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1998 Third Quarter Results

EBITDA Increases 11% and Cash Earnings 22% in Dollar Terms

- Net sales increased 8% in real terms to Ps. 10.790 billion during the third quarter of 1998 versus the same quarter of 1997. In dollar terms, net sales increased 6% in the third quarter to US$1.059 billion. Year over year, CEMEX's consolidated cement volumes increased 3% (domestic volumes increased 7% and export volumes decreased 24%) while ready-mix volumes increased 16%.

- Operating margin was 27.2% during the third quarter, versus 23.9% for the year ago period. Operating income increased 23% to Ps. 2.933 billion (US$288 million) in the third quarter 1998.

- EBITDA increased 13% in real terms during the third quarter to Ps. 3.613 billion. In dollar terms, EBITDA grew 11% to US$355 million during the third quarter as compared to US$320 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 25% in real terms versus the prior year, to Ps. 2.546 billion (Ps. 4.14 per ADR), or 23% in dollar terms to US$250 million (US$0.41 per ADR). The ADR ratio is 2:1 per ordinary share. Excluding shares held in trust for equity swaps, the average number of ordinary shares outstanding during the quarter totaled 1,230 million.

- Net income during the third quarter of 1998 decreased 62% to Ps. 923 million (including monetary position gains of Ps. 1.133 billion) or US$91 million. Net income during the same period in 1997 was Ps. 2.442 billion (including monetary position gains of Ps. 1.333 billion) or US$245 million. Net income per ADR in the third quarter was Ps. 1.50 (US$0.15), versus Ps. 3.96 (US$0.40) during the same period a year ago.

- 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 3.05 times in the third quarter and 2.85 times for the trailing twelve months. Interest plus tax coverage (EBITDA before operating lease payments and cost restatements for inflation divided by interest expense plus Preferred dividend plus cash taxes paid) was 2.52 times on a trailing twelve months basis during the third quarter of 1998. Interest expense was US$113 million, a 10% decrease versus the third quarter of 1997.

- Net debt (on- plus off-balance sheet debt plus Preferred Capital Securities minus cash and cash equivalents) was US$4.642 billion at the end of the third quarter of 1998, US$42 million less than at the end of the second quarter 1998.

- Leverage as defined by Net debt to Trailing Twelve Month EBITDA declined to 3.45 times versus 4.17 times in the third quarter of 1997.

- On September 29, CEMEX announced that it would acquire a 14% interest in PT Semen Gresik, Indonesia's largest cement manufacturer, for US$114.6 million, or US$1.38 per share. CEMEX also plans to acquire up to an additional 6% of the company's outstanding shares through a tender offer. The total cement production capacity of Semen Gresik is currently 12.7 million tons and is expected to reach 17.2 million tons by year-end 1998.

Consolidated Results (in real terms)

Monterrey, N.L., Mexico, October 26, 1998, CEMEX, S.A. de C.V. (OTC: CMXBY) today announced third quarter 1998 results:

Net sales increased 8% in real terms to Ps. 10.790 billion during the third quarter of 1998 versus the same quarter of 1997. This increase was attributable to strong pricing and higher domestic demand in many of the Company's markets. In dollar terms, net sales increased 6% in the third quarter to US$1.059 billion.

Mexico represented 45% of the net sales for the third quarter, Spain 20%, Venezuela 11%, Colombia 5%, the United States 13% and Central America and the Caribbean 6%.

Gross margin increased from 38.4% in the third quarter of 1997 to 42.0% in the third quarter of 1998 as higher sales in most subsidiaries were accompanied by a decline in certain production costs, particularly energy-related costs.

Operating income increased 23% in real terms to Ps. 2.933 billion for the quarter and increased 20% in dollar terms to US$288 million. **Operating margin** in the third quarter increased to 27.2% in the third quarter 1998 from 23.9% last year, attributable to the higher gross margin.

EBITDA in the quarter was Ps. 3.613 billion, an increase of 13% in real terms over the third quarter of 1997 due to performance improvements in many operations. In dollar terms, EBITDA reached US$355 million, an 11% increase over the US$320 million reported during last year's third quarter. Principal uses of 1998 third quarter EBITDA were interest expense, capital expenditures (US$109 million), share purchases -CEMEX and other subsidiaries- (US$42 million) and a reduction of US$42 million in Net Debt. **EBITDA margin** was 33.5% in the quarter versus 31.9% in the third quarter of 1997.

In the third quarter, Mexico represented 57% of the total cash flow, Spain 20%, Venezuela 13%, Colombia 1%, the United States 6% and Central America and the Caribbean 3%.

Cash earnings (EBITDA less net financial expenses) were Ps. 2.546 billion (Ps. 4.14 per ADR) in the quarter, 25% higher in real terms. In dollar terms, cash earnings increased 23% to US$250 million (US$0.41 per ADR) from the third quarter of 1997.

Third quarter **interest expenses** were Ps. 1.151 billion, a 8% decrease over the same period in 1997. In dollars, interest expenses were US$113 million, a 10% decrease versus the third quarter of 1997.

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.

Interest coverage improved to 3.05 times, up from 2.64 times during the third quarter of 1997. On a trailing twelve month basis, interest coverage improved to 2.85 times from 2.08 a year ago. **Interest expense plus cash tax coverage** was 2.52 times on a trailing twelve months basis at the end of the third quarter of 1998.

Total on-balance sheet debt, in millions of constant pesos as of September 30, 1998 and billions of dollars at the end of each period:

	Sep. 30, 1998	Jun. 30, 1998	Sep. 30, 1997	Var. Jun. - Sep.	Var. Sep. - Sep.
Pesos	44,073	42,234	45,992	4%	(4%)
Dollars	4.325	4.258	4.608	2%	(6%)

Net debt (on- plus off-balance sheet debt plus Preferred Capital Securities minus cash and cash equivalents) was US$4.642 billion at the end of the third quarter 1998, representing a decrease of 3% compared to the third quarter of 1997 and 1% less than the second quarter of 1998. The reduction was principally due to a 6% decrease in on-balance sheet debt.

Leverage (Net debt to EBITDA for the previous twelve months) was reduced from 4.17 at the end of the third quarter of 1997, to 3.45 in the same period of 1998.

Long-term debt: 85% or Ps. 37.374 billion (US$3,668 million)
Short-term debt: 15% or Ps. 6.700 billion (US$657 million)

Denomination	Dollars	Pesetas	Bolivares	Col. Pesos
Sept. 1998	95%	4%	<1%	<1%
Sept. 1997	94%	5%	1%	-

Average Cost	Dollars	Pesetas	Bolivares	Col. Pesos
Sept. 1998	8.1%	4.9%	50.5%	11%
Sept. 1997	8.1%	6.0%	18.7%	-

To actively manage interest rate, currency and employee stock options exposures arising in the ordinary course of business, CEMEX has entered into financial arrangements in the derivatives and swaps markets. At the end of the third quarter of 1998, the outstanding transactions have been designated for either interest rate or capital hedges. The financial effect of these operations is reflected either, as part of the interest expense or the stockholders equity, as appropriate.

Net Foreign Exchange Gain (Loss) in the third quarter was a loss of Ps. 1.276 billion, a significant change versus the Ps. 108 million gain reported during the third quarter of 1997, principally due to the greater depreciation of the Mexican Peso versus the US Dollar during the third quarter 1998 as compared to the same period a year ago. Exchange rates used by the Company at September 30, 1997 and September 30, 1998 were Ps. 7.78 and Ps. 10.19 per dollar, respectively.

A **net monetary position gain** of Ps. 1.133 billion was recognized during the third quarter, a decrease of 15% 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 2.9%.

Other Expenses and Income was an expense of Ps. 702 million versus an expense of Ps. 32 million during the third quarter of 1997. Most of this increase was attributable to the mark-to-market of the CEMEX position in Banacci shares. Actual cash expense in the third quarter of 1998 was Ps. 71 million or US$7 million.

In anticipation of CEMEX's annual cash tax payments, approximately Ps. 141 million (US$14 million) was paid during the third quarter of 1998. The **total effective tax rate** was 25% in the quarter, comprised of income tax -ISR- (20%) and of employees' statutory profit sharing -PTU- (5%). For the first nine months of the year, the effective tax rate was 12%. This increase is due to the reduction in income before taxes, resulting from the foreign exchange loss.

Minority interest declined to a loss of Ps. 112 million in the quarter in real terms from an income of Ps. 265 million in the third quarter of 1997 due principally to net losses in the Colombian operations.

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 won't analyze the remaining items in the financial statements, and these figures are not included in the tables.

Net sales during the third quarter were Ps. 4.742 billion, an increase of 15% compared with the equivalent period in 1997 due primarily to higher domestic cement volumes. In dollar terms, net sales increased 2% to US$465 million.

The breakdown of total sales in Mexico during the third quarter was as follows: 70% from domestic cement sales, 20% from ready-mix sales, 5% from exports and 5% from tourism and others.

Domestic gray cement volume increased 9% in the third quarter of 1998 versus 1997, while **ready-mix volumes** increased 25% driven by private sector demand.

CEMEX's **average realized gray cement price** (invoice) in Mexico during the third quarter increased 11% versus the third quarter of 1997 in constant peso terms. In dollar terms, prices rose 3% versus the same period a year ago.

The **average ready-mix price** increased 10% in constant peso terms and increased 3% in dollar terms over the third quarter 1997.

Both domestic cement and ready-mix volumes continue to increase from strong growth in the Mexican cement market. Through the third quarter of 1998, cement sales volumes have been driven by private investment and domestic consumption. Strength in the housing sector should continue to support healthy volumes in the fourth quarter of 1998, but a deceleration of economic growth is expected to occur entering 1999.

During the third quarter of 1998, ready-mix volume growth was driven by increases in industrial and commercial construction. In addition, CEMEX has entered new markets with lower, but consistent ready-mix volume demand, and has developed new products for urban pavements.

Total export volumes declined 47% during the quarter compared with the third quarter of 1997, principally the result of the elimination of exports to Southeast Asia following the Asian economic crisis. Exports from Mexico during the quarter were distributed as follows:

Central/South America: 17%   The Caribbean: 35%   North America: 48%

The average **cash cost of goods sold** per ton in the third quarter of 1998 decreased 7% in real terms versus the third quarter of 1997 as fixed and variable costs declined 9% and 7%, respectively. Fuel oil costs decreased 23% in real terms year over year, due to lower fuel oil prices and increased usage of petroleum coke, while electricity costs decreased 8% in the same period. CEMEX estimates reduced energy costs have saved nearly US$19 million during 1998 versus the original forecast. In dollar terms, cash costs have declined 18% versus the year ago period.

Gross margin increased from 44.1% in the third quarter of 1997 to 53.8% in 1998.

Operating income was Ps. 2.004 billion, 53% higher than the prior year. **Operating margin** in Mexico increased to 42.3% during the period from 31.8% in 1997.

EBITDA in Mexico increased 42% in real terms to Ps. 2.306 billion in the third quarter and in dollar terms grew 25% to US$226 million. **EBITDA margin** was 48.6% in the third quarter of 1998 versus 39.5% a year ago.

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. 32.826 billion during the third quarter, a 15% increase compared with the same period in 1997. This increase was due primarily to significant domestic cement and ready-mix volume growth coupled by a 3% average price increase for both cement and ready-mix .

Domestic cement volume increased 14%, and **ready-mix volume** 25% during the third quarter of 1998 compared to the same period of 1997 as strong fundamentals in the Spanish economy have supported annual GDP growth of about 3.9%. Inflation and unemployment rates have declined significantly and, together with decreasing interest rates, have strengthened building activity. The housing sector remains strong and non-residential construction continues to improve, primarily in industrial projects and new office space. In addition, several public works projects have recently begun which are expected to provide an additional base of demand for 1999.

The reduction in imports into Spain caused by a weaker Peseta versus the dollar has begun to stabilize. This reduction, which began in early 1997, has had a positive impact on CEMEX's market share in Spain as imports which would have otherwise been sold in Valenciana´s coastal markets have been replaced by Valenciana and other Spanish producers.

Exports from Spain increased 4% in the third quarter compared to the third quarter of 1997, distributed as follows:

United States: 63% **Africa: 23%** **Europe & the Middle East: 14%**

The average **domestic sales price for cement** increased 3% in peseta terms, when compared with the same period of the previous year, and increased 6% in dollar terms due to a small revaluation of the peseta. The **average price for ready-mix** during the period increased 3% in peseta terms and increased 6% in dollar terms.

The average **cash cost of goods sold** per ton declined 1%, in peseta terms, in the third quarter of 1998 versus 1997. Fixed costs per ton in Peseta terms decreased 1% from a reduction in spare part and labor costs. Variable costs per ton decreased by 1% in Peseta terms due primarily to lower fuel costs. In dollar terms the cash cost of goods sold increased 4% year over year.

Gross margin increased to 38.9% in the third quarter of 1998 from 34.5% in the third quarter of the previous year. This increase was primarily due to higher capacity utilization rates from the increase in cement and ready-mix volumes.

Operating income in the third quarter was Ptas. 9.425 billion, 46% higher than in 1997. **Operating margin** was 28.7% as compared to 22.6% in the same period a year ago .

EBITDA increased 17% year over year to Ptas. 12.143 billion. In dollar terms, EBITDA grew 22% to US$85 million in the third quarter of 1998, while **EBITDA margin** increased to 37.0% versus 36.6% a year earlier.

Venezuela (Constant Bolivars)

For analysis purposes, Vencemos' figures 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.

During the third quarter of 1998, **net sales** in Venezuela were Bs. 71.882 billion. This represents a 5% decrease in constant Bolivar terms over the same period in 1997 and was due primarily to lower prices in constant Bolivar terms, which offset higher domestic cement and ready-mix volumes. In dollar terms, net sales increased 11% to US$125 million for the same period.

Domestic cement volume increased 5% in the quarter compared to the third quarter of 1997, principally driven by private sector demand. **Ready-mix volume** increased 24% supported by participation in a railroad concession project. Momentum from previously-financed and ongoing construction projects continue to positively affect cement demand. During this quarter Vencemos began to supply cement for the construction of the Caruachi dam in the eastern part of Venezuela. This project will require more than 450 thousand metric tons of cement over the next 3 years.

Resulting from the ongoing privatization of the oil industry, private investment has been entering the country to modernize the sector and establish the necessary infrastructure in southeastern Venezuela. Despite Venezuelan government budget cuts, demand is expected to continue to be driven by private sector, concession-related spending and long-term investment in the petroleum sector.

The volume of **exports** from Venezuela fell 4% during the third quarter as compared to same period a year ago and in the period comprised 43% of total sales volumes versus 45% a year ago. Exports during the quarter were distributed as follows:

United States: 60% **The Caribbean & Central America: 31%** **South America: 9%**

Domestic cement prices and **ready-mix prices** declined by 10% and 6% respectively, in constant Bolivar terms, when compared with the third quarter of 1997. In dollar terms, cement and ready-mix prices increased 6% and 11%, respectively, as inflation between September 1997 and September 1998 was approximately 34%, while the Bolivar devalued only 15% during the period.

The average **cash cost of goods sold** per ton decreased 13% in constant Bolivar terms in the third quarter of 1998 compared to the third quarter of 1997. Fixed costs per ton decreased 10% from lower spare part and external labor costs. Variable costs per ton decreased 19% from lower costs associated with the grinding of raw materials. In dollar terms, the cash cost per ton was flat versus the same period a year ago.

Gross margin declined to 44.1% in the third quarter from 44.5% in the third quarter of 1997.

Operating margin decreased to 35.8% in the third quarter from 36.9% in the prior year, on **operating income** of Bs. 25.719 billion, 8% lower in constant Bolivar terms than the third quarter last year.

EBITDA was Bs. 31.564 billion for the quarter, a 8% decrease over the same period in 1997. In dollar terms, operating cash flow increased 7% to US$55 million. The **EBITDA margin** was 43.9% in the third quarter of 1998 versus 45.3% in 1997.

Colombia (Colombian pesos)

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

Net sales in the Colombian operations, in constant Colombian pesos, were CPs. 73.261 billion (US$47 million), 49% lower as compared to the third quarter of 1997.

High interest rates and high inflation continue to impact the Colombian economy, especially in the construction sector where cement demand remains depressed. Competitive pressure on pricing has increased substantially during 1998 and in the third quarter the average price of cement was approximately 51% lower in dollar terms versus the first quarter of 1998. Prices have recently begun a slow recovery, however, as evidenced by an average cement price for the third quarter over 40% higher versus the June low.

Gross margin was 3.4% for the 1998 third quarter versus 35.7% in the third quarter 1997.

Operating margin was -20.1% in the third quarter on an **operating loss** of CPs. 14.739 billion (US$9 million). This compares to an operating margin of 22.3% and operating income of CPs. 32.158 billion (US$22 million) a year ago.

EBITDA was CPs. 5.116 billion (US$3 million) in the third quarter of 1998, a decrease of 90% versus the same period in 1997. **EBITDA margin** decreased from 34.1% last year to 7.0% in the third quarter of 1998.

The United States (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 1998 were US$145 million, a 20% increase over the same period a year ago from stronger prices and volumes for both cement and ready-mix.

Cement sales volume increased by 22% during the third quarter of 1998 as compared to the same period in 1997 despite unfavorable weather conditions in Texas. Demand is expected to remain strong going forward, especially in Texas, due to recent federal legislation which will significantly increase federal funding for highway construction over the next six years. **Ready-mix volumes** increased 5% and **aggregates volumes** increased 33% over the same period a year ago.

Average realized cement prices increased 11% in the third quarter versus the same period in 1997 as local cement producers are operating at capacity. **Average ready-mix prices** during the quarter increased 7% versus a year ago, while the **average price of aggregates** decreased 3%.

Gross margin increased to 22.5% in the quarter from 14.6% in 1997 primarily as a result of higher volumes and better prices coupled with lower costs. The import of less expensive cement from Asia has favorably impacted margins during the third quarter.

Operating margin increased to 16.7% in the third quarter from 7.9% in 1997 due to a higher gross margin and lower operating costs as a percentage of sales. The operating margin for the core businesses (cement, ready-mix and aggregates) was 18.7% vs. 9.5% a year ago.

Operating income in the third quarter of 1998 was US$24 million, 155% higher than the third quarter of 1997.

EBITDA increased 108% to US$29 million from US$14 million for the same period a year ago. **EBITDA margin** increased to 19.7% from 11.4% in the in the third quarter of 1997.

Financing Activities

US$300 Million Draw Down of Revolving Credit Facility

During the third quarter, CEMEX decided to draw down US$300 million of the US$600 million Revolving Credit Facility to mitigate the refinancing risk of short-term Holding Company debt maturing through December 1998. The proceeds, which were received on October 2, 1998, can be converted in May 1999 into a medium-term loan with a final maturity in May 2001.

Strategic Developments

Investment in Semen Gresik of Indonesia

On September 29, 1998, CEMEX announced that it had received confirmation from the Government of Indonesia, that it would have the right to purchase a 14% minority interest of PT Semen Gresik, Indonesia's largest cement manufacturer.

The transaction is valued at US$114.6 million, or US$1.38 per share. The Indonesian Government will retain a 51% interest in Semen Gresik following completion of the transaction. CEMEX plans to acquire up to an additional 6% of Semen Gresik's outstanding shares through a tender offer.

Closing of the tender offer is subject to the amendment of Semen Gresik's by-laws and the respective approval to allow for the role of a strategic partner. CEMEX will be awarded two seats on the Board of Directors and two seats on the Board of Commissioners. Under the terms of the revised by-laws, CEMEX, and the Indonesian government in its capacity as a shareholder, must jointly approve the annual business plan which governs all of the Company's operations. The terms of the transaction call for an additional consideration of US$7.5 million upon approval of the revised by-laws and the business plan for fiscal 1999.

In addition, CEMEX and the Government have agreed to mutual rights of first refusal. Under the agreement the Government will have the right to sell to CEMEX its remaining shares for the same purchase price per share plus 8.2% per annum from the closing date until 36 months thereafter.

Negotiations Discontinued for the Sale of Mexican Hotels to Marriott

The previously announced negotiations with Host Marriott for the sale of Mexican tourism assets totaling approximately US$125 million have been discontinued due to the turmoil in the U.S. capital markets. The sale was to include the Casa Magna Hotels in Cancun and Puerto Vallarta, both of which continue to be administered by Marriott. CEMEX remains committed to the divestiture of these assets and is currently seeking negotiations with other interested parties.

Capitalization of CEMEX Investment Holdings Asia Delayed

Due to current volatile global market conditions, the capitalization of CEMEX Investment Holdings Asia (CIHA) by third party investors has been delayed. Several of the venture capital investors who were to participate with CEMEX in this investment vehicle are reviewing their investment positions and may or may not participate in CIHA in the future. CEMEX will continue to work towards attracting investors to CIHA and would expect increased interest in CIHA once a more stable capital market environment returns.

Tamuin Electricity Plant Operator Selected

On October 22, 1998, CEMEX announced its acceptance of a bid submitted by the consortium formed by Alstom of France and Sithe Energies of the United States to construct and operate an electricity generation plant in Tamuin, San Luis Potosi from which CEMEX will obtain electricity for 12 of its cement plants for at least 20 years. While CEMEX has no responsibility to provide investment capital for the project, it has committed to purchase the entire electrical output of the plant. CEMEX will also make available to the consortium sufficient Petroleum Coke (Petcoke) to fuel the plant's operations through the application of a portion of the Petcoke supply available to CEMEX under a 20 year contract with Pemex. The project is expected to result in cheaper and more stable electricity cost for CEMEX and it will supply approximately 60% of the electricity needs of the 12 cement plants included in the project.

Year 2000 Issues Addressed

In January 1997 CEMEX launched a company-wide program called "CEMEX 2000" with the objective of establishing Year 2000 (Y2K) compliance for both information technology 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. The objective of CEMEX 2000 is complete compliance, but the technology issues presented by Y2K will also be leveraged to bring about the upgrade and replacement of certain CEMEX information technology worldwide to provide benefits into the future. As part of the program, CEMEX has also implemented a continuous follow-up plan to monitor the progress of its significant vendors, customers and business partners.

The cost of the CEMEX 2000 Program (Y2K and upgrades) as of September 1998 has been approximately US$7.5 million and at this time is expected to reach an estimated total cost of US$30 million. The program is currently in the implementation and testing phases and is expected to be completed by around mid-year 1999. The scope of the program also includes the implementation of selective contingency plans that support the continuous operation of the core business processes.

Management Reorganization Announced

During the third quarter, CEMEX announced that it was regrouping its current operations into three distinct regions to more closely support and manage its worldwide business. The current two areas of CEMEX Mexico and CEMEX International will be rearranged into the North America, the South America & Caribbean and the Europe & Asia Regions. The three newly created regions will be headed by Francisco Garza -- North America Region, Victor Romo -- South America & Caribbean Region, and José Luis Sáenz de Miera -- the Europe & Asia Region. In conjunction with this reorganization, José Domene, current President of CEMEX International, has decided to resign from the company to pursue other personal and professional interests.

Equity Related Information

The breakdown of the average number of shares outstanding for the third quarter of 1998 is as follows:

Average number of shares outstanding	**1,230,098,631**
CEMEX A shares	465,005,270
CEMEX B shares	377,410,583
CEMEX CPO shares	387,682,778
Average number of shares held in trust for equity swaps	
CEMEX B shares	37,817,895
CEMEX CPO shares	18,141,555

Change in period end shares outstanding as of September 30, 1998:

Number of shares outstanding as of June 30, 1998	**1,239,246,486**
Change in the number of total shares subscribed and paid between periods resulting from the exercise of stock options	23,590
Decrease (Increase) in CEMEX shares held at subsidiaries *(including change in number of shares held in trust for equity swaps)*	(16,040,873)

Number of shares outstanding as of September 30, 1998	**1,223,229,203**

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 B shares. As of September 30, 1998 options to acquire a total of 29,405,099 shares remain outstanding, distributed as follows:

- 25,977,475 with a weighted average strike price of Ps. 31.48 per share, an average time to full vesting of 1.2 years and an average maximum exercisable period of 7.5 years. Of this amount, 36% are fully vested with a weighted average strike price of Ps. 26.69 per share.
- 3,427,624 options for which the share price must double in dollars terms (to US$9.62 per share) by the end of 2002 to fully vest.

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

As of September 30, 1998, the Voluntary Employee Stock Option Plan (VESOP) is composed of 1,049,125 five-year options on CEMEX B shares and 14,255,000 five-year options on CEMEX CPO shares, both with an escalating strike price indexed quarterly in dollar terms reflecting market funding costs for this fully hedged program.

ANNOUNCEMENT

The CEMEX quarterly report is also available by email in PDF format. If you would like to receive the CEMEX quarterly report by email only or would prefer to receive the report by email and fax, please fill out and fax the form below.

______ I would like to receive the CEMEX quarterly report by email only.

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City:______________________________ State:__________________ Postal Code:________________

Country:_________________________ Telephone:___________________ Fax:____________________

Please fax this form to Kristin Anderson of Ludgate Communications at (212) 688-5213.

CEMEX, S.A. DE C.V. AND SUBSIDIARIES
Consolidated Figures
(Thousands of Pesos in Real Terms as of Sept. 1998)*

INCOME STATEMENT	January - September 1998	1997	% Var.	Quarters III 1998	III 1997	% Var.
Net Sales	31,180,951	27,848,112	12%	10,790,134	10,006,052	8%
Cost of Sales	(18,042,537)	(17,180,379)	5%	(6,260,136)	(6,165,575)	2%
Gross Profit	13,138,414	10,667,732	23%	4,529,998	3,840,478	18%
Selling, General and Administrative Expenses	(4,644,874)	(4,117,755)	13%	(1,596,935)	(1,446,267)	10%
Operating Income	8,493,539	6,549,977	30%	2,933,063	2,394,211	23%
Financial Expenses	(3,579,687)	(3,810,144)	(6%)	(1,151,370)	(1,252,661)	(8%)
Financial Income	256,375	248,828	3%	84,073	92,060	(9%)
Exchange Gain (Loss), Net	(2,330,668)	45,093	N/A	(1,275,920)	108,218	N/A
Monetary Position Gain (Loss)	4,103,434	4,481,489	(8%)	1,133,301	1,332,710	(15%)
Total Comprehensive Financing (Cost) Income	(1,550,546)	965,266	(261%)	(1,209,916)	280,328	N/A
Gain or (Loss) on Marketable Securities	(349,509)	284,970	(223%)	(206,973)	147,467	(240%)
Other Expenses, Net	(1,132,551)	(796,433)	42%	(494,764)	(179,683)	175%
Other Income (Expense)	(1,482,060)	(511,463)	190%	(701,736)	(32,216)	N/A
Net Income Before Income Taxes	5,460,933	7,003,780	(22%)	1,021,411	2,642,322	(61%)
Income Tax	(499,650)	(421,764)	18%	(201,529)	(17,961)	N/A
Employees' Statutory Profit Sharing	(146,926)	(90,961)	62%	(58,159)	(8,660)	N/A
Total Income Tax & Profit Sharing	(646,575)	(512,725)	26%	(259,687)	(26,621)	N/A
Net Income Before Participation of Uncons. Subs. and Ext. Items	4,814,358	6,491,055	(26%)	761,724	2,615,701	(71%)
Participation in Unconsolidated Subsidiaries	103,030	156,107	(34%)	49,496	90,812	(45%)
Consolidated Net Income	4,917,388	6,647,163	(26%)	811,220	2,706,513	(70%)
Net Income Attributable to Min. Interest	352,753	897,386	(61%)	(111,600)	264,695	(142%)
NET INCOME AFTER MINORITY INTEREST	4,564,634	5,749,777	(21%)	922,820	2,441,818	(62%)
EBITDA (Operating Income + Depreciation)	10,659,525	8,809,102	21%	3,612,827	3,193,586	13%
EBITDA before Operating Leases and Cost Restatements for Inflation	10,911,668	9,089,492	20%	3,695,683	3,312,286	12%

BALANCE SHEET	January - September 1998	1997	% Var.
Total Assets	101,895,786	102,003,722	(0%)
Cash and Temporary Investments	4,287,214	4,018,297	7%
Trade Accounts Receivables	5,473,935	4,721,610	16%
Other Receivables	1,222,004	1,982,822	(38%)
Inventories	4,124,692	4,511,057	(9%)
Other Current Assets	878,062	910,980	(4%)
Current Assets	15,985,907	16,144,766	(1%)
Fixed Assets	59,950,123	60,085,601	(0%)
Other Assets	25,959,756	25,773,354	1%
Total Liabilities	54,659,891	54,876,565	(0%)
Current Liabilities	13,327,348	13,111,281	2%
Long-Term Liabilities	37,373,544	38,435,281	(3%)
Other Liabilities	3,958,999	3,330,003	19%
Consolidated Stockholders' Equity	47,235,894	47,127,156	0%
Stockholders' Equity Attributable to Minority Interest	12,491,823	11,915,108	5%
Stockholders' Equity Attributable to Majority Interest	34,744,072	35,212,048	(1%)

CEMEX, S.A. DE C.V. AND SUBSIDIARIES
Consolidated Figures
(Thousands of Pesos in Real Terms as of Sept. 1998)*

	January - September				%	Quarters		%
FINANCIAL INDICATORS**	**1998**		**1997**		**Var.**	**III 1998**	**III 1997**	**Var.**
Operating Margin	27.2%		23.5%			27.2%	23.9%	
EBITDA Margin	34.2%		31.6%			33.5%	31.9%	
Interest Coverage [2]	2.85	[1]	2.08	[1]		3.05	2.64	
Interest + Cash Tax Coverage [3]	2.52	[1]	2.00	[1]		2.73	2.49	
Net Debt / EBITDA [4]	3.45	[1]	4.17	[1]				
Debt / Total Capitalization (Covenant)	49.7%		49.9%					
Return on Equity [5]	16.7%	[1]	12.2%	[1]				
Return on Operating Assets [6]	14.4%	[1]	12.2%	[1]				
Cash Flow per Share [7]	8.71		7.10		23%	2.94	2.59	14%
Cash Earnings per Share [7]	6.00		4.23		42%	2.07	1.65	26%
Earnings per Share [7]	3.73		4.64		(20%)	0.75	1.98	(62%)

	January - September		%	Quarters		%
VOLUMES Volume in thousands	**1998**	**1997**	**Var.**	**III 1998**	**III 1997**	**Var.**
CONSOLIDATED						
Total Cement (Met. Tons)	29,493.8	28,460.6	4%	10,102.2	9,801.0	3%
Total Ready-mix (m3)	10,994.9	9,021.6	22%	3,870.2	3,341.6	16%

VOLUMES Variation in volume	**January - September 1998 - 1997**	**Quarters III 1998 - III 1997**	**Quarters III 1998 - II 1998**
MEXICO	(3%)	(2%)	5%
Domestic (Met. Tons, Gray Cement)	7%	9%	7%
Exports (Met. Tons)	(46%)	(47%)	(4%)
Ready-mix (m3)	33%	25%	7%
USA			
Domestic (Met. Tons)	18%	22%	12%
Ready-Mix(m3)	12%	5%	(6%)
Aggregates (Met. Tons)	18%	33%	13%
SPAIN	12%	12%	(3%)
Domestic (Met. Tons)	17%	14%	1%
Exports (Met. Tons)	(5%)	4%	(15%)
Ready-mix (m3)	22%	25%	2%
VENEZUELA	0%	1%	2%
Domestic (Met. Tons)	16%	5%	(2%)
Exports (Met. Tons)	(15%)	(4%)	7%
Ready-mix (m3)	34%	24%	9%
COLOMBIA			
Domestic (Met. Tons)	N/A	N/A	(31%)
Ready-Mix (m3)	N/A	N/A	(10%)
CARIBBEAN / CENTRAL AMERICA			
Domestic (Met. Tons)	1%	2%	0%
Ready-Mix (m3)	23%	17%	17%

(*) Results for 1998 may be converted to dollars by dividing by the September 1998 exchange rate of 10.19. Results for 1997 may be converted to dollars by dividing by the weighted average inflation factor of 28.29% (1.2829) and then dividing by the September 1997 exchange rate of 7.78.

(**) 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 1,230,099 thousand average shares for III 1998, 1,234,180 thousand average shares for III 1997, 1,223,585 thousand average shares for 1998 accumulated and 1,240,398 thousand average shares for 1997 accumulated

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

INCOME STATEMENT	January - September 1998	1997	% Var.	Quarters III 1998	III 1997	% Var.
Net Sales	3,059,956	2,790,123	10%	1,058,894	1,002,514	6%
Cost of Sales	(1,770,612)	(1,721,315)	3%	(614,341)	(617,733)	(1%)
Gross Profit	1,289,344	1,068,808	21%	444,553	384,780	16%
Selling, General and Administrative Expenses	(455,827)	(412,561)	10%	(156,716)	(144,903)	8%
Operating Income	833,517	656,247	27%	287,837	239,878	20%
Financial Expenses	(351,294)	(381,741)	(8%)	(112,990)	(125,505)	(10%)
Financial Income	25,159	24,930	1%	8,251	9,224	(11%)
Exchange Gain (Loss), Net	(228,721)	4,518	N/A	(125,213)	10,842	N/A
Monetary Position Gain (Loss)	402,692	449,004	(10%)	111,217	133,525	(17%)
Total Comprehensive Financing (Cost) Income	(152,164)	96,711	(257%)	(118,736)	28,086	N/A
Gain or (Loss) on Marketable Securities	(34,299)	28,551	(220%)	(20,311)	14,775	(237%)
Other Expenses, Net	(111,143)	(79,795)	39%	(48,554)	(18,003)	170%
Other Income (Expense)	(145,443)	(51,244)	184%	(68,865)	(3,228)	N/A
Net Income Before Income Taxes	535,911	701,714	(24%)	100,237	264,736	(62%)
Income Tax	(49,033)	(42,257)	16%	(19,777)	(1,800)	N/A
Employees' Statutory Profit Sharing	(14,419)	(9,113)	58%	(5,707)	(868)	N/A
Total Income Tax & Profit Sharing	(63,452)	(51,370)	24%	(25,485)	(2,667)	N/A
Net Income Before Participation of of Uncons. Subs. and Ext. Items	472,459	650,344	(27%)	74,752	262,069	(71%)
Participation of Unconsolidated Subsidiaries	10,111	15,641	(35%)	4,857	9,098	(47%)
Consolidated Net Income	482,570	665,984	(28%)	79,609	271,168	(71%)
Net Income Attributable to Min. Interest	34,618	89,910	(61%)	(10,952)	26,520	(141%)
NET INCOME AFTER MINORITY INTEREST	447,952	576,074	(22%)	90,561	244,648	(63%)
EBITDA (Operating Income + Depreciation)	1,046,077	882,590	19%	354,546	319,968	11%
EBITDA before Operating Leases and Cost Restatements for Inflation	1,070,821	910,683	18%	362,677	331,860	9%

BALANCE SHEET	January - September 1998	1997	% Var.
Total Assets	9,999,586	10,219,829	(2%)
Cash and Temporary Investments	420,728	402,596	5%
Trade Accounts Receivables	537,187	473,062	14%
Other Receivables	119,922	198,660	(40%)
Inventories	404,778	451,966	(10%)
Other Current Assets	86,169	91,272	(6%)
Current Assets	1,568,784	1,617,556	(3%)
Fixed Assets	5,883,231	6,020,021	(2%)
Other Assets	2,547,572	2,582,252	(1%)
Total Liabilities	5,364,072	5,498,124	(2%)
Current Liabilities	1,307,885	1,313,629	(0%)
Long-Term Liabilities	3,667,669	3,850,859	(5%)
Other Liabilities	388,518	333,635	16%
Consolidated Stockholders' Equity	4,635,515	4,721,705	(2%)
Stockholders' Equity Attributable to Minority Interest	1,225,890	1,193,784	3%
Stockholders' Equity Attributable to Majority Interest	3,409,624	3,527,921	(3%)

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

	January - September		%	Quarters		%
FINANCIAL INDICATORS**	**1998**	**1997**	**Var.**	**III 1998**	**III 1997**	**Var.**
Operating Margin	27.2%	23.5%		27.2%	23.9%	
EBITDA Margin	34.2%	31.6%		33.5%	31.9%	
Interest Coverage [2]	2.85 [1]	2.08 [1]		3.05	2.64	
Interest + Cash Tax Coverage [3]	2.52 [1]	2.00 [1]		2.73	2.49	
Net Debt / EBITDA [4]	3.45 [1]	4.17 [1]				
Debt / Total Capitalization (Covenant)	49.7%	49.9%				
Return on Equity [5]	16.7% [1]	12.2% [1]				
Return on Operating Assets [6]	14.4% [1]	12.2% [1]				
Cash Flow per Share [7]	0.85	0.71	20%	0.29	0.26	11%
Cash Earnings per Share [7]	0.59	0.42	39%	0.20	0.17	23%
Earnings per Share [7]	0.37	0.46	(21%)	0.07	0.20	(63%)

	January - September		%	Quarters		%
VOLUMES Volume in thousands	**1998**	**1997**	**Var.**	**III 1998**	**III 1997**	**Var.**
CONSOLIDATED						
Total Cement (Met. Tons)	29,493.8	28,460.6	4%	10,102.2	9,801.0	3%
Total Ready-mix (m3)	10,994.9	9,021.6	22%	3,870.2	3,341.6	16%

	January - September	Quarters	Quarters
VOLUMES Variation in volume	**1998 - 1997**	**III 1998 - III 1997**	**III 1998 - II 1998**
MEXICO	(3%)	(2%)	5%
Domestic (Met. Tons, Gray Cement)	7%	9%	7%
Exports (Met. Tons)	(46%)	(47%)	(4%)
Ready-mix (m3)	33%	25%	7%
USA			
Domestic (Met. Tons)	18%	22%	12%
Ready-Mix(m3)	12%	5%	(6%)
Aggregates (Met. Tons)	18%	33%	13%
SPAIN	12%	12%	(3%)
Domestic (Met. Tons)	17%	14%	1%
Exports (Met. Tons)	(5%)	4%	(15%)
Ready-mix (m3)	22%	25%	2%
VENEZUELA	0%	1%	2%
Domestic (Met. Tons)	16%	5%	(2%)
Exports (Met. Tons)	(15%)	(4%)	7%
Ready-mix (m3)	34%	24%	9%
COLOMBIA			
Domestic (Met. Tons)	N/A	N/A	(31%)
Ready-Mix (m3)	N/A	N/A	(10%)
CARIBBEAN / CENTRAL AMERICA			
Domestic (Met. Tons)	1%	2%	0%
Ready-Mix (m3)	23%	17%	17%

(*) Results for 1998 were converted to dollars by dividing by the September 1998 exchange rate of 10.19. Results for 1997 were converted to dollars by dividing by the weighted average inflation factor of 28.29% (1.2829) and then dividing by the September 1997 exchange rate of 7.78.

(**) 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 1,230,099 thousand average shares for III 1998, 1,234,180 thousand average shares for III 1997, 1,223,585 thousand average shares for 1998 accumulated and 1,240,398 thousand average shares for 1997 accumulated

Mexico

(Thousands of Constant Pesos as of Sept. 1998)(1)

INCOME STATEMENT	January - September 1998	1997	% Var.	III 1998	III 1997	% Var.
Net Sales	13,387,074	11,363,984	18%	4,741,945	4,112,503	15%
Cost of Sales	(6,425,911)	(6,781,352)	(5%)	(2,189,773)	(2,300,409)	(5%)
Gross Profit	6,961,163	4,582,632	52%	2,552,172	1,812,095	41%
Selling, General and Administrative Expenses	(1,551,493)	(1,409,660)	10%	(548,536)	(503,642)	9%
Operating Income	5,409,671	3,172,972	70%	2,003,636	1,308,453	53%
EBITDA (Operating Income + Depreciation)	6,293,972	4,142,586	52%	2,305,846	1,625,228	42%
EBITDA before Operating Leases	6,299,322	4,187,462	50%	2,312,855	1,644,244	41%
and Cost Restatements for Inflación						
Operating Margin	40.4%	27.9%		42.3%	31.8%	
EBITDA Margin	47.0%	36.5%		48.6%	39.5%	

Spain

(Thousands of Pesetas)(2)

INCOME STATEMENT	January - September 1998	1997	% Var.	III 1998	III 1997	% Var.
Net Sales	95,417,694	82,197,079	16%	32,825,914	28,436,028	15%
Cost of Sales	(59,355,364)	(54,399,503)	9%	(20,046,469)	(18,627,116)	8%
Gross Profit	36,062,330	27,797,576	30%	12,779,445	9,808,912	30%
Selling, General and Administrative Expenses	(10,112,478)	(9,743,160)	4%	(3,354,643)	(3,373,522)	(1%)
Operating Income	25,949,852	18,054,416	44%	9,424,801	6,435,390	46%
EBITDA (Operating Income + Depreciation)	34,252,039	28,520,493	20%	12,143,403	10,414,910	17%
Operating Margin	27.2%	22.0%		28.7%	22.6%	
EBITDA Margin	35.9%	34.7%		37.0%	36.6%	

Venezuela

(Thousands of Constant Bolivars as of Sept. 1998)(3)

INCOME STATEMENT	January - September 1998	1997	% Var.	III 1998	III 1997	% Var.
Net Sales	215,375,680	214,382,224	0%	71,881,984	75,708,159	(5%)
Cost of Sales	(121,237,495)	(122,141,253)	(1%)	(40,206,596)	(41,997,815)	(4%)
Gross Profit	94,138,185	92,240,971	2%	31,675,388	33,710,343	(6%)
Selling, General and Administrative Expenses	(18,133,584)	(16,630,663)	9%	(5,956,413)	(5,797,810)	3%
Operating Income	76,004,601	75,610,308	1%	25,718,975	27,912,533	(8%)
EBITDA (Operating Income + Depreciation)	93,701,659	95,571,626	(2%)	31,563,589	34,322,309	(8%)
EBITDA before Operating Leases	98,508,200	101,699,723	(3%)	32,968,369	36,123,536	(9%)
and Cost Restatements for Inflation)						
Operating Margin	35.3%	35.3%		35.8%	36.9%	
EBITDA Margin	43.5%	44.6%		43.9%	45.3%	

(1) Results for 1998 can be converted to dollars by dividing by the September 1998 exchange rate of 10.19. Results for 1997 can be converted to dollars by dividing by the Mexican inflation rate of 15.84% (1.1584) and then dividing by the September 1997 exchange rate of 7.78.

(2) Results for 1998 can be can be converted to dollars by dividing by the September 1998 exchange rate of 142.05. Results for 1997 can be converted to dollars by dividing by the September 1997 exchange rate of 149.23.

(3) Results for 1998 can be converted to dollars by dividing by the September 1998 exchange rate of 574. Results for 1997 can be converted to dollars by dividing by the Venezuelan inflation rate of 34.34% (1.3434) and then dividing by the September 1997 exchange rate of 498.

DETAILED INFORMATION AVAILABLE UPON REQUEST

The United States

(Thousands of Dollars)

INCOME STATEMENT	January - September 1998	1997	% Var.	III 1998	III 1997	% Var.
Net Sales	389,361	326,543	19%	145,496	121,184	20%
Cost of Sales	(313,438)	(281,796)	11%	(112,734)	(103,524)	9%
Gross Profit	75,923	44,748	70%	32,761	17,660	86%
Selling, General and Administrative Expenses	(24,005)	(23,288)	3%	(8,421)	(8,103)	4%
Operating Income	51,918	21,459	142%	24,341	9,557	155%
EBITDA (Operating Income + Depreciation)	64,469	34,284	88%	28,614	13,757	108%
EBITDA before Operating Leases and Cost Restatements for Inflation	72,940	42,508	72%	31,443	16,632	89%
Operating Margin	13.3%	6.6%		16.7%	7.9%	
EBITDA Margin	16.6%	10.5%		19.7%	11.4%	

Colombia

(Thousands of Colombian Pesos as of Sept. 1998)(4)

INCOME STATEMENT	January - September 1998	1997	% Var.	III 1998	III 1997	% Var.
Net Sales	320,737,181	399,422,958	(20%)	73,260,796	144,039,303	(49%)
Cost of Sales	(249,840,751)	(250,386,194)	0%	(70,790,545)	(92,576,741)	(24%)
Gross Profit	70,896,430	149,036,764	(52%)	2,470,251	51,462,562	(95%)
Selling, General and Administrative Expenses	(58,293,638)	(57,036,423)	2%	(17,209,051)	(19,304,585)	(11%)
Operating Income	12,602,792	92,000,341	(86%)	(14,738,799)	32,157,977	(146%)
EBITDA (Operating Income + Depreciation)	71,356,076	145,838,140	(51%)	5,115,792	49,177,452	(90%)
EBITDA before Operating Leases and Cost Restatements for Inflation	76,207,299	150,123,698	(49%)	6,286,142	50,807,548	(88%)
Operating Margin	3.9%	23.0%		-20.1%	22.3%	
EBITDA Margin	22.2%	36.5%		7.0%	34.1%	

Caribbean / Central America

(Thousands of Dollars)

INCOME STATEMENT	January - September 1998	1997	% Var.	III 1998	III 1997	% Var.
Net Sales	169,997	151,425	12%	58,145	53,624	8%
Cost of Sales	120,608	102,991	17%	43,323	39,685	9%
Gross Profit	49,389	48,434	2%	14,822	13,939	6%
Selling, General and Administrative Expenses	14,158	11,685	21%	5,418	4,570	19%
Operating Income	35,231	36,749	(4%)	9,404	9,369	0%
EBITDA (Operating Income + Depreciation)	47,690	48,438	(2%)	13,508	13,300	2%
Operating Margin	20.7%	24.3%		16.2%	17.5%	
EBITDA Margin	28.1%	32.0%		23.2%	24.8%	

(4) Results for 1998 can be converted to dollars by dividing by the September 1998 exchange rate of 1,556.15. Results for 1997 can be converted, to dollars by dividing by the Colombian inflation rate of 17.93% (1.1793) and then dividing by the September 1997 exchange rate of 1,246.27.

DETAILED INFORMATION AVAILABLE UPON REQUEST