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1999 Third Quarter Results

EBITDA Increases 34% and Cash Earnings 44% in US Dollar Terms

- Net sales increased 7% in real terms to Ps.11.599 billion during the third quarter of 1999 versus the same quarter of 1998. In dollar terms, net sales increased 17% in the third quarter to US$1.239 billion.

- Operating margin was 31.3% during the third quarter, versus 27.2% for the year ago period. Operating income increased 23% to Ps.3.629 billion (US$388 million) in the third quarter 1999.

- EBITDA increased 23% in real terms during the third quarter to Ps.4.463 billion. In dollar terms, EBITDA grew 34% to US$477 million during the third quarter as compared to US$355 million during the same period a year ago. EBITDA, with respect to the CEMEX Group, equals operating income before amortization expense plus depreciation. Amortization of goodwill is not included in operating income, but instead recorded in other income (expense) below the operating line. EBITDA does not include certain extraordinary income and expenses, which are not included in operating income under Mexican GAAP.

- Cash earnings (EBITDA less net interest expense) in the third quarter grew 32% in real terms versus the prior year, to Ps.3.372 billion (Ps.13.36 per new CPO ADS), or 44% in dollar terms to US$360 million (US$1.43 per new CPO ADS). The new CPO ADS ratio is 5 ordinary CPO shares to 1 new CPO ADS.

- Majority net income during the third quarter of 1999 increased 154% to Ps.2.353 billion (including monetary position gains of Ps.672 million) or US$251 million. Majority net income during the same period in 1998 was Ps.925 million (including monetary position gains of Ps. 1.137 billion) or US$91 million. Earnings per new CPO ADS in the third quarter increased 148% in real terms versus the prior year to Ps.9.30, or 171% in dollar terms to US$0.99.

- Free Cash Flow totaled Ps.2.185 billion (Ps.8.66 per ADS) in the third quarter of 1999, increasing 103% from the same period a year ago. In dollar terms, Free Cash Flow grew 122% to US$233 million (US$0.93 per ADS).

- Interest plus Preferred dividend coverage (EBITDA before operating lease payments and cost restatements for inflation divided by interest expense plus dividend on Preferred Capital Securities) was 3.52 times for the trailing twelve months versus 2.85 times a year ago. Leverage as defined by Net Debt to Trailing Twelve Month EBITDA declined to 2.76 times, versus 3.45 times at the end of the third quarter of 1998.

- Net debt (on-balance sheet debt plus equity swaps and capital securities minus cash and cash equivalents) was US$4.814 billion at the end of the third quarter of 1999. Net debt increased US$172 million as compared to the third quarter of 1998, mainly as a result of the acquisition of APO Cement and consolidation of Rizal Cement in the first quarter of 1999, as well as the consolidation of APO Cement in the second quarter of 1999. Net debt declined by US$115 versus the second quarter of 1999.

- CEMEX consolidated cement volumes increased 8% in the third quarter (domestic volumes increased 6% and export volumes increased 25%), while ready-mix volumes decreased 6%.

- In September, CEMEX successfully launched its new CEMEX American Depositary Shares (ADS) on the NYSE, under the ticker symbol “CX.” The listing on the NYSE followed the successful completion of an exchange offer of common stock shares for new CPOs, together with a simultaneous three-for-one stock split. The new CPO represents an interest in two new A shares and one new B share.

Consolidated Results (in real terms)

Monterrey, N.L., Mexico, October 19, 1999, CEMEX, S.A. de C.V. (NYSE: CX) announced today third quarter 1999 results:

Net sales increased 7% in real terms to Ps.11.599 billion during the third quarter of 1999 versus the same quarter of 1998. Of the 7% increase, 2 percentage points were due to the consolidation of Rizal Cement and APO Cement of the Philippines, and the rest was attributable to strong pricing and higher domestic demand in many of the Company's markets. In dollar terms, net sales increased 17% in the third quarter to US$1.239 billion.

North America represented 59% of third quarter net sales, South America & the Caribbean 21% and Europe and Asia 20%.

CEMEX **consolidated cement volumes** increased 8% in the third quarter (domestic volumes increased 6% and export volumes increased 25%), while **ready-mix volumes** decreased 6%.

Operating income increased 23% in real terms to Ps.3.629 billion for the quarter and increased 35% in dollar terms to US$388 million. **Operating margin** in the third quarter increased to 31.3% from 27.2% last year, attributable to strong pricing, increase in volumes and lower costs.

EBITDA in the quarter was Ps.4.463 billion, an increase of 23% in real terms over the third quarter of 1998. In dollar terms, EBITDA reached US$477 million, a 34% increase over the US$355 million reported during last year's third quarter. **EBITDA margin** was 38.5% in the quarter versus 33.5% in the third quarter of 1998.

In the third quarter, North America represented 65% of total EBITDA, South America & the Caribbean 16% and Europe and Asia 19%.

Cash earnings (EBITDA less net financial expenses) were Ps.3.372 billion (Ps.13.36 per new CPO ADS) in the quarter, 32% higher in real terms. In dollar terms, cash earnings increased 44% to US$360 million (US$1.43 per new CPO ADS) from the third quarter of 1998.

Third quarter **interest expense** was Ps.1.141 billion, a 1% decrease over the same period in 1998. In dollar terms, interest expenses were US$122 million, an 8% increase versus the third quarter of 1998.

Net Foreign Exchange Gain (Loss) in the third quarter was a loss of Ps.98 million, a significant change versus the loss of Ps.1.280 billion reported during the third quarter of 1998, principally due to the strength of the Mexican Peso versus the US Dollar during most of 1999.

A **net monetary position gain** of Ps.672 million was recognized during the third quarter, a decrease of 41% in real terms versus the comparable period a year earlier. The weighted average inflation factor used in the third quarter to calculate the net monetary position gain was 1.68%.

Other Expenses and Income declined 36% from an expense of Ps.704 million in the third quarter of 1998 to an expense of Ps.452 million in the third quarter of 1999. This decrease was mainly attributable to a recuperation of share prices for marketable securities versus the third quarter of 1998. In cash, this account reflected an expense in the third quarter of 1999 of Ps.140 million (US$15 million).

Cash tax paid during the third quarter of 1999 was approximately Ps.28 million (US$3 million). The **total effective tax rate** was 10% in the quarter.

Minority interest in the third quarter of 1999 was Ps.90 million versus Ps.(112) million in the same period a year ago. This change was due principally to substantial losses in the Colombian operations during the third quarter of 1998.

North America Region

Mexico (Constant Pesos)

In the following section we analyze the results of our businesses in Mexico on a proforma basis, but only the operational aspects as a business unit rather than an independent company. For this reason we do not analyze the remaining items in the financial statements and these figures are not included in the tables.

Beginning in 1999, CEMEX-Mexico's results will only include cement and cement related activities. In the past, CEMEX-Mexico's results included the tourism business, which is being held for divestment. Tourism results are presented within CEMEX's consolidated results. CEMEX-Mexico's historic proforma results excluding tourism business are available upon request.

Net sales during the third quarter were Ps.5.540 billion, an increase of 7% compared with the equivalent period in 1998 due primarily to stronger domestic cement volumes and prices. In dollar terms, net sales increased 34% to US$592 million.

Domestic grey cement volume increased 1% in the third quarter of 1999 versus 1998. During the third quarter, domestic cement volumes continued to grow due to solid demand from the self-construction sector. This sector represents approximately 40% of the total cement consumption in Mexico.

Ready-mix volumes, which are mainly tied to private investment, increased 5% in the third quarter versus the same period a year ago. The combination of high real interest rates and scarce commercial credit have been limiting factors on investment and economic growth.

CEMEX's **average realized grey cement price** (invoice) in Mexico during the third quarter increased 5% versus the third quarter of 1998 in constant peso terms. In dollar terms, prices rose 27% versus the same period a year ago.

The **average ready-mix price** increased 3% in constant peso terms and increased 24% in dollar terms over the third quarter 1998.

Total export volumes increased 7% during the quarter compared with the third quarter of 1998. Exports from Mexico during the quarter were distributed as follows:

North America: 47% **The Caribbean: 25%** **Central/South America: 28%**

The **average cash cost of goods sold** per ton in the third quarter of 1999 increased 8% in constant peso terms versus the third quarter of 1998. The 5% increase in variable costs was primarily due to higher fuel costs caused by the return of petroleum prices to historically normal levels. The 16% increase in fixed costs was lead by higher maintenance costs in the quarter. In dollar terms, cash costs increased 37% versus the year ago period.

Operating income was Ps.2.537 billion, 9% higher than the same quarter a year ago. **Operating margin** in Mexico increased to 45.8% during the period from 44.6% in 1998.

EBITDA in Mexico increased 7% in constant peso terms to Ps.2.829 billion in the third quarter and in dollar terms grew 34% to US$302 million. **EBITDA margin** in the third quarter of 1999 was unchanged versus the same period a year ago at 51.1%.

United States (US Dollars)

For analysis purposes, CEMEX USA's figures are presented in dollars. In the consolidation process, CEMEX USA's figures are converted into pesos and to Mexican GAAP. Cement and aggregate volumes and prices have been converted from short tons to metric tons using 1.102311 short tons per metric ton, and ready-mix volumes from cubic yards to cubic meters using 1.3079 cubic yards per cubic meter.

Net sales in the United States operations during the third quarter of 1999 were US$155 million, a 6% increase over the same period a year ago from stronger prices and volumes for cement.

Cement sales volume increased by 7% during the third quarter of 1999 as compared to the same period in 1998. This increase was supported by expanding our customer base as well as improved market conditions in our three main markets of Texas, California and Arizona. Highway construction, commercial development and housing continue to drive volumes. **Ready-mix volumes** increased 8% and **aggregates volumes** increased 12% over the same period a year ago.

Average realized cement prices increased 1% in the third quarter versus the same period in 1998. **Average ready-mix prices** during the quarter increased 6% versus a year ago, while the **average price of aggregates** increased 13%.

Operating margin increased to 23.1% in the third quarter from 16.7% in 1998 due to a more favorable pricing environment and lower operating costs as a percentage of sales.

Operating income in the third quarter of 1999 was US$36 million, 47% higher than the third quarter of 1998.

EBITDA increased 41% to US$40 million from US$29 million for the same period a year ago. **EBITDA margin** increased to 26.0% from 19.7% in the in the third quarter of 1998.

South America & the Caribbean Region

Venezuela (Constant Bolivars)

For analysis purposes, figures for our Venezuelan operations are presented in constant Bolivars considering Venezuelan inflation. When consolidated into CEMEX's results, these figures are converted into Dollars and then into Pesos and Mexican GAAP.

In 1998, Vencemos began consolidating its majority interest in our operations in the Cementos Nacionales. Vencemos completed the purchase of 100% of Cementos Nacionales in December of 1998, requiring full consolidation of results. Vencemos' historic proforma results including Cementos Nacionales are available upon request.

During the third quarter of 1999, **net sales** for Vencemos were Bs.104.041 billion. This represents a 7% decrease in constant Bolivar terms over the same period in 1998 and was due primarily to lower prices in constant Bolivar terms as well as lower domestic cement volumes. In dollar terms, net sales increased 3% to US$166 million for the same period.

Domestic cement volumes for our Venezuelan operations decreased 19% in the quarter compared to the third quarter of 1998, as economic and political uncertainty continue to inhibit private investment and economic growth. **Ready-mix volumes** decreased 25%.

The volume of **exports** from our Venezuelan operations grew 32% during the third quarter as compared to same period a year ago and in the period comprised 55% of total sales volumes versus 43% a year ago. Exports during the quarter were distributed as follows:

North America: 55% **The Caribbean & Central America: 40%** **South America: 5%**

Domestic cement prices and **ready-mix prices** for our Venezuelan operations decreased by 3% and 6% respectively, in constant Bolivar terms, when compared with the third quarter of 1998. In dollar terms, cement and ready-mix prices increased 10% and 6%, respectively, as inflation between September 1998 and September 1999 was approximately 21%, while the Bolivar devalued only 9% during the period.

The average **cash cost of goods sold** per ton in our Venezuelan operations fell 2% in constant Bolivar terms in the third quarter of 1999 compared to the third quarter of 1998. Fixed costs per ton decreased 13% due primarily to lower replacement part and labor costs. Variable costs per ton increased 18% due primarily to higher fuel costs. In dollar terms, the cash cost per ton increased 1% versus the same period a year ago.

Operating margin for the Vencemos consolidated decreased to 23.8% in the third quarter from 29.1% in the prior year. **Operating income** was Bs.24.768 billion, 24% lower in constant Bolivar terms than the third quarter last year.

For Vencemos, **EBITDA** was Bs.34.860 billion for the quarter, a 14% decrease over the same period in 1998. In dollar terms, EBITDA decreased 5% to US$56 million. The **EBITDA margin** was 33.5% in the third quarter of 1999 versus 36.5% in 1998.

Colombia (Colombian pesos)

For analysis purposes, figures for 1999 are presented in nominal Colombian Pesos, whereas figures for 1998 are presented in constant terms in accordance with recent modifications to Colombian GAAP. When consolidated into CEMEX's results, these figures are converted into dollars and then into Mexican pesos and Mexican GAAP.

Net sales of the Colombian operations, in constant Colombian pesos, were CPs. 79.479 billion (US$39 million), 1% lower as compared to the third quarter of 1998.

Unfavorable economic conditions continue to impact the Colombian construction sector where cement demand remains depressed. **Domestic grey cement volume** decreased 27% in the third quarter of 1999 versus 1998, while **ready-mix volumes** decreased 45%.

CEMEX's **average realized grey cement price** (invoice) in Colombia during the third quarter increased 64% versus the third quarter of 1998 in constant peso terms. In dollar terms, prices were 35% higher versus the same period a year ago.

The **average ready-mix price** increased 22% in constant Colombian peso terms and increased 1% in dollar terms over the third quarter 1998.

Operating margin was 26.4% in the third quarter on an **operating profit** of CPs. 20.992 billion. This compares to an operating margin of (20.1)% and operating loss of CPs. 16.127 billion a year ago.

EBITDA was CPs. 36.701 billion (US$18 million) in the third quarter of 1999, a increase of 556% versus the same period in 1998. **EBITDA margin** increased from 7.0% last year to 46.2% in the third quarter of 1999.

Europe and Asia Region

Spain (Pesetas)

For analysis purposes, Spanish results are presented in pesetas. When consolidated into CEMEX's results, these figures are converted into dollars and then into pesos under Mexican GAAP.

The Spanish operations reported **net sales** of Ptas.32.268 billion during the third quarter, a 2% decrease compared with the same period in 1998. This decrease was mainly due the sale of approximately 10% of the Spanish assets (Andalucia) in November 1998 and was in spite of generally stronger prices and growth in domestic cement. Considering the sale of the Andalucian assets in November, on a like-like basis sales grew 14% versus the same period in 1998 in peseta terms.

Domestic cement volume decreased 1% while **ready-mix volume** decreased 14% during the third quarter of 1999 compared to the same period of 1998. Considering the sale of the Andalucian assets in November, on a like-like basis domestic cement volume increased 26%, whereas ready-mix volume grew 16% versus the same period in 1998. Despite the Euro´s weakness, the Spanish economy continues to perform very well and is one of the most solid economies in the European Union. GDP continues to increase, unemployment remains very low and the public deficit is in check. The construction sector has been very strong, driven primarily by housing, industrial projects and government spending on infrastructure projects.

Exports from CEMEX Spain decreased 24% in the third quarter compared to the third quarter of 1998 due to the above mentioned sale of assets, as well as higher domestic demand on a like-like basis. Exports were distributed as follows:

North America: 73% **Europe & the Middle East: 18%** **Africa: 9%**

The average **domestic price for cement** increased 10% in peseta terms when compared with the same period of the previous year, and increased 3% in dollar terms. The **average price for ready-mix** during the period increased 9% in peseta terms and increased 3% in dollar terms.

The average **cash cost of goods sold** per ton increased 2%, in Peseta terms, in the third quarter of 1999 versus 1998. Fixed costs per ton increased 4% mainly due to higher labor costs, while variable costs per ton increased by 1% in Peseta terms. In dollar terms the cash cost of goods sold per ton decreased 7% year over year.

Operating income in the third quarter was Ptas.10.359 billion, 10% higher than in 1998. **Operating margin** was 32.1% as compared to 28.7% in the same period a year ago.

EBITDA increased 5% year over year to Ptas.12.750 billion. In dollar terms, EBITDA declined 5% to US$82 million in the third quarter of 1999, while **EBITDA margin** increased to 39.5% versus 37.0% a year earlier. Considering the sale of the Andalucian assets in November, on a like-like basis EBITDA grew 21% versus the same period in 1998 in peseta terms.

Philippines

For analysis purposes, Philippine results are presented in Philippine pesos. When consolidated into CEMEX's results, these figures are converted into dollars and then into Mexican pesos under Mexican GAAP.

Note: *As of the second quarter of 1999, the Philippines section includes the combined results of Rizal Cement and APO Cement. Financial statements for the Philippines include APO results for the first, second and third quarters.*

Net sales in the third quarter of 1999 were PHP. 1.148 billion, 3% lower versus the second quarter of 1999, as higher prices were offset by lower volumes.

Domestic cement volume decreased 7% versus the second quarter of 1999 as the domestic market continues to suffer from a difficult macroeconomic environment and the rainy season.

Average domestic prices improved marginally versus the second quarter, increasing 4% in dollar terms versus the second quarter of 1999. Construction activity has been mainly driven by government spending while private investment continues to lag. The economy has drawn some support from the agricultural sector which has been stronger than expected while industrial production remains weak.

Cost of goods sold as a percentage of sales was reduced to 70% in the third quarter of 1999 versus 81% in the second quarter of 1999. This decrease was primarily due to the optimization of operations and increased usage of the more efficient capacity of the APO plant.

Operating income increased 3% versus the second quarter of 1999 to PHP. 103 million. **Operating margin** was 9.0% as compared to 8.5% in the second quarter of 1999.

EBITDA in the third quarter of 1999 was PHP. 322 million, representing a 4% decrease versus the second quarter of 1999. In dollar terms, EBITDA was US$8 million in the third quarter of 1999. **EBITDA margin** was 28.0% in the third quarter of 1999 versus 28.4% in the second quarter of 1999.

Financial Position and Activities

	09/30/99	06/30/99	09/30/98
Interest Coverage (LTM)	3.52	3.33	2.85
Interest Expense plus Cash Tax Coverage (LTM)	3.23	2.98	2.52
Leverage (Net Debt / EBITDA –LTM-)	2.76	2.98	3.45
Net Debt (USD billion)	4.814	4.930	4.642
Total Debt plus Equity Swaps and Capital Securities (USD billion)	5.157	5.296	5.063
Total Debt (USD billion)	4.407	4.546	4.325
Equity Swaps and Capital Securities (USD million)	750	750	738
Short Term Debt	33%	24%	15%
Long Term Debt	67%	76%	85%
Denomination	83% USD, 14% Ptas/Euros, 1% DEM, 1% PHP	96% USD, 3% Ptas, 1% PHP	95% USD, 4% Ptas, 1% Col. Pesos
Average Cost during the quarter	8.3% USD, 3.6% Ptas, 3.5% DEM, 12.2% PHP	7.8% USD, 3.1% Ptas, 14.5% PHP	8.1% USD, 4.9% Ptas, 11% Col. Pesos

Note. For the calculation of Net Debt, Net Debt to EBITDA, Interest Coverage, and Interest Expense plus Cash Tax Coverage, the Company is conservatively adding the Preferred Capital Security (US$250 million) because of the Put option to CEMEX in 2005 under the structure and, the US$500 million of Equity Swaps. Net debt is defined as on-balance sheet debt plus equity swaps and capital securities minus cash and cash equivalents. LTM represents "Latest Twelve Months."

Free Cash Flow Calculation (USD millions)	3Q-99	3Q-98
EBITDA less:	477	355
-- Net Interest Expense	117	105
-- Capital Expenditures	73	110
-- Increase (Decrease) in Working Capital	13	8
-- Cash Taxes	3	14
-- Spanish Subsidiary Preferred Dividend Payments	6	6
-- Employee Profit Sharing Payments Paid in Cash	0	0
-- US Dumping Charges Paid in Cash	17	3
-- Other Cash Expenses	15	4
Free Cash Flow	233	105

Principal uses of Free Cash Flow in the third quarter of 1999 were: a reduction in debt from existing operations (US$140 million); investments in Cementos del Pacifico of Costa Rica (US$72 million); PT Semen Gresik of Indonesia (US$43 million); net purchases of CEMEX and subsidiary shares (US$20 million); and other strategic investments and cash expenses (US$45 million). An additional source of cash in the quarter was the receipt of US$87 million as part of the initial capital call on CEMEX Asia Holdings financial investors.

Venture Capital Investors Committed Capital to CEMEX Asia Holdings

CEMEX entered into shareholder and subscription agreements with institutional investors to form CEMEX Asia Holdings ("CAH"), a CEMEX subsidiary created to take advantage of attractive acquisition opportunities in Asian cement-related assets.

CAH has initial committed equity capital of US$965million, US$165 million of which will be provided by institutional investors led by the AIG Asian Infrastructure Fund II, L.P., GIC Special Investments Pte Ltd., the private equity arm of the Government of Singapore Investment Corporation Pte Ltd and MetLife Investments Asia Ltd. CEMEX will commit up to US$800 million of capital.

As the initial transaction, CAH will use a portion of its capital to acquire from CEMEX its direct and economic interests in Rizal Cement and APO Cement, both cement companies in the Philippines. The initial proceeds received by CEMEX were US$87 million.

CEMEX will receive a technical assistance fee from the operating affiliates of CAH as consideration for its role in supporting the acquired assets and for contributing its industry expertise.

US$ 200 Million in Fixed Rate Notes Issued

On October 1, CEMEX issued a US$ 200 Million Fixed Rate Note with the following characteristics:

Term	Price	Coupon	YTM	Spread over Treasury
10 years	99.609%	9.625%	9.725%	405 bps

The holders of the notes will have a put option on the fifth anniversary of the issuance of the notes. Under the option, the note holders will be entitled to require CEMEX to repurchase the notes at par.

CEMEX intends to use the proceeds of the offering to partially fund the acquisition of a controlling interest in Assiut Cement Company, the largest cement producer in Egypt.

Exchange Offer and NYSE Listing

On August 10, 1999, CEMEX commenced an exchange offer of its common stock shares into new CPOs (certificados de participacion ordinaria), with the purpose of listing the new CPOs on the New York Stock Exchange (NYSE).

Approval of the new CPO program was received from the holders of the old CPOs at a special meeting in August and with the close of the subscription period on September 14th, a simultaneous stock split was executed. As a result of the split, each holder of a share of CEMEX common stock received two new A shares and one new B share for each old share held. Previous CPO holders (or CPO ADS holders), as well as A and B share holders (or B ADS holders) who elected to receive new CPOs during the subscription period, received new CPO shares (or CPO ADSs) on the 15th of September or shortly thereafter.

The new CPO represents an interest in two new A shares and one new B share. The shareholder’s proportional equity interest in CEMEX did not change as a result of the exchange offer or the stock split.

Also on the 15th of September, the new American Depositary Shares (ADS) of CEMEX, which represent five new CPOs began trading on the New York Stock Exchange (NYSE) under the ticker symbol “CX.”

Other Activities

Year 2000 Issues Addressed

In January 1997 CEMEX launched a company-wide program called “CEMEX 2000”. The objective of this program has been to assure continuous business operation in the year 2000 and beyond, through the preparation of sensitive business areas for the Year 2000 Problem (Y2K). This preparation has included information technology, manufacturing technology, business processes and the extended business network. The program has been reviewed by IBM Global Services in order to identify areas of opportunity for process improvement and to reduce business risk. TAVA Technologies provided assistance in the preparation of the manufacturing technology, the identification of potential problems and in the implementation of solutions in our plants.

CEMEX's Y2K solution includes the improvement of business practices and the upgrade of selected technologies in our worldwide operations to better serve our customers and to be better prepared to do business in the future. As of September 1999, the total amount executed is approximately US$36 million. We will maintain a contingency budget of US$7 million through the year 2000.

The CEMEX Y2K preparation program has been completed according to schedule. As part of the program, CEMEX implemented a continuous quality assurance and follow-up phase. This phase is currently active and will continue in operation through the first quarter of 2001 in order to: implement selective contingency plans that support the continuous operation of core business processes; monitor the operation of our vital business elements; and maintain operational the business relationships with the most important suppliers, customers, financial institutions and government. This phase also includes the Y2K preparation and readiness of newly acquired assets.

Equity Related Information

The breakdown of the average number of CPO equivalent units outstanding for the third quarter of 1999 is as follows:

Average number of CPO equivalent units outstanding*	**1,261,875,288**
CEMEX A shares	314,240,852
CEMEX B shares	287,679,938
CEMEX CPO shares	659,954,498

* For comparison purposes, in the calculation of the average number of CPO equivalent units outstanding, CEMEX A shares and CEMEX B shares were divided by 3 (one CPO share is equivalent to 2 A shares and 1 B share).

Change in period end CPO equivalent units outstanding as of September 30, 1999:

Number of CPO equivalent units outstanding* as of June 30, 1999	**1,267,845,705**
Change in the number of total CPO equivalent units subscribed and paid between periods resulting from the exercise of stock options	285,571
Decrease (Increase) in CEMEX shares held at subsidiaries	(8,542,728)
Number of CPO equivalent units outstanding* as of September 30, 1999	**1,259,588,548**

* For comparison purposes, in the calculation of the number of CPO equivalent units outstanding, CEMEX A shares and CEMEX B shares were divided by 3 (one CPO share is equivalent to 2 A shares and 1 B share).

Employee Stock Options

In 1995, the Company adopted a stock option plan under which the Company is authorized to grant, to directors, officers and other employees, options to acquire up to 72,100,000 CEMEX CPO shares. As of September 30, 1999 options to acquire a total of 43,184,017 shares remain outstanding, distributed as follows:

- 31,072,378 with a weighted average strike price of Ps. 33.46 per share, an average time to full vesting of 2.0 years and an average maximum exercisable period of 8.2 years. Of this amount, 43% are fully vested with a weighted average strike price of Ps. 29.36 per share.
- 3,427,624 options for which the share price must reach a 12-month average price, in dollars terms, of US$9.62 per share by the end of 2002 to fully vest.
- 8,684,015 options for which the share price must reach a 12-month average price, in dollars terms, of US$7.90 per share by the end of 2003 to fully vest.

Under these types of programs, the company is not required to register a liability for the options.

As of September 30, 1999, the Voluntary Employee Stock Option Plan (VESOP) is composed of 26,511,935 five-year options on CEMEX CPO shares with an escalating strike price indexed quarterly in dollar terms reflecting market funding costs for this fully hedged program.

CEMEX, S.A. DE C.V. AND SUBSIDIARIES
Consolidated Figures
(Convenience translation in thousands of dollars)*

FINANCIAL INDICATORS**	January-September 1999		1998		% Var.	Quarters 3Q 1999	3Q 1998	% Var.
Operating Margin	30.6%		27.2%			31.3%	27.2%	
EBITDA Margin	37.6%		34.2%			38.5%	33.5%	
Interest Coverage [2]	3.52	[1]	2.85	[1]		3.79	3.05	
Interest + Cash Tax Coverage [3]	3.23	[1]	2.52	[1]		3.71	2.73	
Net Debt / EBITDA [4]	2.76	[1]	3.43	[1]				
Debt / Total Capitalization (Covenant)	45.0%		49.7%					
Net Return on Equity [5]	22.2%	[1]	16.7%	[1]				
Gross Return on Operating Assets [6]	17.0%	[1]	14.3%	[1]				
EBITDA per Share [7]	1.09		0.85		27%	0.38	0.29	31%
Cash Earnings per Share [7]	0.81		0.59		38%	0.29	0.20	41%
Free Cash Flow per Share [7]	0.55		0.28		94%	0.19	0.09	116%
Earnings per Share [7]	0.65		0.37		77%	0.20	0.07	171%
End of Period CPO Share Price						4.81	2.20	119%

Please note: One CEMEX CPO ADS (NYSE:CX) represents five ordinary CPO shares

(*) Results for 1999 may be converted to dollars by dividing by the September 1999 exchange rate of 9.36. Results for 1998 may be converted to dollars by dividing by the weighted average inflation factor of 0.29% (1.0029) and then dividing by the September 1998 exchange rate of 10.19.

(**) Note that in the calculation of Interest Coverage, Interest Plus Cash Tax Coverage and Net Debt to EBITDA, the US$250 Million Preferred Capital Security was conservatively considered as an obligation.

(1) Trailing twelve months.

(2) Interest Coverage is defined as EBITDA before operating lease payments and cost restatements for inflation, divided by financial expenses plus the Preferred dividend.

(3) Interest Plus Cash Tax Coverage is defined as EBITDA before operating lease payments and cost restatements for inflation, divided by interest expense, the Preferred dividend and the amount of total income tax and profit sharing actually paid in cash.

(4) Net Debt is defined as on- plus off-balance sheet debt less cash.

(5) Return on Equity is defined as: (Cash earnings - Cash taxes - Other non-operating cash expenses) / Average consolidated shareholders equity

(6) Return on Operating Assets is defined as: EBITDA / (Average consolidated shareholders equity + Average net debt)

(7) Considering 1,261,875 thousand average shares for III 1999, 1,230,099 thousand average shares for III 1998, 1,238,912 thousand average shares for 1999 accumulated and 1,223,585 thousand average shares for 1998 accumulated

(8) For comparison purposes, in the calculation of the average number of CPO equivalent units outstanding, CEMEX A shares and CEMEX B shares were divided by 3 (one CPO share is equivalent to 2 A shares and 1 B share).

CEMEX, S.A. DE C.V. AND SUBSIDIARIES
Consolidated Figures
(Convenience translation in thousands of dollars)*

INCOME STATEMENT	January-September 1999	January-September 1998	% Var.	Quarters 3Q 1999	Quarters 3Q 1998	% Var.
Net Sales	3,576,820	3,060,002	17%	1,239,262	1,058,892	17%
Cost of Sales	(1,979,324)	(1,770,639)	12%	(679,769)	(614,340)	11%
Gross Profit	1,597,496	1,289,364	24%	559,493	444,552	26%
Selling, General and Administrative Expenses	(504,572)	(455,834)	11%	(171,768)	(156,716)	10%
Operating Income	1,092,923	833,530	31%	387,725	287,837	35%
Financial Expenses	(361,351)	(351,300)	3%	(121,888)	(112,990)	8%
Financial Income	19,544	25,160	(22%)	5,415	8,250	(34%)
Exchange Gain (Loss), Net	46,134	(228,724)	(120%)	(10,521)	(125,213)	(92%)
Monetary Position Gain (Loss)	319,344	402,718	(21%)	71,785	111,217	(35%)
Total Comprehensive Financing (Cost) Income	23,671	(152,146)	(116%)	(55,210)	(118,735)	(54%)
Gain or (Loss) on Marketable Securities	4,721	(34,299)	(114%)	(3,536)	(20,311)	(83%)
Other Expenses, Net	(206,307)	(111,145)	86%	(44,779)	(48,554)	(8%)
Other Income (Expense)	(201,585)	(145,444)	39%	(48,315)	(68,865)	(30%)
Net Income Before Income Taxes	915,009	535,940	71%	284,201	100,237	184%
Income Tax	(64,733)	(49,034)	32%	(21,845)	(19,777)	10%
Employees' Statutory Profit Sharing	(21,943)	(14,419)	52%	(7,256)	(5,707)	27%
Total Income Tax & Profit Sharing	(86,511)	(63,453)	36%	(29,436)	(25,485)	16%
Net Income Before Participation of of Uncons. Subs. and Ext. Items	828,498	472,487	75%	254,764	74,752	241%
Participation of Unconsolidated Subsidiaries	14,253	10,111	41%	5,941	4,857	22%
Consolidated Net Income	842,586	482,598	75%	261,041	79,609	228%
Net Income Attributable to Min. Interest	38,401	34,619	11%	9,635	(10,952)	(188%)
NET INCOME AFTER MINORITY INTEREST	804,185	447,979	80%	251,406	90,561	178%
EBITDA (Operating Income + Depreciation)	1,346,014	1,046,093	29%	476,780	354,546	34%
EBITDA before Operating Leases and Cost Restatements for Inflation	1,373,799	1,070,838	28%	485,405	362,677	34%

BALANCE SHEET	January-September 1999	January-September 1998	% Var.
Total Assets	11,164,109	9,999,586	12%
Cash and Temporary Investments	342,480	420,728	(19%)
Trade Accounts Receivables	582,690	537,187	8%
Other Receivables	194,492	119,922	62%
Inventories	434,088	404,778	7%
Other Current Assets	73,820	86,169	(14%)
Current Assets	1,627,569	1,568,784	4%
Fixed Assets	6,523,748	5,883,231	11%
Other Assets	3,012,791	2,547,572	18%
Total Liabilities	5,478,576	5,364,072	2%
Current Liabilities	2,214,283	1,307,885	69%
Long-Term Liabilities	2,953,786	3,667,669	(19%)
Other Liabilities	310,507	388,518	(20%)
Consolidated Stockholders' Equity	5,685,532	4,635,515	23%
Stockholders' Equity Attributable to Minority Interest	1,301,024	1,225,890	6%
Stockholders' Equity Attributable to Majority Interest	4,384,508	3,409,624	29%

CEMEX, S.A. DE C.V. AND SUBSIDIARIES
Consolidated Figures
(Thousands of Pesos in Real Terms as of September 1999)*

FINANCIAL INDICATORS**	**January-September 1999**		**1998**		**% Var.**	**Quarters 3Q 1999**	**3Q 1998**	**% Var.**
Operating margin	30.6%		27.2%			31.3%	27.2%	
EBITDA Margin	37.6%		34.2%			38.5%	33.5%	
Interest Coverage (2)	3.52	(1)	2.85	(1)		3.79	3.05	
Interest Coverage + Cash Tax Coverage (3)	3.23	(1)	2.52	(1)		3.71	2.73	
Net Debt to EBITDA (4)	2.76	(1)	3.43	(1)				
Debt / Total Capitalization (Covenant)	45.0%		49.7%					
Net Return on Equity (5)	22.2%	(1)	16.7%	(1)				
Gross Return on Operating Assets (6)	17.0%	(1)	14.3%	(1)				
EBITDA Per CPO Share (7)(8)	10.17		8.74		16%	3.54	2.95	20%
Cash Earnings per CPO Share (7)(8)	7.59		6.01		26%	2.67	2.08	29%
Free Cash Flow per CPO Share (7)(8)	5.14		2.88		78%	1.73	0.87	98%
Earnings per CPO Share (7)(8)	6.08		3.74		62%	1.86	0.75	148%
End of Period CPO Share Price						45.00	22.40	101%

Please note: One CEMEX CPO ADS (NYSE:CX) represents five ordinary CPO shares

(*) Results for 1999 may be converted to dollars by dividing by the September 1999 exchange rate of 9.36. Results for 1998 may be converted to dollars by dividing by the weighted average inflation factor of 0.29% (1.0029) and then dividing by the September 1998 exchange rate of 10.19.

(**) Note that in the calculation of Interest Coverage, Interest Plus Cash Tax Coverage and Net Debt to EBITDA, the US$250 Million Preferred Capital Security was conservatively considered as an obligation.

(1) Trailing twelve months.

(2) Interest Coverage is defined as EBITDA before operating lease payments and cost restatements for inflation, divided by financial expenses plus the Preferred dividend.

(3) Interest Plus Cash Tax Coverage is defined as EBITDA before operating lease payments and cost restatements for inflation, divided by interest expense, the Preferred dividend and the amount of total income tax and profit sharing actually paid in cash.

(4) Net Debt is defined as on- plus off-balance sheet debt less cash.

(5) Return on Equity is defined as: (Cash earnings - Cash taxes - Other non-operating cash expenses) / Average consolidated shareholders equity

(6) Return on Operating Assets is defined as: EBITDA / (Average consolidated shareholders equity + Average net debt)

(7) Considering 1,261,875 thousand average shares for III 1999, 1,230,099 thousand average shares for III 1998, 1,238,912 thousand average shares for 1999 accumulated and 1,223,585 thousand average shares for 1998 accumulated

(8) For comparison purposes, in the calculation of the average number of CPO equivalent units outstanding, CEMEX A shares and CEMEX B shares were divided by 3 (one CPO share is equivalent to 2 A shares and 1 B share).

CEMEX, S.A. DE C.V. AND SUBSIDIARIES
Consolidated Figures
(Thousands of Pesos in Real Terms as of September 1999)*

INCOME STATEMENT	January-September 1999	January-September 1998	% Var.	Quarters 3Q 1999	Quarters 3Q 1998	% Var.
Net Sales	33,479,031	31,271,850	7%	11,599,494	10,821,404	7%
Cost of Sales	(18,526,471)	(18,095,133)	2%	(6,362,637)	(6,278,278)	1%
Gross Profit	14,952,561	13,176,717	13%	5,236,858	4,543,126	15%
Selling, General and Administrative Expenses	(4,722,799)	(4,658,416)	1%	(1,607,752)	(1,601,563)	0%
Operating Income	10,229,762	8,518,301	20%	3,629,106	2,941,563	23%
Financial Expenses	(3,382,244)	(3,590,127)	(6%)	(1,140,875)	(1,154,707)	(1%)
Financial Income	182,927	257,122	(29%)	50,681	84,316	(40%)
Exchange Gain (Loss), Net	431,812	(2,337,456)	(118%)	(98,476)	(1,279,617)	(92%)
Monetary Position Gain (Loss)	2,989,062	4,115,598	(27%)	671,910	1,136,586	(41%)
Total Comprehensive Financing (Cost) Income	221,557	(1,554,862)	(114%)	(516,761)	(1,213,422)	(57%)
Gain or (Loss) on Marketable Securities	44,193	(350,525)	(113%)	(33,100)	(207,572)	(84%)
Other Expenses, Net	(1,931,029)	(1,135,850)	70%	(419,127)	(496,197)	(16%)
Other Income (Expense)	(1,886,837)	(1,486,375)	27%	(452,228)	(703,769)	(36%)
Net Income Before Income Taxes	8,564,483	5,477,064	56%	2,660,117	1,024,372	160%
Income Tax	(605,899)	(501,106)	21%	(204,465)	(202,113)	1%
Employees' Statutory Profit Sharing	(205,388)	(147,354)	39%	(67,919)	(58,327)	16%
Total Income Tax & Profit Sharing	(811,287)	(648,460)	25%	(272,384)	(260,440)	6%
Net Income Before Participation of Uncons. Subs. and Ext. Items	7,753,196	4,828,604	61%	2,387,733	763,932	212%
Participation in Unconsolidated Subsidiaries	133,409	103,329	29%	55,612	49,640	12%
Consolidated Net Income	7,886,605	4,931,933	60%	2,443,345	813,572	200%
Net Income Attributable to Min. Interest	359,436	353,787	2%	90,183	(111,923)	(181%)
NET INCOME AFTER MINORITY INTEREST	7,527,169	4,578,146	64%	2,353,161	925,495	154%
EBITDA (Operating Income + Depreciation)	12,598,693	10,690,605	18%	4,462,660	3,623,297	23%
EBITDA before Operating Leases and Cost Restatements for Inflation	12,858,762	10,943,483	18%	4,543,387	3,706,393	23%

BALANCE SHEET	January-September 1999	January-September 1998	% Var.
Total Assets	104,496,057	102,191,284	2%
Cash and Temporary Investments	3,205,612	4,299,647	(25%)
Trade Accounts Receivables	5,453,975	5,489,809	(1%)
Other Receivables	1,820,448	1,225,548	49%
Inventories	4,063,059	4,136,653	(2%)
Other Current Assets	690,954	880,609	(22%)
Current Assets	15,234,047	16,032,266	(5%)
Fixed Assets	61,062,282	60,123,978	2%
Other Assets	28,199,728	26,035,040	8%
Total Liabilities	51,279,474	54,818,405	(6%)
Current Liabilities	20,725,692	13,365,997	55%
Long-Term Liabilities	27,647,439	37,481,927	(26%)
Other Liabilities	2,906,343	3,970,480	(27%)
Consolidated Stockholders' Equity	53,216,583	47,372,878	12%
Stockholders' Equity Attributable to Minority Interest	12,177,586	12,528,049	(3%)
Stockholders' Equity Attributable to Majority Interest	41,038,996	34,844,830	18%

CEMEX, S.A. DE C.V. AND SUBSIDIARIES
Volume Summary

	January - September		%	Quarters		%
CONSOLIDATED VOLUMES	**1999**	**1998**	**Var.**	**III 1999**	**III 1998**	**Var.**
Cement (Millions of Metric Tons)	32,022	29,505	9%	10,908	10,102	8%
Ready Mix Concrete (Millions of Cubic Meters)	10,326	10,995	(6%)	3,643	3,870	(6%)

DOMESTIC CEMENT VOLUME	**January - September**	**Quarter**	**Quarter**
(% Change)	**1999 - 1998**	**III 1999 - III 1998**	**III 1999 - II 1999**
North America			
Mexico	4%	1%	4%
USA	21%	7%	(1%)
South America & Caribbean			
Venezuela	(18%)	(19%)	(2%)
Colombia	(42%)	(27%)	2%
Europe and Asia			
Spain	2%	(1%)	(5%)
Philippines	N/A	N/A	(10%)

EXPORT CEMENT VOLUME	**January - September**	**Quarter**	**Quarter**
(% Change)	**1999 - 1998**	**III 1999 - III 1998**	**III 1999 - II 1999**
North America			
Mexico	6%	7%	(6%)
USA	-	-	-
South America & Caribbean			
Venezuela	31%	32%	(4%)
Colombia	-	-	-
Europe and Asia			
Spain	(23%)	(24%)	7%
Philippines	-	-	-

READY MIX CONCRETE VOLUME	**January - September**	**Quarter**	**Quarter**
(% Change)	**1999 - 1998**	**III 1999 - III 1998**	**III 1999 - II 1999**
North America			
Mexico	2%	5%	13%
USA	10%	8%	4%
South America & Caribbean			
Venezuela	(19%)	(25%)	0%
Colombia	(52%)	(45%)	18%
Europe and Asia			
Spain	(10%)	(14%)	0%
Philippines	NA	NA	NA

CEMEX, S.A. DE C.V. AND SUBSIDIARIES

Operating Summary

(Convenience Translation in Thousands of Dollars) *

NET SALES	January - September 1999	1998	% Var.	III 1999	III 1998	% Var.
North America	**2,153,006**	**1,634,824**	**32%**	**746,595**	**586,030**	**27%**
Mexico	1,700,408	1,245,463	37%	591,874	440,534	34%
USA	452,598	389,361	16%	154,721	145,496	6%
South America and the Caribbean	**729,957**	**767,975**	**(5%)**	**248,485**	**236,039**	**5%**
Venezuela/Dominican Republic	495,526	481,564	3%	165,737	160,307	3%
Colombia	114,905	206,110	(44%)	39,399	47,078	(16%)
Central America and the Caribbean	119,526	80,301	49%	43,349	28,654	51%
Europe and Asia	**698,661**	**671,719**	**4%**	**234,314**	**231,087**	**1%**
Spain	612,452	671,719	(9%)	206,346	231,087	(11%)
Philippines	86,209			27,968		
Others and Intercompany Eliminations	*(4,804)*	*(14,516)*		*9,868*	*5,736*	
NET SALES	**3,576,820**	**3,060,002**	**17%**	**1,239,262**	**1,058,892**	**17%**

GROSS PROFIT	January - September 1999	1998	% Var.	III 1999	III 1998	% Var.
North America	**1,068,332**	**743,013**	**44%**	**373,320**	**275,307**	**36%**
Mexico	946,018	667,090	42%	328,932	242,546	36%
USA	122,314	75,923	61%	44,388	32,761	35%
South America and the Caribbean	**247,301**	**255,205**	**(3%)**	**83,560**	**69,794**	**20%**
Venezuela/Dominican Republic	159,752	186,573	(14%)	52,039	59,296	(12%)
Colombia	48,200	45,559	6%	18,321	1,587	1054%
Central America and the Caribbean	39,349	23,073	71%	13,200	8,911	48%
Europe and Asia	**278,399**	**253,871**	**10%**	**97,209**	**89,964**	**8%**
Spain	264,938	253,871	4%	88,798	89,964	(1%)
Philippines	13,461			8,411		
Others and Intercompany Eliminations	*3,464*	*37,275*		*5,404*	*9,487*	
GROSS PROFIT	**1,597,496**	**1,289,364**	**24%**	**559,493**	**444,552**	**26%**

OPERATING PROFIT	January - September 1999	1998	% Var.	III 1999	III 1998	% Var.
North America	**871,195**	**584,449**	**49%**	**306,713**	**220,806**	**39%**
Mexico	773,380	532,531	45%	271,001	196,465	38%
USA	97,815	51,918	88%	35,712	24,341	47%
South America and the Caribbean	**172,070**	**172,333**	**(0%)**	**59,606**	**43,193**	**38%**
Venezuela/Dominican Republic	118,655	148,296	(20%)	39,455	46,647	(15%)
Colombia	24,151	8,099	198%	10,406	(9,471)	(210%)
Central America and the Caribbean	29,264	15,938	84%	9,745	6,017	62%
Europe and Asia	**198,439**	**182,681**	**9%**	**68,760**	**66,348**	**4%**
Spain	197,145	182,681	8%	66,245	66,348	(0%)
Philippines	1,294			2,515		
Others and Intercompany Eliminations	*(148,781)*	*(105,933)*		*(47,354)*	*(42,510)*	
OPERATING PROFIT	**1,092,923**	**833,530**	**31%**	**387,725**	**287,837**	**35%**

CEMEX, S.A. DE C.V. AND SUBSIDIARIES

Operating Summary

(Convenience Translation in Thousands of Dollars) *

EBITDA	January - September 1999	1998	% Var.	III 1999	III 1998	% Var.
North America	**986,032**	**680,191**	**45%**	**342,572**	**253,540**	**35%**
Mexico	875,048	615,722	42%	302,277	224,926	34%
USA	110,984	64,469	72%	40,295	28,614	41%
South America and the Caribbean	**234,452**	**246,390**	**(5%)**	**83,469**	**67,847**	**23%**
Venezuela/Dominican Republic	159,264	184,598	(14%)	55,531	58,543	(5%)
Colombia	45,924	45,854	0%	18,193	3,287	453%
Central America and the Caribbean	29,264	15,938	84%	9,745	6,017	62%
Europe and Asia	**261,692**	**241,146**	**9%**	**89,371**	**85,504**	**5%**
Spain	243,077	241,146	1%	81,535	85,504	(5%)
Philippines	18,615			7,836		
Others and Intercompany Eliminations	*(136,162)*	*(121,634)*		*(38,632)*	*(52,345)*	
EBITDA	**1,346,014**	**1,046,093**	**29%**	**476,780**	**354,546**	**34%**

EBITDA MARGIN	January - September 1999	1998	III 1999	III 1998
North America				
Mexico	51.5%	49.4%	51.1%	51.1%
USA	24.5%	16.6%	26.0%	19.7%
South America and the Caribbean				
Venezuela/Dominican Republic	32.1%	38.3%	33.5%	36.5%
Colombia	40.0%	22.2%	46.2%	7.0%
Central America and the Caribbean	24.5%	19.8%	22.5%	21.0%
Europe and Asia				
Spain	39.7%	35.9%	39.5%	37.0%
Philippines	21.6%		28.0%	
EBITDA MARGIN	**37.6%**	**34.2%**	**38.5%**	**33.5%**

Mexico: Results for 1999 can be converted to Mexico Pesos by dividing by the September 1999 exchange rate of 9.36. Results for 1998 can be converted to Mexican Pesos by dividing by the Mexican inflation rate of 15.87% (1.1587) and then dividing by the September 1998 exchange rate of 10.19.

Spain: Results for 1999 can be converted to Spanish Pesetas by dividing by the September 1999 exchange rate of 156.38. Results for 1998 can be converted to Spanish Pesetas by dividing by the September 1998 exchange rate of 142.05.

Venezuela/DR: Results for 1999 can be converted to Venezuelan Bolivars by dividing by the September 1999 exchange rate of 627.75. Results for 1998 can be converted to Venezuelan Bolivars by dividing by the Venezuelan inflation rate of 21.18% (1.2118) and then dividing by the September 1998 exchange rate of 574.

Colombia: Results for 1999 can be converted to Colombian Pesos by dividing by the September 1999 exchange rate of 2,017.27. Results for 1998 can be converted to Colombian Pesos by dividing by the Colombian inflation rate of 9.42% (1.0942) and then dividing by the September 1998 exchange rate of 1,556.15.

Philippines: Results for 1999 can be converted to Philippine Pesos by dividing by the September 1999 exchange rate of 41.03.