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CEMEX Latam Holdings, S.A. and Subsidiaries:

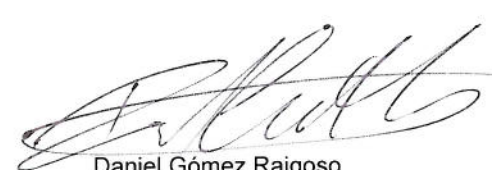
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CEMEX Latam Holdings, S.A. and Subsidiaries
Consolidated Condensed Income Statement
(Thousands of U.S. dollars)

	Notes	(unaudited) For the six month period ended June 30, 2013
Net sales.....		\$ 813,991
Cost of sales.....	2D	(384,320)
Gross profit.....		429,671
Administrative and selling expenses.....	2D	(113,412)
Distribution expenses.....	2D	(55,949)
		(169,361)
Operating earnings before other income, net		260,310
Other expenses, net.....	5	(3,315)
Operating earnings		256,995
Financial expenses		(58,790)
Other financial expenses, net.....	6	(3,035)
Foreign exchange loss		(1,727)
Earnings before income tax.....		193,443
Income tax	17A	(51,593)
CONSOLIDATED NET INCOME.....		141,850
Non-controlling interest net income		(468)
CONTROLLING INTEREST NET INCOME.....		\$ 141,382
BASIC INCOME PER SHARE.....	19	\$ 0,25
DILUTED INCOME PER SHARE.....	19	\$ 0,25

The accompanying notes are part of this consolidated condensed financial statement.



Camilo González Téllez
Legal Representative

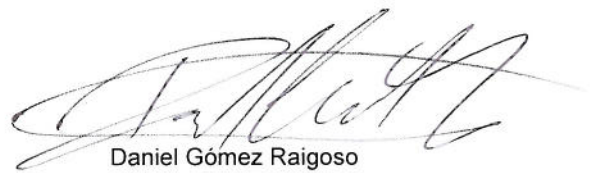

Daniel Gómez Raigoso
Accountant
Registration 158225 - T

CEMEX Latam Holdings, S.A. and Subsidiaries
Consolidated Condensed Statement of Comprehensive Income
(Thousands of U.S. dollars)

	Notes	(unaudited) For the six month period ended June 30, 2013
CONSOLIDATED NET INCOME.....		\$ 141,850
Items that will be reclassified subsequently to the results when specific conditions are met		
Currency translation.....	18B	(9,066)
Other comprehensive loss for the period		(9,066)
CONSOLIDATED COMPREHENSIVE INCOME FOR THE PERIOD.....		132,784
Non-controlling interest comprehensive income for the period		468
CONTROLLING INTEREST COMPREHENSIVE INCOME FOR THE PERIOD.....		\$ 132,316

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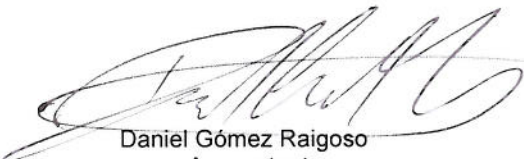

Daniel Gómez Raigoso
Accountant
Registration 158225 - T

CEMEX Latam Holdings, S.A. and Subsidiaries
Consolidated Condensed Balance Sheets
(Thousands of U.S. dollars)

		(unaudited)	
		As of June 30, 2013	As of December 31, 2012
	Notes		
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents.....	7	\$ 67,550	75,902
Trade receivables less allowance for doubtful accounts.....	8	119,685	97,128
Receivables from related parties	9	137	113
Other accounts receivable	10A	32,631	21,378
Taxes receivable.....		57,678	42,016
Inventories, net.....	11	88,731	93,147
Other current assets	12	28,541	21,209
Total current assets		394,953	350,893
NON-CURRENT ASSETS			
Other assets and accounts receivable.....	10B	21,690	32,813
Property, machinery and equipment, net.....	13	1,169,529	1,229,803
Goodwill, intangible assets and deferred assets , net	14	2,297,437	2,306,507
Deferred income taxes		34,844	17,973
Total non-current assets		3,523,500	3,587,096
TOTAL ASSETS		\$ 3,918,453	3,937,989
LIABILITIES AND STOCKHOLDERS' EQUITY			
CURRENT LIABILITIES			
Short-term debt	15A	\$ 7,386	8,337
Trade payables		99,387	118,320
Payables to related parties	9	221,861	192,463
Taxes payable.....		96,089	74,016
Other accounts payable and accrued expenses	16	73,583	69,906
Total current liabilities		498,306	463,042
NON-CURRENT LIABILITIES			
Long-term debt.....	15A	21,545	26,345
Long term payables to related parties	9	1,329,984	1,461,207
Employee benefits.....	9	66,321	71,349
Deferred income taxes		630,353	671,183
Other liabilities.....	16	14,105	19,245
Total non-current liabilities		2,062,308	2,249,329
TOTAL LIABILITIES		2,560,614	2,712,371
STOCKHOLDERS' EQUITY			
Controlling interest:			
Common stock and additional paid-in capital	18A	1,463,089	1,463,337
Other equity reserves	18B	(342,422)	(333,948)
Retained earnings.....		89,895	-
Net income.....		141,382	89,895
Total controlling interest.....		1,351,944	1,219,284
Non-controlling interest	18C	5,895	6,334
TOTAL STOCKHOLDERS' EQUITY		1,357,839	1,225,618
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY		\$ 3,918,453	3,937,989

The accompanying notes are part of this consolidated condensed financial statement.


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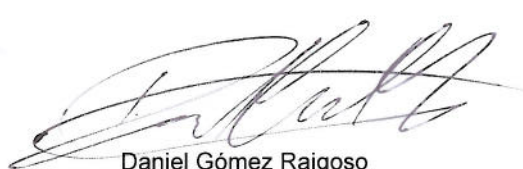
CEMEX Latam Holdings, S.A. and Subsidiaries
Consolidated Condensed Statement of Cash Flows
(Thousands of U.S. dollars)

(unaudited)
For the six month period
ended June 30, 2013

	Notes	
OPERATING ACTIVITIES		
Consolidated net income		\$ 141,850
Non-cash items:		
Depreciation and amortization of assets	4	46,083
Provisions and other non-cash expenses		178
Financial expenses, other financial expenses, net and foreign exchange results		63,552
Income taxes	17A	51,593
Fixed assets sale loss		855
Changes in working capital, excluding income taxes		(34,285)
Net cash flow provided by operating activities before interest and income taxes		269,826
Financial expenses paid in cash		(40,604)
Income taxes paid in cash		(63,155)
Net cash flows provided by operating activities		166,067
INVESTING ACTIVITIES		
Property, machinery and equipment, net		(22,929)
Financial income		792
Intangible assets and other deferred assets		(20,229)
Long term assets and others, net	10B	11,123
Net cash flows used in investing activities		(31,243)
FINANCING ACTIVITIES		
Related parties debt payment	9	(305,785)
Related parties debt	9	151,555
Equity issuance		(248)
Non-current liabilities, net	16	11,715
Net cash flows used in financing activities		(142,763)
Decrease in cash and cash equivalents		(7,939)
Cash conversion effect, net		(413)
Cash and cash equivalents at beginning of the period		75,902
FINAL BALANCE OF CASH AND CASH EQUIVALENTS	7	\$ 67,550
Changes in working capital, excluding income taxes:		
Trade receivables, net		\$ (22,811)
Other accounts receivable and other assets		(20,556)
Inventories		4,340
Trade payables		(18,933)
Related parties, net		21,737
Other accounts payable and accrued expenses		1,938
Changes in working capital, excluding income taxes		\$ (34,285)

The accompanying notes are part of this consolidated condensed financial statement.


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CEMEX Latam Holdings, S.A. and Subsidiaries
Notes to the Consolidated Condensed Financial Statements
For the six month period ended on June 30, 2013
(Thousands of U.S. dollars)

1) DESCRIPTION OF BUSINESS

CEMEX Latam Holdings, S.A., a capital stock corporation (S.A.) for an undefined period organized under the laws of Spain, is an indirect holding company (parent) of entities whose main activities, located in Colombia, Panama, Costa Rica, Nicaragua, Guatemala, El Salvador and Brazil, are oriented to the construction industry, through the production, marketing, distribution and sale of cement, ready-mix concrete, aggregates and other construction materials. CEMEX Latam Holdings, S.A. is a subsidiary of CEMEX España, S.A. ("CEMEX España"), organized under the laws of Spain, and an indirect subsidiary of CEMEX, S.A.B. de C.V. ("CEMEX"), a public stock corporation with variable capital (S.A.B. de C.V.) organized under the laws of the United Mexican States, or Mexico.

The terms "CEMEX Latam Holdings, S.A." and/or the "Parent Company" used in these accompanying notes to the financial statements refer to CEMEX Latam Holdings, S.A. without its consolidated subsidiaries. The terms the "Company" or "CEMEX Latam" refer to CEMEX Latam Holdings, S.A. together with its consolidated subsidiaries. The issuance of these consolidated financial statements was authorized by management and the Board of Directors of CEMEX Latam Holdings, S.A. on July 30, 2013.

On November 15, 2012, the Parent Company concluded its initial offering of 170,388,000 new common shares, at a price of 12,250 Colombian Pesos per common share. The common shares offered by the Company included (a) 148,164,000 new common shares offered in a public offering to investors in Colombia and in a concurrent private placement to eligible investors outside of Colombia, and (b) an additional 22,224,000 new common shares offered in such private placement that were subject to a put option granted to the initial purchasers during the 30-day period following closing of the offering. After giving effect to the offering, and the exercise of the put option by the initial purchasers, CEMEX España, S.A., owns approximately 73.35% of the Parent Company's outstanding common shares, excluding shares held in treasury (note 18A). The Parent Company's common shares are listed on the Colombian Stock Exchange (*Bolsa de Valores de Colombia* S.A.) under the ticker CLH. As of December 31, 2012, the net proceeds generated from the offering which amounted to approximately 963 million U.S. dollars, after deducting commissions and offering expenses for approximately \$36,737 and after giving effect to the exercise of the put option by the initial purchasers for approximately \$150,012, are included in equity and increased common stock and additional paid-in capital for approximately \$218,049 and \$745,213, respectively. The shares of CEMEX Latam Holdings, S.A. are listed on the Colombian Stock Exchange ("BVC") since November 6, 2012.

CEMEX Latam Holdings, S.A. was incorporated by CEMEX on April 17, 2012 for purposes of the initial equity offering mentioned above. Effective on July 1, 2012, pursuant to a reorganization of entities under CEMEX's control, and mainly through the Parent Company's wholly-owned Spanish subsidiary *Corporación Cementera Latinoamericana*, S.L.U. ("CCL"), the Parent Company acquired the consolidated entities that are listed in the table below:

Entities (Note 22)	Country
• CEMEX Colombia S.A. and subsidiaries	Colombia
Cemex (Costa Rica), S.A.	Costa Rica
CEMEX Nicaragua, S.A.	Nicaragua
• Cemento Bayano, S.A.	Panama
• CEMEX El Salvador, S.A. de C.V.	El Salvador
• CEMEX Guatemala, S.A. ⁽¹⁾	Guatemala
• Equipos para Uso en Guatemala, S.A. and subsidiaries ⁽²⁾	Guatemala
• Cimento Vencemos Do Amazonas, Ltda.	Brazil

(1) Global Cement, S.A., an indirect subsidiary located in Guatemala, changed its legal name to CEMEX Guatemala, S.A. effective May 27, 2013.

(2) On May 3, 2013, Line S.A. was merged with Equipos para Uso en Guatemala, S.A., a direct subsidiary of CCL.

Reorganization of entities under common control

As mentioned above, effective on July 1, 2012, pursuant to a reorganization of entities under common control of CEMEX, and mainly throughout of *Corporación Cementera Latinoamericana* S.L.U. the Parent Company acquired its consolidated subsidiaries. The operating results of the acquired entities have been included in the consolidated financial statements since that date.

CEMEX Latam Holdings, S.A. and Subsidiaries
Notes to the Consolidated Condensed Financial Statements
For the six month period ended on June 30, 2013
(Thousands of U.S. dollars)

Reorganization of entities under common control is outside the scope of International Financial Reporting Standards ("IFRS"). Nonetheless, considering the guidelines of IFRS 3, *Business Combinations* ("IFRS 3"), applied to this reorganization, CEMEX Colombia, S.A. ("CEMEX Colombia"), being the largest operation in the reorganization, was identified as the accounting acquirer and the remaining entities as acquired entities. Therefore, under IFRS 3, the financial statements of CEMEX Colombia and its subsidiaries, including the Parent Company's operations in Costa Rica and Nicaragua, were incorporated into CEMEX Latam's consolidated financial statements considering their book value amounts in CEMEX's consolidated accounts. In respect to the Parent Company's subsidiaries in Panama, Guatemala, El Salvador and Brazil, these entities were incorporated considering their net assets fair value as of July 1, 2012.

The obligation assumed by the Parent Company and CCL resulting from the reorganization and acquisition of entities with other subsidiaries of CEMEX was approximately \$2,971 million U.S. dollars, of which \$372,799 was paid in cash and the difference was documented as debt with CEMEX group entities, in addition to liabilities held by the acquired entities at the reorganization date.

As of December 31, 2012, the Parent Company determined a best estimate of the fair value of the assets and liabilities of its operations in Panama, Guatemala, El Salvador and Brazil, a valuation process that was concluded during June 2013, without any changes in respect to the initial estimations. As of June 30, 2013 and December 31, 2012, the consolidated condensed financial statements of CEMEX Latam include those of the countries incorporated at fair value, based on the best estimate of their net assets' fair value as of July 1, 2012. The fair value of the net assets and goodwill resulting from the business combination that was effective on July 1, 2012 of \$1,335,100 and \$675,628, respectively, was allocated between Cemento Bayano, S.A. by \$672,400 and \$344,703, respectively, CEMEX Guatemala S.A. (previously Global Cement, S.A.), by \$371,300 and \$229,883, respectively, Cimentos Vencemos Do Amazonas, Ltda. by \$263,400 and \$85,954, respectively, and CEMEX El Salvador, S.A. de C.V. by \$28,000 and \$15,088, respectively. The fair value corresponded to the present value of projected cash flows.

As of December 31, 2012 the difference between the purchase price and the aggregate net assets value of the acquired businesses of \$2,643,368, generated a charge to other equity reserves of \$327,840.

2) SIGNIFICANT ACCOUNTING POLICIES

The accounting policies that were applied to these consolidated condensed financial statements of June 30, 2013, except for those newly issued financial reporting standards effective January 1, 2013, none of which have a significant effect in the Company, are the same as those that were applied in the consolidated condensed financial statements as of December 31, 2012.

A) BASIS OF PRESENTATION AND DISCLOSURE

The consolidated condensed financial statements and the accompanying notes were prepared according to International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB") and following IAS 34 "Interim Financial Statement" ("IAS 34"), as these standards were effective on June 30, 2013.

The condensed consolidated balance sheets as of June 30, 2013 and as of December, 2012, as well as the condensed consolidated income statement, the condensed consolidated statement of comprehensive income, the condensed consolidated cash flows statement, the condensed consolidated statement of change in stockholders' equity for the six month period ended June 30, 2013 as its disclosures included in the notes to the financial statements have not been audited. The figures in the condensed consolidated financial statements and its notes are expressed in thousands of dollars of the United States of America ("United States"), except when a reference is made for the income per share and/or prices per share.

Definition of terms

When reference is made to "\$" or dollars, it means dollars of the United States. When reference is made to "€" or Euros, it means millions of the currency in circulation in a significant number of the European Union ("EU") countries. Except when references are made to exchange rates, when reference is made to "¢" or colones, it means millions of colones of the Republic of Costa Rica ("Costa Rica"). "R\$" or real, it means millions of reais of the Federative Republic of Brazil ("Brazil"). When reference is made to "Col\$" or pesos, it means millions of pesos of the Republic of Colombia ("Colombia"). When reference is made to "C\$" or cordobas, it means millions of cordobas of the Republic of Nicaragua ("Nicaragua"). When reference is made to "Q\$" or quetzals, it means millions of quetzals of the Republic of Guatemala ("Guatemala").

CEMEX Latam Holdings, S.A. and Subsidiaries
Notes to the Consolidated Condensed Financial Statements
For the six month period ended on June 30, 2013
(Thousands of U.S. dollars)

Income statement

The line item "Other expenses, net" in the condensed consolidated income statement consists primarily of revenues and expenses not directly related to the Company's main activities, or which are of an unusual and/or non-recurring nature, including results on disposal of assets and severance payments, among others (note 5).

Statement of cash flows

For the six month period ended June 30, 2013, the consolidated condensed statement of cash flows presents cash inflows and outflows, excluding unrealized foreign exchange effects, as well as the following transaction that did not represent sources or uses of cash:

- a) The increase in other equity reserves for approximately \$592 associated with compensation in the form of CPOs granted by CEMEX to certain CEMEX Latam's executives under the stock-based compensation programs before January 1, 2013, as it is described in the note 18D.

Going Concern

As of June 30, 2013, total current liabilities, which included accounts payable to Group companies and associates (see note 9) of \$221,861, exceeds total current assets in \$103,353.

The Company's management has approved these condensed consolidated financial statements as of June 30, 2013 under the principle of going concern, considering that the Company will generate sufficient cash flows to enable it to meet any liquidity risk in the short term. Where necessary, the Company's management believes that they will succeed renegotiating the maturity of some current accounts payable to CEMEX. For the six month period ended June 30, 2013, CEMEX Latam generated net cash from operations, after interest expense and income taxes, of approximately \$166,067.

B) USE OF ESTIMATES AND CRITICAL ASSUMPTIONS

The preparation of consolidated financial statement in accordance with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the consolidated financial statement, as well as the reported amounts of revenues and expenses during the period. These assumptions are reviewed on an ongoing basis using available information. Actual results could differ from these estimates. The main concepts subject to estimates and assumptions by management include, among others, impairment tests of long-lived assets, allowances for doubtful accounts and inventories, recognition of deferred income tax assets, as well as the measurement of financial instruments at fair value, and the assets and liabilities related to employee benefits. Significant judgment by management is required to appropriately assess the amounts of these assets and liabilities.

C) FOREIGN CURRENCY TRANSACTIONS AND TRANSLATION OF FOREIGN CURRENCY FINANCIAL STATEMENTS

The most significant closing exchange rates as of June 30, 2013 and as of December 31, 2012 for balance sheets, and the average exchange rate per U.S. dollar for income statement purposes for the six month period ended June 30, 2013, were as follows:

Currency	June 30, 2013		December 31, 2012
	Closing	Average	Closing
Colombian pesos.....	1,929.00	1,845.19	1,768.23
Costa Rican colones	504.53	505.28	514.32
Nicaraguan cordobas	24.72	24.47	24.13
Guatemalan quetzals	7.83	7.81	7.90
Brazilian reals.....	2.22	2.05	2.04

D) COST OF SALES, ADMINISTRATIVE AND SELLING EXPENSES AND DISTRIBUTION EXPENSES

Cost of sales represents the production cost of goods sold. Such cost of sales includes depreciation, amortization and depletion of assets involved in production and expenses related to storage in producing plants. Cost of sales excludes expenses related to personnel, equipment and services involved in sale activities and storage of product at points of sales, as well as costs related to warehousing of products at the selling points, which are included as part of administrative and selling expenses. Cost of sales includes freight expenses of raw material in plants and delivery expenses of the Company's ready-mix concrete business, but excludes freight expenses of finished products between plants and points of sale and freight expenses between points of sales and the customers' facilities, which are included as part of the distribution expenses line item.

CEMEX Latam Holdings, S.A. and Subsidiaries
Notes to the Consolidated Condensed Financial Statements
For the six month period ended on June 30, 2013
(Thousands of U.S. dollars)

For the six month period ended on June 30, 2013, selling expenses included as part of the administrative and selling expenses line item amounted to \$21,466.

3) SELECTED FINANCIAL INFORMATION BY GEOGRAPHIC OPERATING SEGMENTS

The financial reporting policies applied to elaborate the condensed financial information by geographic operative segments are consistent with those that are described in the condensed consolidated financial statements for the period ended June 30, 2013. The operative segment "Rest of CLH" refers to the Company's operations in Guatemala, Nicaragua, El Salvador, Brazil and the corporate offices in Spain (CLH and CCL).

Income statement

Selected condensed consolidated income statement information by geographic operating segment for the six month period ended June 30, 2013 was as follows:

2013	Net sales (including related parties)	Less: Related parties	Net sales	Operating EBITDA	Less: depreciation and amortization	Operating earnings before other income, net	Other expenses, net	Financial expenses	Other financial expenses, net
Colombia.....	\$ 447,342	—	447,342	167,614	(15,843)	151,771	(1,840)	(10,252)	(3,431)
Panama	155,669	(2,111)	153,558	66,717	(14,923)	51,794	(1,482)	(3,231)	50
Costa Rica	77,049	(8,223)	68,826	31,077	(3,824)	27,253	45	(88)	4
Rest of CLH	145,098	(833)	144,265	40,985	(11,493)	29,492	(38)	(45,219)	342
Total	\$ 825,158	(11,167)	813,991	306,393	(46,083)	260,310	(3,315)	(58,790)	(3,035)

Balance sheets

As of June 30, 2013 and as of December 31, 2012, selected condensed consolidated balance sheets information by geographic segment was as follows:

June 30, 2013	Total assets	Total liabilities	Net assets	Capital expenditures
Colombia	\$ 2,227,940	817,645	1,410,295	20,649
Panama	573,185	214,125	359,060	343
Costa Rica	109,261	29,772	79,487	1,152
Rest of CLH	1,008,067	1,499,072	(491,003)	2,138
Total	\$ 3,918,453	2,560,614	1,357,839	24,282

December 31, 2012	Total Assets	Total liabilities	Net assets	Capital expenditures
Colombia	\$ 2,303,406	868,979	1,434,427	54,031
Panama	574,912	249,066	325,846	6,715
Costa Rica	108,392	28,826	79,566	4,396
Rest of CLH	951,279	1,565,500	(614,221)	6,305
Total	\$ 3,937,989	2,712,371	1,225,618	71,447

Net sales by product and geographic operating segment for the six month period ended June 30, 2013 were as follows:

June 30, 2013	Cement	Concrete	Aggregates	Others	Eliminations	Net sales
Colombia	\$ 272,316	157,628	7,078	10,320	—	447,342
Panama	92,680	52,730	1,281	8,978	(2,111)	153,558
Costa Rica	58,504	10,216	1,995	6,334	(8,223)	68,826
Rest of CLH	123,644	12,512	1,266	7,676	(833)	144,265
Total	\$ 547,144	233,086	11,620	33,308	(11,167)	813,991

CEMEX Latam Holdings, S.A. and Subsidiaries
Notes to the Consolidated Condensed Financial Statements
For the six month period ended on June 30, 2013
(Thousands of U.S. dollars)

4) DEPRECIATION AND AMORTIZATION OF ASSETS

Depreciation and amortization expense recognized for the six month period ended June 30, 2013, is detailed as follows:

	<u>2013</u>
Depreciation and amortization expense related to assets used in the production process	\$ 32,328
Depreciation and amortization expense related to assets used in administrative and selling activities	13,755
	<u>\$ 46,083</u>

5) OTHER EXPENSES, NET

Other expenses, net for the six month period ended June 30, 2013, consisted of the following:

	<u>2013</u>
Sale of scrap and other non-operational products	177
Results from the sale of assets	(855)
Employee' termination benefits	(1,226)
Assumed taxes, fines, penalties and others, net	(1,411)
	<u>\$ (3,315)</u>

6) OTHER FINANCIAL EXPENSES, NET

Other financial expenses, net for the six month period ended June 30, 2013, is detailed as follows:

	<u>2013</u>
Interest cost on employee' pension benefits	\$ (3,827)
Financial income	792
	<u>\$ (3,035)</u>

7) CASH AND CASH EQUIVALENTS

Consolidated cash and cash equivalents as of June 30, 2013 and as of December 31, 2012 consisted of:

	<u>2013</u>	<u>2012</u>
Cash and bank accounts	\$ 56,864	48,471
Fixed-income securities and other cash equivalents	10,686	27,431
	<u>\$ 67,550</u>	<u>75,902</u>

8) TRADE ACCOUNTS RECEIVABLE LESS ALLOWANCE FOR DOUBTFUL ACCOUNTS

Consolidated trade accounts receivable as of June 30, 2013 and as of December 31, 2012 consisted of:

	<u>2013</u>	<u>2012</u>
Trade accounts receivable	\$ 119,974	97,163
Allowances for doubtful accounts	(289)	(35)
	<u>\$ 119,685</u>	<u>97,128</u>

CEMEX Latam Holdings, S.A. and Subsidiaries
Notes to the Consolidated Condensed Financial Statements
For the six month period ended on June 30, 2013
(Thousands of U.S. dollars)

9) BALANCES AND TRANSACTIONS WITH RELATED PARTIES

Balances payable to and receivable from related parties as of June 30, 2013 and as of December 31, 2012 are detailed below:

	2013	2012
Cash and cash equivalents		
Lomez International B.V. ⁽¹⁾	\$ -	19,104
Accounts receivable – current		
CEMEX Central, S.A. de C.V.	87	26
CEMEX Caracas Investments B.V.	49	-
CEMEX España, S.A.	1	-
CEMEX Trading LLC	-	29
Sunbulk Shipping N.V.	-	9
CEMEX Caracas II Investments B.V.	-	49
Total assets with related parties	\$ 137	113
	2013	2012
Accounts payable – current		
CEMEX Hungary K.F.T. ⁽⁷⁾	\$ 84,025	79,065
Construction Funding Corporation ⁽²⁾	66,165	63,459
CEMEX Research Group AG ⁽⁵⁾	24,445	16,450
CEMEX Trading LLC ⁽³⁾	18,052	13,137
CEMEX Central, S.A. de C.V. ⁽⁴⁾	17,816	8,243
CEMEX, S.A.B. de C.V. ⁽⁶⁾	9,475	9,085
CEMEX España, S.A.	1,484	1,401
Fujur, S.A. de C.V.	154	-
Pro Ambiente, S.A. de C.V.	122	-
CEMEX Concretos, S.A. de C.V.	110	-
Servicios CEMEX México S.A. de C.V.	13	-
Sunbulk Shipping N.V.	-	209
CEMEX Denmark ApS	-	975
Others	-	439
	\$ 221,861	192,463
Accounts payable – non-current		
CEMEX Hungary K.F.T. ⁽⁷⁾	\$ 616,566	765,175
Construction Funding Corporation ⁽²⁾	601,409	584,023
CEMEX España, S.A. ⁽⁸⁾	112,009	112,009
	1,329,984	1,461,207
Total liabilities with related parties	\$ 1,551,845	1,653,670

The maturities of non-current accounts payable as of June 30, 2013 are as follows:

Borrowers	2014	2015 – 2018
CEMEX Bogotá Investments, B.V. (7% per year) ⁽⁷⁾	\$ 79,065	521,906
Corporación Cementera Latinoamericana, S.L.U. (7% per year) ⁽²⁾	32,487	310,509
CEMEX Latam Holdings, S.A. (7% per year) ⁽²⁾	13,740	138,580
Cemento Bayano, S.A. (3M Libor + 415 basis points) ⁽²⁾	-	121,688
CEMEX Colombia S.A (3M Libor + 539 basis points) ⁽⁸⁾	112,009	-
Total	\$ 237,301	1,092,683

(1) Overnight investments of Cemento de Centro America, S.A., bearing interest at a rate equivalent to that of Citi Institutional Liquidity Fund's rate less 10.4 basis points.

(2) The balance includes: a) loan agreement plus capitalized interest of \$360,950 negotiated by CCL maturing in different dates from 2013 to 2018; b) loan agreements and interests capitalization of \$154,938 negotiated by CEMEX Latam Holdings, S.A. maturing in different dates from 2013 to 2018, and a revolving line of credit of \$28,646 with an annual interest rate of 7%; and c) loan agreement of \$123,039 negotiated by Cemento Bayano, S.A. maturing on September 26, 2018.

(3) The balance is generated mainly by cement imported from CEMEX Lan Trading Corporation of \$17,133.

(4) Royalties for technical assistance agreements, use of trademarks, software and administrative processes.

(5) The balance is generated from technical assistance received by the Company.

(6) These balances are generated from administrative services received by the Company.

(7) Loan agreement negotiated by CEMEX Bogotá Investments B.V. maturing in different dates from 2013 to 2018.

(8) Loan agreement negotiated by CEMEX Colombia maturing on December 28, 2014.

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The main transactions entered into by the Company with related parties for the six month period ended June 30, 2013 are shown below:

	2013
Purchases of raw materials	
CEMEX Trading, LLC	\$ 25,974
CEMEX Denmark Aps	1,045
	<u>\$ 27,019</u>
General, administrative and selling expenses	
CEMEX Research Group AG	\$ 96
Others	1
	<u>\$ 97</u>
Royalties and technical assistance	
CEMEX Research Group AG	\$ 24,351
CEMEX Central, S.A. de C.V.	9,613
CEMEX, S.A.B. de C.V.	4,930
	<u>\$ 38,894</u>
Financial Expenses	
CEMEX Hungary K.T.F.	\$ 26,649
Construction Funding Corporation	21,397
CEMEX España, S.A.	3,160
	<u>\$ 51,206</u>

During the six month period ended June 30, 2013, the independent counselors of the Company, which are members of the Board of Directors, in the development of their management responsibilities received compensation of approximately \$73 thousand dollars. There were no advances or loans between the Company and these administrators and the Company has not provided guarantee on any administrators' obligations. In addition, the Company has not incurred in obligations related to pensions and insurances.

10) OTHER ACCOUNTS RECEIVABLE

10A) OTHER CURRENT ACCOUNTS RECEIVABLE

Consolidated other accounts receivable as of June 30, 2013 and as of December 31, 2012 consisted of:

	2013	2012
Non-trade accounts receivable	\$ 26,126	13,152
Restricted cash ⁽¹⁾	5,591	5,839
Loans to employees and others	914	2,387
	<u>\$ 32,631</u>	<u>21,378</u>

(1) Restricted cash refers to guaranty deposits made by CEMEX Colombia to Liberty Seguros, S.A. and CEMEX Panama to Citibank, N.A. to secure credits acquired during the execution of the construction contract in the Panama Canal.

10B) OTHER ASSETS AND NON-CURRENT ACCOUNTS RECEIVABLE

Consolidated balances of other assets and non-current accounts receivable as of June 30, 2013 and as of December 31, 2012 are summarized as follows:

	2013	2012
Long term accounts and notes receivable ⁽¹⁾	\$ 21,114	30,539
Fixed rate investments and others	510	2,101
Long term guaranty deposits	66	173
	<u>\$ 21,690</u>	<u>32,813</u>

(1) Mainly includes: a) Value Added Tax credit of CEMEX El Salvador S.A. de C.V. of \$2,246, b) severance fund of CEMEX Panama securing seniority premium payments for services rendered of \$1,956, c) accounts receivable of CEMEX Colombia related with: i) assets available for sale without sale plan of \$4,528, ii) CERs issued by the UNFCCC of \$2,188, and iii) prepayment for the purchase of fixed assets of \$5,779, d) account receivable of Cemex (Costa Rica), S.A. related with CERs issued of \$1,217 and among others.

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11) INVENTORIES, NET

Consolidated balances of inventories as of June 30, 2013 and as of December 31, 2012 are summarized as follows:

	2013	2012
Materials	\$ 36,924	31,968
Raw materials	17,726	15,620
Finished goods	17,446	19,969
Work-in-process	14,255	18,267
Inventory in transit	3,851	8,374
Other inventory	413	909
Allowance for obsolescence	(1,884)	(1,960)
	<u>\$ 88,731</u>	<u>93,147</u>

12) OTHER CURRENT ASSETS

As of June 30, 2013 and as of December 31, 2012 consolidated other current assets consisted of:

	2013	2012
Advanced payments	\$ 23,364	17,094
Assets held for sale	5,177	4,115
	<u>\$ 28,541</u>	<u>21,209</u>

As of June 30, 2013 and December 31, 2012, advanced payments included \$16,021 and \$10,019, respectively, associated with advances to suppliers of inventories and insurances. Assets held for sale are stated at their estimated realizable value and include real estate properties received in payment of trade receivables by CEMEX Colombia S.A.

13) PROPERTY, MACHINERY AND EQUIPMENT, NET

As of June 30, 2013 and as of December 31, 2012 the consolidated balances of property, machinery and equipment, net consisted of:

	2013				
	Land and mineral reserves	Buildings	Machinery and equipment	Construction in progress	Total
Cost at the end of the period ^{(1) (2)}	262,947	166,859	722,491	66,761	1,219,058
Depreciation and depletion at the end of period ⁽²⁾	(2,861)	(9,302)	(37,366)	—	(49,529)
Net book value at the end of the period	<u>\$ 260,086</u>	<u>157,557</u>	<u>685,125</u>	<u>66,761</u>	<u>1,169,529</u>

	2012				
	Land and mineral reserves	Buildings	Machinery and equipment	Construction in progress	Total
Cost at the end of the period ^{(1) (2)}	279,017	170,250	725,301	90,307	1,264,875
Depreciation and depletion at the end of period ⁽²⁾	(1,895)	(5,216)	(27,961)	—	(35,072)
Net book value at the end of the period	<u>\$ 277,122</u>	<u>165,034</u>	<u>697,340</u>	<u>90,307</u>	<u>1,229,803</u>

(1) Investments in fixed assets for the six month period ended June 30, 2013 and for the year ended on December 31, 2012 were approximately \$24,282 and \$71,447, respectively.

(2) Disposals of fixed assets, net of depreciation, for the six month period ended June 30, 2013 and for the year ended December 31, 2012 were \$1,271 and \$11,032, respectively.

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14) GOODWILL, INTANGIBLE ASSETS AND DEFERRED ASSETS, NET

14A) BALANCES AND CHANGES DURING THE PERIOD

As of June 30, 2013 and as of December 31, 2012 consolidated goodwill, intangible assets and deferred assets were summarized as follows:

2013			
	Cost	Accumulated amortization	Carrying amount
Indefinite life intangibles:			
Goodwill	\$ 1,899,992	—	1,899,992
Definite life intangibles:			
Customer relations	188,600	(18,860)	169,740
Extractions rights and licenses	226,100	(5,951)	220,149
Industrial property and trademarks	2,609	(36)	2,573
Mining projects	515	(8)	507
Other intangibles and deferred assets	4,492	(16)	4,476
	\$ 2,322,308	(24,871)	2,297,437

2012			
	Cost	Accumulated amortization	Carrying amount
Indefinite life intangibles:			
Goodwill	\$ 1,899,992	—	1,899,992
Definite life intangibles:			
Customer relations	188,600	(9,430)	179,170
Extractions rights and licenses	226,100	(2,975)	223,125
Industrial property and trademarks	2,609	(18)	2,591
Mining projects	515	(4)	511
Other intangibles and deferred assets	1,126	(8)	1,118
	\$ 2,318,942	(12,435)	2,306,507

14B) ANALYSIS OF GOODWILL IMPAIRMENT

As of June 30, 2013 and as of December 31, 2012 goodwill balances allocated by operating segment were as follows:

	2013	2012
Colombia	\$ 428,759	428,759
Costa Rica	708,401	708,401
Nicaragua	87,204	87,204
Guatemala	229,883	229,883
Panama	344,703	344,703
Brazil	85,954	85,954
El Salvador	15,088	15,088
	\$ 1,899,992	1,899,992

The consolidated entities test their goodwill balances for impairment at the level of the group of cash-generating units to which goodwill has been allocated, which are commonly comprised by the Company's operations in a country. For the six month period ended June 30, 2013 and the period ended on December 31, 2012, there have not been events that could imply the recognition of impairment charges of goodwill.

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15) FINANCIAL INSTRUMENTS

15A) DEBT

As of June 30, 2013 and as of December 31, 2012 consolidated debt by type of instrument was summarized as follows:

	2013	2012
Banco Industrial S.A. interest rate of 3.25% ⁽¹⁾	\$ 2,000	3,000
Leasing Bolívar S.A, DTF ⁽²⁾ quarterly rate plus 6.62% ⁽³⁾	7,470	8,440
Leasing de Occidente S.A., DTF ⁽²⁾ quarterly rate plus 4.5% ⁽³⁾	5,090	5,774
Leasing Bancolombia S.A., DTF ⁽²⁾ quarterly rate plus 4.3% ⁽³⁾	6,748	8,215
Helm Leasing S.A., DTF ⁽²⁾ anticipated quarterly rate plus 4.85% ⁽³⁾	4,186	4,948
Leasing Bogotá S.A., DTF ⁽²⁾ anticipated quarterly rate plus 4.65% ⁽³⁾	3,437	4,305
Banco CorpBanca, DTF effective interest rate of 6.18%	—	—
Banco de Bogotá, DTF effective interest rate of 6.5%	—	—
Banco AV Villas, DTF effective interest rate of 6.55%	—	—
Helm Bank, DTF effective interest rate of 7.9%	—	—
Total	\$ 28,931	34,682
Long-term debt	21,545	26,345
Short-term debt	\$ 7,386	8,337

(1) Loan agreement in Guatemalan quetzals negotiated by CEMEX Guatemala S.A. (previously Global Cement S.A.) scheduled to mature in June 2014. The Company incurred interest on this financial obligation of \$138 and \$255 for the six month period ended on June 30, 2013 and as of year ended December 31, 2012, respectively.

(2) Average interest rate paid by Colombian financial institutions over fixed-term deposit certificates.

(3) Capital leases with commercial finance companies denominated in Colombian pesos, were documented in lease agreements with maturities within the next sixty months. CEMEX Colombia, S.A. incurred interest on these financial obligations amounting to \$1,222 and \$1,200 for six month period ended June 30, 2013 and the period ended December 31, 2012, respectively. The assets acquired through these leases have been placed as guarantee for such leases obligations.

16) OTHER ACCOUNTS PAYABLE AND ACCRUED EXPENSES AND OTHER NON-CURRENT LIABILITIES

As of June 30, 2013 and December 31, 2012 consolidated other current accounts payable and accrued expenses were as follows:

	2013	2012
Advances from customers	\$ 21,646	22,307
Other provisions and liabilities	21,503	19,013
Provision for legal claims and other commitments	20,148	18,167
Accrued expenses	9,630	9,954
Others	656	465
	\$ 73,583	69,906

Current provisions primarily consist of employee benefits accrued at the balance sheets date, insurance payments, and accruals related to legal and environmental assessments expected to be settled in the short-term. These amounts are revolving in nature and are expected to be settled and replaced by similar amounts within the next 12 months.

As of June 30, 2013 and as of December 31, 2012 consolidated other non-current liabilities were as follows:

	2013	2012
Provision for asset retirement obligations ⁽¹⁾	\$ 7,359	8,130
Equity Tax.....	3,154	6,810
Other provisions and liabilities	3,079	3,966
Deferred income	513	339
	\$ 14,105	19,245

(1) Provisions for asset retirement include future estimated costs for demolition, cleaning and reforestation of production sites at the end of their operation, which are initially recognized against the related assets and are depreciated over their estimated useful life.

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17) INCOME TAXES

17A) INCOME TAXES FOR THE PERIOD

The recognition of income taxes is based on the best estimate of the income tax rate expected for the full year, which is applied to the income before income taxes for the six-month period ended June 30, 2013. For the six-month period ended on June 30, 2013 the estimated current and deferred income tax expense recognized in the income statement was \$51,593.

17B) UNCERTAIN TAX POSITIONS AND SIGNIFICANT TAX PROCEEDINGS

As of June 30, 2013, certain significant proceedings associated with the Company's tax positions are as follows:

- On April 15, 2013, the Colombian Tax Authority issued the order to file the 2010 tax declaration, which means that the year has been closed and the legal deadlines to a fiscal review have ended completely., since the Company made a voluntary correction that originated a tax flow for about Col \$ 9 billion (approximately \$4 million).
- On April 1, 2011, the Colombian Tax Authority notified CEMEX Colombia of a special proceeding (*requerimiento especial*) in which the Colombian Tax Authority rejected certain deductions taken by CEMEX Colombia in its 2009 year-end tax return. In Addition, the Colombian Tax Authority seeks to increase the taxes to be paid by CEMEX Colombia in the amount of approximately Col\$90 billion (approximately \$47 million) and to impose a penalty in the amount of approximately Col\$144 billion (approximately \$75 million). The Colombian Tax Authority argues that certain expenses are not deductible for fiscal purposes because they are not linked to direct revenues recorded in the same fiscal year, without taking into consideration that future revenue will be taxed with income tax in Colombia. CEMEX Colombia responded to the special proceeding notice on June 25, 2011. On December 15, 2011, the Colombian Tax Authority issued its final determination, which confirmed the information in the special proceeding. CEMEX Colombia appealed the final determination on February 15, 2012. On CEMEX Colombia On January 17, 2013, the Colombian Tax Authority notified CEMEX Colombia of the resolution confirming the official liquidation. The company appealed on May 10, 2013, which was admitted on June 21, 2013 and on July 3, 2013, it was notified electronically to the Tax Administration, to the National Rights Agency and to the Public Ministry.
- On November 10, 2010, the Colombian Tax Authority notified CEMEX Colombia of a proceeding in which the Colombian Tax Authority rejected certain tax losses taken by CEMEX Colombia in its 2008 year-end tax return. In addition, the Colombian Tax Authority assessed an increase in taxes to be paid by CEMEX Colombia in the amount of approximately Col\$43 billion (approximately \$22 million) and imposed a penalty in the amount of approximately Col\$69 billion (approximately \$36 million). The Colombian Tax Authority argues that CEMEX Colombia is limited in its use of prior year tax losses to 25% of such losses per subsequent year. CEMEX Colombia believes that the tax provision that limits the use of prior year tax losses does not apply in the case of CEMEX Colombia because the applicable tax law was repealed in 2006. Furthermore, CEMEX Colombia believes that the Colombian Tax Authority is no longer able to review the 2008 tax return because the time to review such return has already expired pursuant to Colombian law. The Colombian Tax Authority issued an official settlement on July 27, 2011, which confirmed its position in the special request. The official settlement was appealed by CEMEX Colombia on September 27, 2011. On July 31, 2012, the Colombian Tax Authority notified CEMEX Colombia of the resolution confirming the official liquidation. On November 16, 2012, CEMEX Colombia filed a lawsuit. On June 27, 2013 the company presented to the Colombian Tax Authority a formal conciliation request about certifying the payment of tax and requesting conciliation of nonpayment regarding penalties and interest. The company paid the tax in the same date. On June 30, 2013, CEMEX Colombia has not received answer by Colombian Tax Authority about the request presented.
- During the period from 2005 to 2011, CEMEX Colombia filed four judicial proceedings and two resources against official liquidations related to the payment of the tax on industry and commerce (*impuesto de industria y comercio*) in the Municipality of San Luis. Although the Municipality alleges that such tax is due as a result of the early beginning of industrial activities in such jurisdiction, CEMEX Colombia thinks otherwise since it pays higher royalties for mineral extraction and its activities in such jurisdiction are mining and no industrial. The foregoing, pursuant to section 39 of the 14 Act of 1983 which bans the Municipalities from collecting the tax on industry and commerce when the payable amount of royalties is equal or higher to such tax. The disputed amount is of approximately Col\$33 billion (approximately \$17 million). At this stage, CEMEX Colombia believes it is not probable that a payment has to be made with respect to this matter.

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- On September 13, 2012, CEMEX Colombia received a request from the Colombian Tax Authority to restate its income tax return for fiscal year 2011 in connection with its amortization of commercial credits of Lomas del Tempisque S.R.L., which were deducted in such tax return. CEMEX Colombia gave answer to the Tax Authority request on October 8, 2012, where the Company rejects the arguments of the demand and request to file the legal process. Up to date CEMEX Colombia is still waiting for the answer from the Colombian Tax Authority. The management of CEMEX Colombia believes that, in the event that the tax authorities initiate a formal proceeding in connection with these deductions, it has valid arguments to defend CEMEX Colombia in any such proceeding. CEMEX Colombia replied to the request.

18) STOCKHOLDERS' EQUITY

18A) COMMON STOCK AND ADDITIONAL PAID-IN CAPITAL

As of June 30, 2013 and December 31, 2012, the line item common stock and additional paid-in capital, was detailed as follows:

June 30, 2013			
	Authorized	Treasury shares	Total
Common stock	\$ 718,124	—	718,124
Additional paid-in capital	894,977	(150,012)	744,965
	\$ 1,613,101	(150,012)	1,463,089

December 31, 2012			
	Authorized	Treasury shares	Total
Common stock ⁽¹⁾	\$ 718,124	—	718,124
Additional paid-in capital ⁽¹⁾	895,225	(150,012)	745,213
	\$ 1,613,349	(150,012)	1,463,337

(1) The balances of common stock and additional paid-in capital as of December 31, 2012 presented in the table above, decreased by \$234 and \$734, respectively, as compared with the balances reported in the financial statements as of December 31, 2012, against the line item other equity reserves, which increased by \$968, without effecting total stockholders' equity, mainly due to reclassifications intended to improve the presentation of the effects associated with stock-based compensation for the financial year 2012, which was granted with shares of CEMEX, S.A.B. de C.V. (note 18D).

As of June 30, 2013 and December 31, 2012, the Parent Company's subscribed and paid shares by owner were as follows:

Shares	2013	2012
Subscribed and paid shares	556,054,342	556,054,342
Out of which:		
Owned by CEMEX España	407,890,342	407,890,342
Owned by third party investors	148,164,000	148,164,000

As of June 30, 2013, and December 31, 2012, the Parent Company's common stock was represented by 578,278,342 ordinary shares with a nominal value of 1 euro per share. The number of subscribed and paid shares of CEMEX Latam Holdings, S.A. presented in the table above excludes 22,224,000 shares in the Company's treasury (treasury shares).

During 2012, the Parent Company carried out two capital increases: a) on August 1, 2012, 407,830,342 new shares were issued and fully subscribed and paid with a nominal value of one euro per share, having the same characteristics of the then existing outstanding shares. All the shares issued were subscribed and paid by the holding company CEMEX España, S.A., and b) on November 6, 2012, CEMEX España, S.A., then the sole shareholder of the Parent Company, increased the Parent Company's equity pursuant to the issuance of 170,388,000 new ordinary shares resulting in increases in common stock of \$218,049 and in additional paid-in capital of \$745,213 (note 1). CEMEX España, S.A. surrendered its preferential subscription right in order to allow third parties to subscribe such shares.

As mentioned in note 1, on November 15, 2012, the Parent Company completed its initial equity offering of 170,388,000 new ordinary shares at a price of 12,250 Colombian pesos per share. The ordinary shares offered by the Parent Company included: (a) 148,164,000 new ordinary shares offered in a public offering to investors in Colombia and in a concurrent private placement to qualified investors outside Colombia, and (b) an additional 22,224,000 new ordinary shares offered in such private placement that were subject to a put option granted to the initial purchasers during the 30-day period following closing of the offering.

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After giving effect to the offering, and the exercise of the put option by the initial purchasers after the 30-day period, which resulted in the repurchase by the Parent Company of 22,224,000 own shares for \$150,012, recognized as treasury shares, CEMEX España, S.A. owns approximately 73.35% of the Parent Company's outstanding common shares, excluding shares held in treasury.

The offering expenses were included in the line item additional paid-in capital for amounts of \$248 for the six month period ended June 30, 2013 and \$36,737 for the year ended December 31, 2012.

18B) OTHER EQUITY RESERVES

As of June 30, 2013, and as of December 31, 2012 the balance of other equity reserves is summarized as follows:

	2013	2012
Other equity reserves at the beginning of the period	\$ (333,948)	—
Reorganization of entities under common control (note 1)		(327,840)
Comprehensive loss of the period (Consolidated statement of comprehensive income) ⁽¹⁾	(9,066)	(33,292)
Other items	592	27,184
	<u>\$ (342,422)</u>	<u>(333,948)</u>

(1) The balance of other equity reserves as of December 31, 2012 presented in the table above increased by \$968 as compared with the balance reported in the financial statements as of December 31, 2012, against the line items of common stock and additional paid-in capital, which decreased by \$234 and \$734, respectively, without effecting total stockholders' equity, mainly due to reclassifications intended to improve the presentation of the effects associated with the executive stock-based compensation program for the financial year 2012, which was granted with shares of CEMEX, S.A.B. de C.V. (note 18D).

As of December 31, 2012, consolidated other equity reserves include a reduction of approximately \$327,840 resulting from the difference between the transaction amount determined in the reorganization of entities (Note 1) of approximately \$2,971 million and the amount of net assets from Colombia and subsidiaries, Panama, Guatemala, Brazil and El Salvador incorporated as of July 1, 2012.

As of June 30, 2013 and December 31, 2012 other items correspond to recognition of share-based payments and royalties expenses generated from agreements made with CEMEX respectively.

18C) NON-CONTROLLING INTEREST

Non-controlling interest represents the share of non-controlling stockholders in the results and equity of consolidated entities. As of June 30, 2013 and as of December 31, 2012, non-controlling interest in equity amounted to approximately \$5,895 and \$6,334, respectively.

18D) EXECUTIVE STOCK-BASED COMPENSATION

Based on IFRS 2, Share-based Payment ("IFRS 2"), based instruments from CEMEX granted to executives are defined as equity instruments, regarding the services received from employees are settled by delivering shares. The cost of equity instruments represents the estimated fair value at the grant date of the plan and it is recognized in the income statement during the period in which the employees render the services and execute the rights.

Until December 31, 2012 a group of executives of the Company participated in the long-term stock-based compensation program granted by CEMEX S.A.B. de C.V. ("CEMEX"), pursuant to which new CEMEX CPOs are issued under each annual program over a 4 year service period.

On January 16, 2013, the Parent Company's Board of Directors, considering the positive report of the Board's Nominating and Compensation Commission, approved, effective January 1, 2013, a long-term incentives plan for certain executives of CEMEX Latam, which consists of an annual compensation plan based on the Parent Company's shares. The costs associated with this long-term incentives plan are being recognized in the operating results of the subsidiaries of CEMEX Latam Holdings, S.A. in which the executives subject to the benefits of such plan render their services. The underlying shares in the aforementioned long-term incentives plan, which are held in the Parent Company's treasury, will be delivered fully vested under each annual program over a service period of 4 years. During the six month period ended June 30, 2013, the Parent Company did not issue any shares to the executives under the long-term incentives plan.

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Compensation expenses related to the long-term incentives plans with CEMEX's and CEMEX Latam's shares described above for the six months ended June 30, 2013, which were recognized in the operating results, amounted to approximately \$592.

18E) RETAINED EARNINGS

According to the Stock Corporations law in Spain (*ley de Sociedades de Capital*), the Parent Company should allocate 10% of its annual benefits as determined on an individual basis, to create a legal reserve until such amount reaches at least 20% of the common stock. As of the date of these Financial Statements, the Parent Company does not have any allocation to the legal reserve considering that the individual entity did not have net income in 2012.

19) BASIC EARNINGS PER SHARE

Based on IAS 33, *Earnings per share* ("IAS 33"), basic earnings (loss) per share shall be calculated by dividing profit or loss attributable to ordinary equity holders of the parent entity (the numerator) by the weighted average number of shares outstanding (the denominator) during the period. Shares that would be issued depending only on the passage of time should be included in the determination of the basic weighted average number of shares outstanding. Diluted earnings (loss) per share should reflect in both, the numerator and denominator, the assumption that convertible instruments are converted, that options or warrants are exercised, or that ordinary shares are issued upon the satisfaction of specified conditions, to the extent that such assumption would lead to a reduction in basic earnings per share or an increase in basic loss per share, otherwise, the effects of potential shares are not considered because they generate antidilution.

The amounts considered for calculations of earnings per share ("EPS") for the three month period ended on June 30, 2013 and for the period ended December 31, 2012 were as follows:

Denominator (thousands of shares)	2013	2012
Weighted average number of shares outstanding – basic	556,094	189,623
Numerator		
Consolidated net income	\$ 141,850	90,417
Less: non-controlling interest net income.....	468	522
Controlling interest net income.....	141,382	89,895
Controlling interest basic earnings per share.....	\$ 0,25	0,47
Controlling interest diluted earnings per share	\$ 0,25	0,47

20) COMMITMENTS FOR THE PURCHASE OF RAW MATERIALS

As of June 30, 2013 and December 31, 2012 the Company had commitments for the purchase of raw materials for approximately \$ 4,317 and 17,436 respectively.

21) CONTINGENCIES

21A) PROVISIONS RESULTING FROM LEGAL PROCEEDINGS

CEMEX Latam is subject to different significant legal processes, other than tax-related procedures which are described in note 17B, whose decisions are considered probable and involve the outflow of cash or other resources owned by CEMEX Latam Holdings. Therefore, certain provisions have been recorded in the financial statements, representing the best estimated of the payments, which, CEMEX Latam considers that there will not be payments in excess of the amounts already recognized.

In addition, the Company is involved in other minor legal proceedings. As of June 30, 2013, appropriate provisions have been recorded for these matters which in aggregate are not material.

21B) OTHER CONTINGENCIES FROM LEGAL PROCEEDINGS

- On June 5, 2010, the *Secretaría Distrital de Ambiente de Bogotá*, the District of Bogotá's environmental secretary (or the "Environmental Secretary"), ordered the suspension of CEMEX Colombia's mining activities at El Tunjuelo quarry, located in Bogotá, as well as those of other aggregates producers in the same area. The Environmental Secretary claims that during the past 60 years CEMEX Colombia and the other companies have illegally changed the course of the Tunjuelo River, have used the percolating waters without permission and have improperly used the edge of the river for mining activities. In connection with the injunction, on June 5, 2010, CEMEX Colombia received

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a notification from the Environmental Secretary informing the initiation of proceedings to impose fines against CEMEX Colombia based on the above mentioned alleged environmental violations. CEMEX Colombia responded to the injunction by requesting that it be revoked based on the fact that the mining activities at El Tunjuelo quarry are supported by the authorizations required by the applicable environmental laws and that all the environmental impact statements submitted by CEMEX Colombia have been reviewed and permanently authorized by the *Ministerio del Medio Ambiente, Vivienda y Desarrollo Territorial*. On June 11, 2010, the local authorities in Bogotá, in compliance with the environmental secretary's decision, sealed off the mine to machinery and prohibited the removal of our aggregates inventory. Although there is not an official quantification of the possible fine, the environmental secretary has publicly declared that the fine could be as much as Col\$300 billion (approximately \$156 million). The temporary injunction does not currently compromise the production and supply of ready-mix concrete to our clients in Colombia. The process is in the evidence phase. At this stage of the proceeding, the Company cannot evaluate the possibility of an adverse result or potential damages which could be borne by CEMEX Colombia.

- In August 2005, a lawsuit was filed against a subsidiary of CEMEX Colombia and other members of the *Asociación Colombiana de Productores de Concreto*, or ASOCRETO, a union formed by all the ready-mix concrete producers in Colombia. The lawsuit claimed that CEMEX Colombia and other ASOCRETO members were liable for the premature distress of the roads built for the mass public transportation system in Bogotá using ready-mix concrete supplied by CEMEX Colombia and other ASOCRETO members. The plaintiffs alleged that the base material supplied for the road construction failed to meet the quality standards offered by CEMEX Colombia and the other ASOCRETO members and/or that they provided insufficient or inaccurate information in connection with the product. The plaintiffs sought the repair of the roads and estimated that the cost of such repair would be approximately Col\$100 billion (approximately \$52 million). On January 2008, CEMEX Colombia was subject to a court order, sequestering a quarry called El Tunjuelo, as security for a possible future money judgment to be rendered against CEMEX Colombia in these proceedings. The court determined that in order to lift this attachment and prevent further attachments, CEMEX Colombia would be required to deposit with the court Col\$337.8 billion (approximately \$175 million) in cash. CEMEX appealed this decision and also requested that the guarantee be covered by all defendants in the case. On March 2009, the Superior Court of Bogotá allowed CEMEX to offer security in the amount of Col\$20 billion (approximately \$10 million). CEMEX deposited the security and, in July 2009, the attachment was lifted. The preliminary hearing to dismiss was unsuccessful and the final argument stage concluded on August 28, 2012. On October 10, 2012, the court nullified the accusation made against two ASOCRETO officials, but the judgment convicted the former director of the Urban Development Institute and legal representatives of the builder and the auditor to a prison term of 85 months and a fine of Col\$32 million (Approximately \$17). As a consequence of the annulment the judge ordered a restart of the proceedings against the ASOCRETO officers. The ruling can be appealed, but the practical effect of this decision is that the criminal action against ASOCRETO officers will prescribe and therefore there will be no condemnation against CEMEX Colombia. As of June 30, 2013, CEMEX Colombia has not recorded any provision as it considers it has the required arguments to overcome this action; nonetheless, if adversely resolved it could have a negative effect on CEMEX Latam's liquidity and financial position.
- In November 2000, Cemex (Costa Rica) received an executive process issued by the Abangares municipality related to the collection of prior years' Mining Exploitation Taxes for the years 1998, 1999 and 2000 of approximately ₡3,514 million (approximately \$7 million), including principal, interests and fines. In 2006, Cemex (Costa Rica) received a new executive additional charge for ₡3,618 million (approximately \$7 million), including principal, interests and fines, for the years 2001 to 2005, reaching a total of ₡7,132 million (approximately \$14 million). Cemex (Costa Rica) issued two Tax Special Prosecutions against the Abangares municipality seeking the nullification of the municipal's decision and the nullification of the notice of deficiency issued in 2006. The Administrative Litigation Court held that the Abangares municipality does not have the right or sufficient authority to issue the notice of deficiency requesting the collection of all amounts claimed. As consequence, the court that had knowledge regarding the first executive process for the 1998-2000 period declared dismissed the lawsuit. On the other hand, in the process that was established by the Abangares municipality for the 2001-2005 periods, such ruling must be heard by the Collection Court in order to dismiss the claim. As a result of the proceedings mentioned above, Cemex (Costa Rica) elected to provide unconditional and revocable payment guarantees by an amount of ₡6,235 million (approximately \$12 million) and mortgage notes by \$5 million dollars, which value decreased as compared to December 31, 2012, considering that the process was declared dismissed. The guarantees and mortgages cover obligations to be incurred in the event of an unfavorable outcome for Cemex (Costa Rica). As reason of, the first executive trial was dismissed and such sentence is in place, it was proceeded to return the documents and mortgage notes that were tendered to the court. At this stage, as reference to the 1998-2000 period, the Municipality was not able to perform the collection, it is necessary the final sentence for the 2001-2005 period with the purpose to evaluate the probability of an adverse result or potential damages that could be transferred to CEMEX "Costa Rica". However, CEMEX (Costa Rica) does not expect that this issue would have a material effect on its financial position.

In addition, as of June 30, 2013, the Company is involved in various legal proceedings of minor impact that have arisen in the ordinary course of business. These legal proceedings involve: 1) product warranty claims; 2) claims for purported environmental damages; 3) third-party procedures to revoke CEMEX Latam's permits and/or concessions; and 4) other diverse civil actions.

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22) MAIN SUBSIDIARIES

The main direct and indirect subsidiaries of the Parent Company as of June 30, 2013, are as follows:

<u>Subsidiary</u>	<u>Country</u>	<u>Position</u>	<u>% interest 2013</u>
Corporación Cementera Latinoamericana, S.L.U. (1) ..	Spain	Parent	100.0
CEMEX Bogotá Investments B.V. (1).....	Netherlands	Parent	100.0
CEMEX Colombia S.A.	Colombia	Operative	99.7
Cemex (Costa Rica), S.A.	Costa Rica	Operative	99.1
CEMEX Nicaragua, S.A.....	Nicaragua	Operative	100.0
CEMEX Caribe II Investments, B.V.....	Netherlands	Parent	100.0
Cemento Bayano, S.A.	Panama	Operative	99.5
Cimentos Vencemos do Amazonas, Ltda.....	Brazil	Operative	100.0
CEMEX Guatemala, S.A. (2).	Guatemala	Operative	100.0
CEMEX El Salvador, S.A.....	El Salvador	Operative	100.0

(1) CEMEX Latam Holdings, S.A., controls indirectly through CCL and CEMEX Bogotá Investments, B.V., the operations of CEMEX Latam in Colombia, Costa Rica, Nicaragua, Panama, Brazil, Guatemala and El Salvador.

(2) Effective May 27, 2013, Global Cement, S.A., located in Guatemala, changed its legal name to CEMEX Guatemala, S.A.