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INFORMS

BOGOTA, D.C. NOVEMBER 30, 2018.- That today, its subsidiary company CEMEX Colombia S.A. (“CEMEX Colombia”), reported that, as was reflected in the notes to its third quarter financial statements, on September 5, 2018, it received a Special Requirement (*Requerimiento Especial*) from the Colombian Direction of Tax and Customs (*Dirección de Impuestos y Aduanas Nacionales “DIAN”*) by which the mentioned agency rejected certain deductions included on its Income Tax Return of fiscal year 2011. Within the said requirement, the DIAN determined an increase on the income tax payable, over the taxes defined by “CEMEX Colombia” for a total amount of eighty five billion one hundred seventy nine million, ninety eight thousand pesos \$ 85.179.098.000 equivalent to (US \$ 27.579.707) and a fine of eighty five billion, one hundred seventy nine million, ninety eight thousand pesos \$ 85.179.098.000 equivalent to (US \$ 27.579.707) at the exchange rate of the date of receipt of the request. Any payment of an increased tax or the referred fine, will only occur at the time that a final adverse judicial resolution against “CEMEX Colombia” is issued, decision which will take a considerable amount of time.

“CEMEX Colombia” presented the answer to the request today, within the legal term, rejecting categorically the observations made by the “DIAN”. At this preliminary stage “CEMEX Colombia” stated it does not expect an adverse resolution. However, as of today a determination of probable result cannot be made and the administrative and judicial process may take up to eight years, based on previous cases. In case of an adverse judicial decision, this could have a material adverse impact on the operational results, the liquidity or the financial position of “CEMEX Colombia”.

“CEMEX Colombia” estimates that it has the legal and fiscal arguments that demonstrate the reasonability and proper filing of the tax returns that are being reviewed and will take all the pertinent legal actions at this stage of the process.