vicat | 24% | 23% | 25% | 26% | 27% | 28% | 26% | 25% | 25% | 22% | 19% | 20% | 21% | 23% | 24.5% |
| **Average** | **20.9%** | **20.9%** | **20.9%** | **20.5%** | **21.1%** | **21.4%** | **20.3%** | **18.6%** | **17.9%** | **16.6%** | **16.6%** | **17.5%** | **18.7%** | **19.5%** | **19.5%** |
| | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | |
| **Net Income normalised - Euros** | **2002** | **2003** | **2004** | **2005** | **2006** | **2007** | **2008** | **2009** | **2010** | **2011** | **2012** | **2013e** | **2014e** | **2015e** | **10 yr avg** |
| Buzzi Unicem | 196 | 165 | 175 | 256 | 350 | 458 | 395 | 133 | 111 | 18 | -2 | 92 | 149 | 208 | 206 |
| CRH | 679 | 706 | 855 | 978 | 1,179 | 1,430 | 1,248 | 590 | 432 | 571 | 506 | 560 | 737 | 888 | 849 |
| Heidelberg | 408 | 257 | 308 | 486 | 934 | 1,234 | 1,180 | 537 | 475 | 597 | 678 | 740 | 943 | 1,208 | 669 |
| Holcim | 684 | 717 | 828 | 971 | 1,268 | 1,592 | 1,312 | 838 | 758 | 821 | 928 | 1,210 | 1,572 | 1,892 | 1003 |
| Italcementi | 316 | 215 | 351 | 391 | 449 | 424 | 318 | 112 | 67 | -50 | -27 | 51 | 118 | 178 | 225 |
| Lafarge | 709 | 579 | 980 | 1,216 | 1,521 | 1,744 | 1,468 | 797 | 831 | 536 | 705 | 925 | 1,366 | 1,625 | 1038 |
| Titan | 129 | 134 | 177 | 210 | 259 | 240 | 208 | 123 | 102 | 22 | -3 | 3 | 29 | 74 | 147 |
| Vicat | 133 | 133 | 171 | 217 | 292 | 316 | 253 | 206 | 206 | 169 | 129 | 139 | 168 | 197 | 209 |
| **Total** | **3254** | **2906** | **3845** | **4725** | **6252** | **7438** | **6383** | **3337** | **2983** | **2684** | **2916** | **3720** | **5082** | **6268** | **4347** |
| % change | 12.5% | -10.7% | 32.3% | 22.9% | 32.3% | 19.0% | -14.2% | -47.7% | -10.6% | -10.0% | 8.6% | 27.6% | 36.6% | 23.3% | |

| ROIC | 1993 | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 |
|---|---|---|---|---|---|---|---|---|---|
| Buzzi Unicem | | | | | | 7.9% | 7.0% | 9.1% | 11.2% |
| CRH | 16.1% | 17.0% | 17.1% | 14.6% | 14.0% | 11.7% | 15.3% | 14.3% | 11.3% |
| Heidelberg | 5.4% | 9.1% | 7.3% | 8.3% | 6.5% | 7.6% | 7.6% | 6.9% | 5.3% |
| Holcim | 7.6% | 8.8% | 8.1% | 6.9% | 9.6% | 10.4% | 8.0% | 5.6% | 6.8% |
| Italcementi | | | 7.6% | 3.3% | 4.7% | 5.3% | 6.4% | 2.8% | 3.2% |
| Lafarge | 6.8% | 7.3% | 8.2% | 8.5% | 7.7% | 8.5% | 8.3% | 8.8% | 6.5% |
| Titan | | | | | | 0.0% | 0.0% | 15.1% | 16.5% |
| Vicat | | | | | | | | 9.3% | 9.4% |
| **Average** | **9.0%** | **10.5%** | **9.7%** | **8.3%** | **8.5%** | **8.8%** | **8.5%** | **7.6%** | **6.8%** |
| | | | | | | | | | |
| | | | | | | | | | |
| **Market Cap - Euros m** | **1993** | **1994** | **1995** | **1996** | **1997** | **1998** | **1999** | **2000** | **2001** |
| Buzzi Unicem | | | | | | | | 61 | 1237 |
| CRH | 1120 | 1670 | 1815 | 2722 | 3437 | 4691 | 6970 | 7524 | 9534 |
| Heidelberg | 1352 | 1634 | 1529 | 1608 | 2547 | 2706 | 3200 | 2922 | 2629 |
| Holcim | 3655 | 5160 | 5137 | 6126 | 8165 | 6626 | 8371 | 10047 | 9744 |
| Italcementi | | | | | | 1700 | 1934 | 2095 | 2042 |
| Lafarge | 2958 | 4689 | 4100 | 3947 | 4696 | 6869 | 8396 | 8635 | 12069 |
| Titan | | | | | | | | 1809 | 1591 |
| Vicat | | | | | | | | 921 | 962 |
| **Total - Euros m** | | | | | | **22592** | **28872** | **34013** | **39808** |

| ROIC | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013e | 2014e | 2015e | 10 Year Average |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Buzzi Unicem | 9.3% | 9.6% | 10.2% | 11.5% | 13.2% | 15.9% | 13.7% | 5.5% | 3.0% | 2.6% | 1.6% | 4.9% | 6.1% | 7.6% | 8.7% |
| CRH | 9.9% | 9.4% | 10.7% | 11.6% | 11.9% | 12.1% | 10.0% | 5.4% | 4.1% | 5.1% | 5.9% | 5.1% | 6.3% | 7.4% | 8.7% |
| Heidelberg | 5.5% | 4.0% | 0.4% | 5.3% | 9.6% | 12.8% | 10.4% | 2.7% | 5.3% | 4.5% | 3.9% | 5.6% | 6.2% | 6.9% | 5.9% |
| Holcim | 6.8% | 6.8% | 8.1% | 8.6% | 9.3% | 9.9% | 7.7% | 5.6% | 4.9% | 4.9% | 5.4% | 6.5% | 7.6% | 8.6% | 7.1% |
| Italcementi | 4.1% | 6.7% | 9.4% | 8.8% | 9.6% | 8.9% | 6.3% | 4.1% | 3.4% | 1.0% | 0.9% | 2.1% | 3.2% | 4.1% | 5.7% |
| Lafarge | 5.8% | 5.6% | 7.0% | 8.3% | 8.3% | 9.6% | 9.1% | 5.7% | 5.3% | 3.9% | 5.3% | 6.0% | 7.3% | 8.0% | 6.7% |
| Titan | 17.4% | 15.4% | 17.2% | 19.1% | 19.9% | 16.6% | 12.4% | 6.7% | 6.7% | 2.9% | 2.0% | 2.8% | 3.8% | 5.7% | 12.4% |
| Vicat | 8.7% | 8.5% | 10.9% | 13.0% | 16.1% | 16.1% | 11.7% | 9.5% | 8.8% | 6.3% | 4.7% | 5.2% | 6.3% | 7.4% | 10.4% |
| **Average** | **6.7%** | **6.6%** | **7.4%** | **8.8%** | **10.0%** | **11.2%** | **9.3%** | **5.0%** | **5.0%** | **4.3%** | **4.6%** | **5.5%** | **6.6%** | **7.5%** | **7.2%** |
| | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | |
| **Market Cap - Euros m** | **2002** | **2003** | **2004** | **2005** | **2006** | **2007** | **2008** | **2009** | **2010** | **2011** | **2012** | **2013e** | **2014e** | **2015e** | |
| Buzzi Unicem | 1091 | 1168 | 1683 | 2257 | 3514 | 4207 | 2724 | 1971 | 1701 | 1553 | 1531 | 2065 | 2065 | 2065 | |
| CRH | 8673 | 7677 | 9727 | 11736 | 14827 | 17117 | 11023 | 11652 | 11445 | 8848 | 10719 | 11671 | 11671 | 11671 | |
| Heidelberg | 2451 | 2167 | 3679 | 6339 | 10904 | 13075 | 10367 | 4712 | 7742 | 7522 | 7463 | 10085 | 10106 | 10128 | |
| Holcim | 8592 | 6303 | 8422 | 10937 | 14696 | 18998 | 13450 | 11565 | 16514 | 15497 | 15639 | 19101 | 19086 | 19086 | |
| Italcementi | 2214 | 2294 | 2619 | 3313 | 4680 | 4868 | 2743 | 2533 | 1698 | 1343 | 990 | 1063 | 1063 | 1063 | |
| Lafarge | 12253 | 8611 | 11684 | 12784 | 16834 | 19083 | 17148 | 12558 | 13503 | 10650 | 10524 | 14048 | 14048 | 14048 | |
| Titan | 1614 | 1392 | 1616 | 2294 | 3281 | 3296 | 1999 | 1558 | 1388 | 1209 | 1116 | 1146 | 1147 | 1148 | |
| Vicat | 916 | 908 | 1244 | 1827 | 2942 | 3903 | 2092 | 2000 | 2480 | 2387 | 1923 | 2023 | 2023 | 2023 | |
| **Total - Euros m** | **37803** | **30520** | **40675** | **51487** | **71676** | **84548** | **61546** | **48548** | **56471** | **49008** | **49905** | **61202** | **61210** | **61233** | |

| **EV - Euros m** | **1993** | **1994** | **1995** | **1996** | **1997** | **1998** | **1999** | **2000** | **2001** |
|---|---|---|---|---|---|---|---|---|---|
| Buzzi Unicem | | | | | | | | 61 | 1781 |
| CRH | 1031 | 1669 | 2035 | 3220 | 3998 | 5995 | 8232 | 9566 | 12074 |
| Heidelberg | 2375 | 3474 | 3309 | 3657 | 4677 | 5201 | 8003 | 8002 | 8081 |
| Holcim | 10346 | 12116 | 11926 | 14387 | 15934 | 11938 | 15302 | 18309 | 18531 |
| Italcementi | | | | 0 | 0 | 3744 | 4490 | 5137 | 5328 |
| Lafarge | 5459 | 6342 | 5849 | 6718 | 11921 | 14788 | 16572 | 18184 | 27890 |
| Titan | | | | | | | | 2244 | 1912 |
| Vicat | | | | | | | | 1401 | 1732 |
| **Total** | **19210** | **23601** | **23118** | **27983** | **36530** | **41666** | **52599** | **62904** | **77329** |

| EV - Euros m | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013e | 2014e | 2015e |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Buzzi Unicem | 1931 | 2018 | 4034 | 4059 | 5084 | 5503 | 4421 | 3849 | 3436 | 3216 | 3131 | 3576 | 3443 | 3251 |
| CRH | 11275 | 10894 | 12945 | 15896 | 19942 | 22582 | 17851 | 16141 | 15728 | 13190 | 14651 | 15569 | 15367 | 15133 |
| Heidelberg | 7716 | 6741 | 9373 | 12035 | 15545 | 31156 | 25013 | 15517 | 18606 | 18154 | 17694 | 20260 | 20090 | 19819 |
| Holcim | 17678 | 15037 | 15809 | 23209 | 28770 | 32645 | 26920 | 25540 | 29591 | 29754 | 29373 | 32726 | 32611 | 31985 |
| Italcementi | 5402 | 5042 | 5299 | 7721 | 8833 | 9077 | 7140 | 6701 | 5816 | 5288 | 4720 | 4801 | 4718 | 4619 |
| Lafarge | 26989 | 20025 | 23042 | 24901 | 30051 | 30499 | 37623 | 30184 | 31317 | 26753 | 26050 | 28546 | 27906 | 26916 |
| Titan | 1970 | 1917 | 2096 | 2744 | 3668 | 3926 | 3193 | 2582 | 2345 | 2089 | 1867 | 1860 | 1797 | 1711 |
| Vicat | 1523 | 1539 | 1793 | 2355 | 3363 | 4614 | 2991 | 2896 | 3934 | 3866 | 3454 | 3452 | 3344 | 3196 |
| **Total** | **74484** | **63213** | **74390** | **92920** | **115256** | **140003** | **125153** | **103409** | **110772** | **102310** | **100940** | **110790** | **109277** | **106630** |

| EV/EBITDA | 1993 | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013e | 2014e | 2015e | 10 yr avg |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Buzzi Unicem | | | | | | | | | 4.0 | 4.1 | 4.5 | 5.8 | 5.1 | 5.5 | 5.3 | 4.8 | 7.1 | 8.6 | 7.6 | 7.0 | 7.2 | 6.0 | 5.0 | 6.1 |
| CRH | 5.7 | 7.5 | 7.1 | 8.6 | 8.5 | 10.1 | 9.0 | 7.6 | 8.4 | 7.7 | 7.4 | 7.8 | 8.2 | 8.2 | 8.0 | 6.8 | 9.2 | 9.7 | 8.0 | 8.9 | 9.0 | 7.9 | 6.9 | 8.2 |
| Heidelberg | 8.5 | 6.1 | 6.1 | 5.9 | 6.9 | 7.0 | 7.0 | 6.5 | 7.0 | 6.7 | 6.6 | 7.7 | 8.0 | 7.9 | 12.3 | 8.1 | 7.4 | 8.3 | 7.8 | 7.1 | 7.7 | 6.9 | 6.1 | 8.1 |
| Holcim | 6.0 | 5.9 | 6.5 | 6.9 | 5.7 | 6.5 | 8.3 | 9.3 | 8.4 | 7.8 | 6.9 | 6.8 | 7.8 | 7.4 | 7.7 | 7.6 | 8.1 | 9.1 | 9.2 | 8.4 | 8.4 | 7.3 | 6.5 | 7.9 |
| Italcementi | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 5.3 | 5.4 | 5.5 | 5.2 | 4.9 | 4.8 | 4.8 | 6.8 | 6.2 | 6.5 | 6.4 | 6.9 | 7.0 | 7.6 | 7.5 | 7.2 | 6.1 | 5.3 | 6.4 |
| Lafarge | 6.4 | 6.8 | 6.1 | 7.2 | 9.2 | 6.9 | 7.0 | 7.0 | 9.7 | 8.7 | 7.1 | 7.1 | 7.5 | 7.6 | 7.3 | 8.1 | 8.4 | 8.7 | 8.3 | 7.6 | 7.7 | 6.5 | 5.8 | 7.8 |
| Titan | | | | | | | | 11.3 | 7.8 | 6.7 | 6.5 | 6.6 | 7.1 | 7.6 | 9.2 | 8.4 | 7.8 | 7.5 | 8.6 | 9.5 | 9.3 | 7.9 | 6.1 | 7.9 |
| Vicat | | | | | | | | 5.1 | 5.1 | 4.3 | 4.6 | 4.5 | 5.1 | 6.0 | 7.8 | 5.7 | 6.1 | 7.8 | 7.9 | 7.9 | 7.4 | 6.3 | 5.4 | 6.3 |
| **Average** | **5.3** | **5.3** | **5.2** | **5.7** | **6.1** | **6.7** | **7.0** | **7.1** | **8.0** | **7.3** | **6.6** | **6.8** | **7.4** | **7.3** | **8.1** | **7.4** | **8.0** | **8.7** | **8.3** | **7.9** | **8.0** | **7.0** | **6.1** | **7.7** |

| **EV:Invested Capital** | **1993** | **1994** | **1995** | **1996** | **1997** | **1998** | **1999** | **2000** | **2001** | **2002** | **2003** | **2004** | **2005** | **2006** | **2007** | **2008** | **2009** | **2010** | **2011** | **2012** | **2013e** | **2014e** | **2015e** | **10 Year Average** |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Buzzi Unicem | | | | | | | | 0.05 | 3.27 | 1.01 | 0.92 | 1.11 | 1.16 | 1.47 | 1.64 | 1.10 | 0.95 | 0.83 | 0.78 | 0.81 | 0.89 | 0.86 | 0.82 | 1.1 |
| CRH | 1.7 | 2.3 | 2.1 | 2.2 | 2.0 | 2.2 | 2.3 | 2.03 | 1.81 | 1.43 | 1.32 | 1.50 | 1.66 | 1.72 | 1.70 | 1.23 | 1.09 | 1.08 | 0.89 | 1.00 | 1.07 | 1.05 | 1.03 | 1.3 |
| Heidelberg | 1.8 | 1.0 | 0.9 | 0.9 | 1.1 | 1.1 | 0.9 | 0.85 | 0.80 | 0.77 | 0.69 | 0.95 | 1.10 | 1.39 | 1.19 | 1.06 | 0.69 | 0.77 | 0.74 | 0.73 | 0.82 | 0.79 | 0.76 | 0.9 |
| Holcim | 1.1 | 1.1 | 1.0 | 1.0 | 1.1 | 1.3 | 1.4 | 1.39 | 1.25 | 1.23 | 1.10 | 1.17 | 1.16 | 1.26 | 1.38 | 1.16 | 0.97 | 1.13 | 1.05 | 1.04 | 1.15 | 1.12 | 1.08 | 1.1 |
| Italcementi | | | | | | 1.0 | 1.0 | 0.91 | 0.88 | 0.90 | 0.95 | 0.98 | 1.04 | 1.19 | 1.18 | 0.92 | 0.89 | 0.76 | 0.71 | 0.70 | 0.71 | 0.70 | 0.68 | 0.9 |
| Lafarge | 1.0 | 1.1 | 1.0 | 1.0 | 1.0 | 1.1 | 1.1 | 1.12 | 1.14 | 1.20 | 0.97 | 1.23 | 1.15 | 1.28 | 1.35 | 1.13 | 0.93 | 0.93 | 0.84 | 0.85 | 0.94 | 0.91 | 0.87 | 1.1 |
| Titan | | | | | | | | 2.76 | 2.24 | 2.15 | 1.91 | 1.91 | 2.27 | 2.66 | 2.42 | 1.47 | 1.03 | 0.95 | 0.85 | 0.80 | 0.82 | 0.81 | 0.78 | 1.6 |
| Vicat | | | | | | | | 1.01 | 1.06 | 0.83 | 0.84 | 1.00 | 1.27 | 1.64 | 2.06 | 1.16 | 1.03 | 1.20 | 1.05 | 0.93 | 0.92 | 0.90 | 0.86 | 1.2 |
| **Average** | **1.41** | **1.41** | **1.27** | **1.30** | **1.31** | **1.25** | **1.23** | **1.22** | **1.19** | **1.14** | **1.01** | **1.19** | **1.22** | **1.38** | **1.39** | **1.12** | **0.92** | **0.95** | **0.87** | **0.88** | **0.97** | **0.94** | **0.90** | **1.09** |
| | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | | | | | |
| **EV/Sales** | **1993** | **1994** | **1995** | **1996** | **1997** | **1998** | **1999** | **2000** | **2001** | **2002** | **2003** | **2004** | **2005** | **2006** | **2007** | **2008** | **2009** | **2010** | **2011** | **2012** | **2013e** | **2014e** | **2015e** | **10 Year Average** |
| Buzzi Unicem | | | | | | | | 0.05 | 1.21 | 1.29 | 1.37 | 1.46 | 1.38 | 1.59 | 1.57 | 1.26 | 1.44 | 1.30 | 1.15 | 1.11 | 1.23 | 1.12 | 1.00 | 1.36 |
| CRH | 1.7 | 2.3 | 2.1 | 2.2 | 2.0 | 1.2 | 1.2 | 1.10 | 1.18 | 1.07 | 1.16 | 1.05 | 1.10 | 1.06 | 1.08 | 0.85 | 0.93 | 0.92 | 0.73 | 0.79 | 0.83 | 0.78 | 0.73 | 0.97 |
| Heidelberg | 1.8 | 1.0 | 0.9 | 0.9 | 1.1 | 1.3 | 1.3 | 1.18 | 1.21 | 1.17 | 1.06 | 1.35 | 1.54 | 1.68 | 2.54 | 1.75 | 1.40 | 1.58 | 1.41 | 1.26 | 1.38 | 1.29 | 1.20 | 1.56 |
| Holcim | 1.1 | 1.1 | 1.0 | 1.0 | 1.1 | 1.7 | 2.0 | 2.16 | 2.05 | 1.99 | 1.82 | 1.85 | 1.95 | 1.89 | 1.98 | 1.70 | 1.82 | 1.89 | 1.77 | 1.64 | 1.77 | 1.66 | 1.52 | 1.83 |
| Italcementi | | | | | | 1.2 | 1.3 | 1.35 | 1.31 | 1.27 | 1.18 | 1.17 | 1.54 | 1.51 | 1.51 | 1.24 | 1.34 | 1.21 | 1.12 | 1.05 | 1.07 | 1.00 | 0.93 | 1.29 |
| Lafarge | 1.0 | 1.1 | 1.0 | 1.0 | 1.0 | 1.5 | 1.6 | 1.49 | 2.04 | 1.85 | 1.47 | 1.60 | 1.56 | 1.62 | 1.73 | 1.98 | 1.90 | 1.94 | 1.75 | 1.65 | 1.78 | 1.62 | 1.46 | 1.72 |
| Titan | | | | | | | | 3.60 | 1.94 | 1.90 | 1.85 | 1.83 | 2.05 | 2.34 | 2.62 | 2.02 | 1.90 | 1.74 | 1.91 | 1.65 | 1.64 | 1.49 | 1.31 | 1.99 |
| Vicat | | | | | | | | 1.17 | 1.20 | 1.04 | 1.05 | 1.11 | 1.31 | 1.62 | 2.16 | 1.45 | 1.53 | 1.95 | 1.71 | 1.51 | 1.47 | 1.35 | 1.23 | 1.54 |
| **Average** | **1.41** | **1.41** | **1.27** | **1.30** | **1.31** | **1.4** | **1.5** | **1.46** | **1.62** | **1.53** | **1.38** | **1.42** | **1.52** | **1.55** | **1.74** | **1.51** | **1.49** | **1.55** | **1.38** | **1.31** | **1.40** | **1.31** | **1.20** | **1.48** |

| Net Debt/EBITDA | 1993 | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013e | 2014e | 2015e | 10 Year Average |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Buzzi Unicem | | | | | | | | | 1.22 | 1.13 | 1.12 | 1.82 | 1.31 | 0.86 | 0.59 | 1.15 | 2.23 | 3.18 | 2.71 | 2.51 | 2.08 | 1.57 | 1.07 | 1.75 |
| CRH | 1.09 | 1.53 | 1.08 | 1.31 | 1.24 | 1.23 | 0.93 | 1.18 | 1.22 | 1.16 | 1.58 | 1.67 | 1.77 | 1.85 | 1.83 | 2.32 | 2.13 | 2.15 | 2.10 | 1.81 | 1.67 | 1.34 | 1.07 | 1.92 |
| Heidelberg | 2.70 | 0.90 | 1.06 | 0.87 | 1.34 | 1.88 | 3.50 | 3.60 | 4.19 | 3.75 | 3.52 | 3.01 | 2.35 | 1.27 | 5.76 | 3.70 | 4.01 | 3.64 | 3.35 | 2.84 | 2.54 | 2.11 | 1.68 | 3.34 |
| Holcim | 0.99 | 0.89 | 0.90 | 1.02 | 0.83 | 2.18 | 2.72 | 3.04 | 2.88 | 2.68 | 2.53 | 1.91 | 2.74 | 2.09 | 1.85 | 2.66 | 2.90 | 2.51 | 2.90 | 2.45 | 2.09 | 1.69 | 1.32 | 2.45 |
| Italcementi | | | | | | 1.91 | 2.07 | 2.36 | 2.36 | 2.24 | 1.99 | 1.81 | 2.28 | 1.59 | 1.77 | 2.40 | 2.49 | 2.67 | 3.00 | 3.16 | 3.03 | 2.51 | 2.10 | 2.32 |
| Lafarge | 1.21 | 1.36 | 1.02 | 0.94 | 0.96 | 2.50 | 2.27 | 2.55 | 4.05 | 3.39 | 2.57 | 2.19 | 2.21 | 2.48 | 2.07 | 3.66 | 3.83 | 3.87 | 3.72 | 3.28 | 2.73 | 2.21 | 1.80 | 2.99 |
| Titan | | | | | | | | 1.95 | 1.16 | 1.06 | 1.60 | 1.30 | 1.01 | 0.68 | 1.34 | 2.93 | 2.94 | 2.47 | 2.92 | 3.04 | 2.73 | 2.02 | 1.27 | 2.02 |
| Vicat | | | | | | | | 1.64 | 2.14 | 1.56 | 1.75 | 1.12 | 0.80 | 0.45 | 0.87 | 1.28 | 1.38 | 1.96 | 2.19 | 2.62 | 2.20 | 1.71 | 1.23 | 1.44 |
| **Average** | **1.50** | **1.17** | **1.01** | **1.04** | **1.09** | **2.05** | **2.28** | **2.43** | **2.93** | **2.59** | **2.32** | **2.02** | **2.14** | **1.83** | **2.35** | **2.93** | **3.12** | **3.06** | **3.06** | **2.72** | **2.36** | **1.91** | **1.51** | **2.56** |
| | | | | | | | | | | | | | | | | | | | | | | | | |