INDEX

CEMEX Latam Holdings, S.A. and Subsidiaries:

Consolidated Condensed Income Statement (unaudited) for the nine month period ended September 30, 2013 2

Consolidated Condensed Statement of Comprehensive Income (unaudited) for the nine month period ended September 30, 2013 3

Consolidated Condensed Balance Sheets (unaudited) as of September 30, 2013 and as of December 31, 2012.............. 4

Consolidated Condensed Statement of Cash Flows (unaudited) for the nine month period ended September 30, 2013..... 5

Consolidated Condensed Statement of Changes in Stockholders' Equity (unaudited) as of September 30, 2013.............. 6

Notes to the Consolidated Condensed Financial Statements (unaudited) 7

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

	Notes	(unaudited) For the nine month period ended September 30, 2013
Net sales	3	$ 1,287,765
Cost of sales	2D	(620,230)
Gross profit		**667,535**
Administrative and selling expenses	2D	(176,219)
Distribution expenses	2D	(85.892)
		(262,111)
Operating earnings before other income, net		**405,424**
Other expenses, net	5	(4,674)
Operating earnings		**400,750**
Financial expenses		(86,786)
Other financial products, net	6	(4,427)
Foreign exchange loss		(482)
Earnings before income tax		**309,055**
Income tax	17A	(70,487)
CONSOLIDATED NET INCOME		**238,568**
Non-controlling interest net income		(887)
CONTROLLING INTEREST NET INCOME		$ **237,681**
BASIC EARNINGS PER SHARE	19	$ **0,43**
DILUTED EARNINGS PER SHARE	19	$ **0,43**

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 nine month period ended September 30, 2013
CONSOLIDATED NET INCOME		$	**238,568**
Items that will be reclassified subsequently to the results when specific conditions are met			
Currency translation	18B		(37,781)
Other comprehensive loss for the period			(37,781)
CONSOLIDATED COMPREHENSIVE INCOME FOR THE PERIOD			**200,787**
Non-controlling interest comprehensive income for the period			887
CONTROLLING INTEREST COMPREHENSIVE INCOME FOR THE PERIOD		$	**199,900**

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 Balance Sheets
(Thousands of U.S. dollars)

	Notes		(unaudited) As of September 30, 2013	As of December 31, 2012
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents	7	$	78,996	75,902
Trade receivables less allowance for doubtful accounts	8		124,965	97,128
Receivables from related parties	9		4,729	113
Other accounts receivable	10A		52,908	21,378
Taxes receivable			88,921	42,016
Inventories, net	11		92,501	93,147
Other current assets	12		25,243	21,209
Total current assets			**468,263**	**350,893**
NON-CURRENT ASSETS				
Other assets and accounts receivable	10B		18,416	32,813
Property, machinery and equipment, net	13		1,194,790	1,229,803
Goodwill, intangible assets and deferred assets , net	14		2,283,866	2,306,507
Deferred income taxes			15,296	17,973
Total non-current assets			3,512,368	3,587,096
TOTAL ASSETS		$	**3,980,631**	**3,937,989**
LIABILITIES AND STOCKHOLDERS' EQUITY				
CURRENT LIABILITIES				
Short-term debt	15A	$	33,920	8,337
Trade payables			110,158	118,320
Payables to related parties	9		243,272	192,463
Taxes payable			116,975	74,016
Other accounts payable and accrued expenses	16		80,099	69,906
Total current liabilities			**584,424**	**463,042**
NON-CURRENT LIABILITIES				
Long-term debt	15A		20,111	26,345
Long term payables to related parties	9		1,232,479	1,461,207
Employee benefits			67,304	71,349
Deferred income taxes			638,812	671,183
Other liabilities	16		11,561	19,245
Total non-current liabilities			1,970,267	2,249,329
TOTAL LIABILITIES			**2,554,691**	**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		(370,731)	(333,948)
Retained earnings			89,895	–
Net income			237,681	89,895
Total controlling interest			1,419,934	1,219,284
Non-controlling interest	18C		6,006	6,334
TOTAL STOCKHOLDERS' EQUITY			**1,425,940**	**1,225,618**
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY		$	**3,980,631**	**3,937,989**

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 Cash Flows
(Thousands of U.S. dollars)

	Notes		(unaudited) For the nine month period ended September 30, 2013
OPERATING ACTIVITIES			
Consolidated net income		$	**238,568**
Non-cash items:			
Depreciation and amortization of assets	4		68,989
Provisions and other non-cash expenses			1,517
Financial expenses, other financial expenses, net and foreign exchange results			91,695
Income taxes	17A		70,487
Fixed assets sale loss			471
Changes in working capital, excluding income taxes			(42,758)
Net cash flow provided by operating activities before interest and income taxes			**428,969**
Financial expenses paid in cash			(82,918)
Income taxes paid in cash			(85,129)
Net cash flows provided by operating activities			**260,922**
INVESTING ACTIVITIES			
Property, machinery and equipment, net			(51,180)
Financial income			1,235
Intangible assets and other deferred assets			1,206
Long term assets and others, net	10B		14,397
Net cash flows used in investing activities			**(34,342)**
FINANCING ACTIVITIES			
Related parties debt payment	9		(534,296)
Related parties debt	9		320,585
Equity issuance			(248)
Non-current liabilities, net	16		(11,729)
Net cash flows used in financing activities			**(225,688)**
Decrease in cash and cash equivalents			892
Cash conversion effect, net			2,202
Cash and cash equivalents at beginning of the period			75,902
FINAL BALANCE OF CASH AND CASH EQUIVALENTS	7	$	**78,996**
Changes in working capital, excluding income taxes:			
Trade receivables, net		$	(29,511)
Other accounts receivable and other assets			(49,855)
Inventories			803
Trade payables			(8,162)
Related parties, net			41,861
Other accounts payable and accrued expenses			2,106
Changes in working capital, excluding income taxes		$	**(42,758)**

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 Changes in Stockholders' Equity
(Thousands of U.S. dollars)

	Notes		Common stock	Additional paid-in capital	Other equity reserves	Retained earnings	Total controlling interest	Non-controlling Interest	Total stockholders' equity
Balance as of December 31, 2012	18A	$	718,124	745,213	(333,948)	89,895	1,219,284	6,334	1,225,618
Net income for the period			–	–	–	237,681	237,681	887	238,568
Total other comprehensive loss for the period			–	–	(37,781)	–	(37,781)	–	(37,781)
Share-based payments	18D		–	–	998	–	998	–	998
Public and private offer of shares			–	(248)	–	–	(248)	–	(248)
Changes in non-controlling interest	18C		–	–	–	–	–	(1,215)	(1,215)
Balance as of September 30, 2013		$	**718,124**	**744,965**	**(370,731)**	**327,576**	**1,419,934**	**6,006**	**1,425,940**

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

Camilo González Téllez
Legal Representative

Daniel Gómez Raigoso
Accountant
Registration 158225 - T

1) DESCRIPTION OF BUSINESS

CEMEX Latam Holdings, S.A., was incorporated on April 17, 2012 as 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 the management and the Board of Directors of CEMEX Latam Holdings, S.A. on November 6, 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 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.*) since November 6, 2012 as ordinary participation certificates ("CPOs") under the ticker CLH. As of December 31, 2012, the net proceeds generated from the offering which amounted to approximately $963 U.S. dollar millions, 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. At September 30, 2013 certain additional expenses associated with the offer received during the period have decreased the aforementioned additional in-paid capital in $248.

2) SIGNIFICANT ACCOUNTING POLICIES

The accounting policies that were applied to these consolidated condensed financial statements of September 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 financial statements as of December 31, 2012.

A) BASIS OF PRESENTATION AND DISCLOSURE

The consolidated condensed financial statements and the accompanying notes were prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB") and following IAS 34, *Interim Financial Statements* ("IAS 34"), as these standards were effective on September 30, 2013.

The condensed consolidated balance sheets as of September 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 nine month period ended September 30, 2013, as well as their related disclosures included in the notes to the financial statements, have not been audited. The amounts in the condensed consolidated financial statements and the accompanying notes are stated in thousands of dollars of the United States of America ("United States"), except when references are made to earnings per share and/or prices per share.

When it is deemed relevant, certain amounts in currencies others than the dollar included in the accompanying notes include between parentheses an approximate convenience translation into dollars, which should not be construed as representations that the dollar amounts were, may have been, or can be converted at the exchange rates indicated. At September 30, 2013 and December 31, 2012, convenience translations were determined using the closing exchange rates presented in the table of exchange rates included in note 2C.

(Thousands of U.S. dollars)

Definition of terms

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

Income statement

The line item "Other expenses, net" in the condensed consolidated income statement consists primarily of revenues and/or 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 some severance payments related to restructuring processes, among others (note 5).

Statement of cash flows

For the nine month period ended September 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 $998 associated with stock compensation in the form of CEMEX's CPOs granted to certain executives of CEMEX Latam under the stock-based compensation programs before January 1, 2013, as it is described in note 18D.

Going Concern

As of September 30, 2013, total current liabilities, which included accounts payable to Group companies and associates (see note 9) of $243,272, exceeds total current assets in $116,161.

The Company's management has approved these condensed consolidated financial statements as of September 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. If it is deemed necessary, the Company's management considers that it will succeed renegotiating with other CEMEX´s entities the maturity of some short-term payables. For the nine month period ended September 30, 2013, CEMEX Latam generated net cash flows from operations, after interest expense and income taxes, of $260,922.

Reorganization of entities under common control

CEMEX Latam Holdings, S.A. was incorporated by CEMEX for purposes of the initial public offering mentioned above. Effective July 1, 2012, pursuant to a reorganization of entities under CEMEX's common control, and mainly through Corporación Cementera Latinoamericana, S.L.U. ("CCL"), a direct subsidiary of the Parent Company incorporated on June 17, 2012 under laws of Spain, CEMEX Latam Holdings S.A. formed its consolidated group, among which the following legal entities are listed:

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.

The operating results of the acquired entities have been consolidated beginning on July 1, 2012.

(Thousands of U.S. dollars)

The reorganization of entities under common control is outside the scope of 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 September 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 the resulting goodwill 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. The difference between the purchase price and the aggregate net assets' value of the recognized acquired businesses of $2,643,368, generated in 2012 a charge to other equity reserves of $327,840.

B) USE OF ESTIMATES AND CRITICAL ASSUMPTIONS

The preparation of the consolidated financial statements 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 per U.S. dollar as of September 30, 2013 and as of December 31, 2012 for balance sheet purposes, and the average exchange rates per U.S. dollar for income statement purposes for the nine month period ended September 30, 2013, were as follows:

	September 30, 2013		December 31, 2012
Currency	Closing	Average	Closing
Colombian pesos	1,914.65	1,867.95	1,768.23
Costa Rican colones	505.57	505.75	514.32
Nicaraguan cordobas	25.02	24.62	24.13
Guatemalan quetzals	7.93	7.84	7.90
Brazilian reals	2.23	2.14	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.

(Thousands of U.S. dollars)

For the nine month period ended on September 30, 2013, selling expenses included as part of the administrative and selling expenses line item amounted to $33,445.

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 September 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 nine month period ended September 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	$	734,669	–	734,669	268,121	(23,792)	244,329	(2,587)	(15,047)	(5,060)
Panama		240,760	(3,106)	237,654	102,166	(22,253)	79,913	(2,486)	(4,720)	74
Costa Rica		117,241	(11,293)	105,948	46,570	(5,749)	40,821	52	(390)	5
Rest of CLH		210,587	(1,093)	209,494	57,556	(17,195)	40,361	347	(66,629)	554
Total	$	1,303,257	(15,492)	1,287,765	474,413	(68,989)	405,424	(4,674)	(86,786)	(4,427)

Balance sheets

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

September 30, 2013		Total assets	Total liabilities	Net assets	Capital expenditures
Colombia	$	2,302,610	887,605	1,415,005	41,513
Panama		569,349	221,456	347,893	4,699
Costa Rica		109,502	36,380	73,122	3,058
Rest of CLH		999,170	1,409,250	(410,080)	3,427
Total	$	3,980,631	2,554,691	1,425,940	52,697

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 nine month period ended September 30, 2013 were as follows:

September 30, 2013		Cement	Concrete	Aggregates	Others	Eliminations	Net sales
Colombia	$	414,438	248,980	11,633	59,618	–	734,669
Panama		143,038	82,271	1,888	13,563	(3,106)	237,654
Costa Rica		87,963	16,197	2,887	10,194	(11,293)	105,948
Rest of CLH		179,248	19,116	1,967	10,256	(1,093)	209,494
Total	$	824,687	366,564	18,375	93,631	(15,492)	1,287,765

(Thousands of U.S. dollars)

4) DEPRECIATION AND AMORTIZATION OF ASSETS

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

		2013
Depreciation and amortization expense related to assets used in the production process	$	48,362
Depreciation and amortization expense related to assets used in administrative and selling activities		20,627
	$	68,989

5) OTHER EXPENSES, NET

Other expenses, net for the nine month period ended September 30, 2013, consisted of the following:

		2013
Sale of scrap and other non-operational products		223
Results from the sale of assets		(471)
Employee' termination benefits by restructuring		(1,680)
Assumed taxes, fines, penalties and others, net		(2,746)
	$	(4,674)

6) OTHER FINANCIAL EXPENSES, NET

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

		2013
Financial income		1,235
Interest cost on employee' pension benefits	$	(5,662)
	$	(4,427)

7) CASH AND CASH EQUIVALENTS

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

		2013	2012
Cash and bank accounts	$	42,727	48,471
Fixed-income securities and other cash equivalents		36,269	27,431
	$	78,996	75,902

8) TRADE ACCOUNTS RECEIVABLE LESS ALLOWANCE FOR DOUBTFUL ACCOUNTS

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

		2013	2012
Trade accounts receivable	$	126,674	97,163
Allowances for doubtful accounts		(1,709)	(35)
	$	124,965	97,128

(Thousands of U.S. dollars)

9) BALANCES AND TRANSACTIONS WITH RELATED PARTIES

Balances payable to and receivable from related parties as of September 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			
Mustang Re Limited		4,329	–
Neoris Colombia S.A.		261	–
CEMEX España, S.A.		90	–
CEMEX Caracas Investments B.V.		49	–
CEMEX Caracas II Investments B.V		–	49
CEMEX Trading LLC		–	29
CEMEX Central, S.A. de C.V.		–	26
Sunbulk Shipping N.V.		–	9
Total assets with related parties	$	4,729	113

		2013	2012
Accounts payable – current			
CEMEX Hungary K.F.T. [7]	$	86,063	79,065
Construction Funding Corporation [2]		60,344	63,459
CEMEX Research Group AG [5]		38,714	16,450
CEMEX Central, S.A. de C.V. [4]		23,991	8,243
CEMEX Trading LLC [3]		19,538	13,137
CEMEX, S.A.B. de C.V. [6]		11,946	9,085
CEMEX España, S.A [9]		2,175	1,401
Fujur, S.A. de C.V.		185	–
CEMEX Concretos, S.A. de C.V.		110	–
CEMEX México, S.A. de C.V.		94	–
Pro Ambiente, S.A. de C.V.		77	–
CEMEX Denmark ApS		16	975
Servicios CEMEX México S.A. de C.V.		14	–
Neoris de Mexico S.A. de C.V.		5	
Sunbulk Shipping N.V.		–	209
Others		–	439
	$	243,272	192,463
Accounts payable – non-current			
CEMEX Hungary K.F.T. [7]	$	501,130	765,175
Construction Funding Corporation [2]		619,339	584,023
CEMEX España, S.A [8]		112,010	112,009
		1,232,479	1,461,207
Total liabilities with related parties	$	1,475,751	1,653,670

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

Borrowers		2014	2015 – 2018
CEMEX Bogotá Investments, B.V. (7% per year) [7]	$	39,534	461,587
Corporación Cementera Latinoamericana, S.L.U. (7% per year) [2]		–	335,562
CEMEX Latam Holdings, S.A. (7% per year) [2]		–	159,286
Cemento Bayano, S.A. (3M Libor + 415 basis points) [2]		–	124,501
CEMEX Colombia S.A (3M Libor + 539 basis points) [8]		112,009	–
Total	$	151,543	1,080,936

(Thousands of U.S. dollars)

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

(2) The balance includes: a) loan agreement and interest of $367,444 negotiated by CCL maturing in different dates from 2013 to 2018; b) loan agreement and interest $138,412 negotiated by CEMEX Latam Holdings, S.A. maturing in different dates from 2013 to 2018, and a revolving line of credit of $49,326 with an annual interest rate of 7%; and c) loan agreement and interest of $124,501 negotiated by Cemento Bayano, S.A. maturing on September 26, 2018.

(3) The balance is mainly generated by cement imported from CEMEX Lan Trading Corporation of $18,582

(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.

(9) The balance payable results from the acquisition of fixed assets made by CEMEX Colombia to CEMEX Spain of $4,253 for the Clemencia plant.

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

		2013
Purchases of raw materials		
CEMEX Trading, LLC	$	61,049
CEMEX Denmark Aps		1,045
CEMEX S.A. de C.V		149
Sunbulk Shipping N.V.		108
CEMEX México S.A. de C.V		13
	$	62,364
General, administrative and selling expenses		
CEMEX Research Group AG	$	96
	$	96
Royalties and technical assistance		
CEMEX Research Group AG.	$	38,621
CEMEX Central, S.A. de C.V.		15,802
CEMEX México S.A. de C.V.		7,400
	$	61,823
Financial Expenses		
CEMEX Hungary K.T.F	$	38,055
Construction Funding Corporation		32,527
CEMEX España, S.A.		4,735
	$	75,317

During the nine month period ended September 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 September 30, 2013 and as of December 31, 2012 consisted of:

		2013	2012
Non-trade accounts receivable	$	46,067	13,152
Restricted cash (1)		5,669	5,839
Loans to employees and others		1,172	2,387
	$	52,908	21,378

(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.

(Thousands of U.S. dollars)

10B) OTHER ASSETS AND NON-CURRENT ACCOUNTS RECEIVABLE

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

		2013	2012
Long term accounts and notes receivable [1]	$	17,838	30,539
Fixed rate investments and others		66	2,101
Long term guaranty deposits		512	173
	$	18,416	32,813

(1) Mainly includes: a) Value Added Tax credit of CEMEX El Salvador S.A. de C.V. of $2,171, b) severance fund of CEMEX Panama securing seniority premium payments for services rendered of $1,969, c) accounts receivable of CEMEX Colombia related with: i) assets available for sale without sale plan of $3,928, ii) CERs issued by the UNFCCC of $2,165, and iii) prepayment for the purchase of fixed assets of $5,904, d) account receivable of Cemex (Costa Rica), S.A. related with CERs issued of $1,236 and among others.

11) INVENTORIES, NET

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

		2013	2012
Materials	$	39,481	31,968
Raw materials		13,325	15,620
Finished goods		13,562	19,969
Work-in-process		16,941	18,267
Inventory in transit		10,737	8,374
Other inventory		258	909
Allowance for obsolescence		(1,803)	(1,960)
	$	92,501	93,147

12) OTHER CURRENT ASSETS

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

		2013	2012
Advanced payments	$	20,214	17,094
Assets held for sale		5,029	4,115
	$	25,243	21,209

As of September 30, 2013 and December 31, 2012, advanced payments included $11,508 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. and CEMEX Guatemala S.A.

13) PROPERTY, MACHINERY AND EQUIPMENT, NET

As of September 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]		264,115	168,697	736,095	92,610	1,261,517
Depreciation and depletion at the end of period [2]		(3,735)	(11,793)	(51,199)	–	(66,727)
Net book value at the end of the period	$	260,380	156,904	684,896	92,610	1,194,790

(Thousands of U.S. dollars)

	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	$ 277,122	165,034	697,340	90,307	1,229,803

(1) Investments in fixed assets for the nine month period ended September 30, 2013 and for the year ended on December 31, 2012 were approximately $52,697 and $71,447, respectively.

(2) Disposals of fixed assets, net of depreciation, for the nine month period ended September 30, 2013 and for the year ended December 31, 2012 were $1,571 and $11,032, respectively.

14) GOODWILL, INTANGIBLE ASSETS AND DEFERRED ASSETS, NET

14A) BALANCES AND CHANGES DURING THE PERIOD

As of September 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	$ 1,897,209	–	1,897,209
Definite life intangibles:			
Customer relations	188,600	(24,203)	164,397
Extractions rights and licenses	226,100	(7,041)	219,059
Industrial property and trademarks	2,429	(500)	1,929
Mining projects	545	(10)	535
Other intangibles and deferred assets	804	(67)	737
	$ 2,315,687	(31,821)	2,283,866

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

	2013	2012
Colombia	$ 431,972	428,759
Costa Rica	706,944	708,401
Nicaragua	86,138	87,204
Guatemala	226,965	229,883
Panama	344,703	344,703
Brazil	85,399	85,954
El Salvador	15,088	15,088
	$ 1,897,209	1,899,992

(Thousands of U.S. dollars)

The entity test their goodwill balances for impairment at least once a year during the last quarter at the level of the group of cash-generating units to which goodwill has been allocated, which are commonly comprised by the operating segments, corresponding to the Company's operations in each country. For the nine month period ended September 30, 2013 and the period ended on December 31, 2012, the Company consider that there have not been events or indicators that suggest the need for the recognition of an impairment loss of goodwill.

15) FINANCIAL INSTRUMENTS

15A) DEBT

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

		2013	2012
BBVA Valores, interest rate of 4.90% [4]	$	26,114	–
Banco Industrial S.A. interest rate of 6% [1]		2,000	3,000
Leasing Bolívar S.A, DTF[2] quarterly rate plus 6.62% [3]		7,222	8,440
Leasing de Occidente S.A., DTF[2] quarterly rate plus 4.5% [3]		4,921	5,774
Leasing Bancolombia S.A., DTF[2] quarterly rate plus 4.3% [3]		6,523	8,215
Helm Leasing S.A., DTF[2] anticipated quarterly rate plus 4.85% [3]		4,047	4,948
Leasing Bogotá S.A., DTF[2] anticipated quarterly rate plus 4.65% [3]		3,204	4,305
Total	$	54,031	34,682
Long-term debt		20,111	26,345
Short-term debt	$	33,920	8,337

(1) Loan agreement in Guatemalan quetzals negotiated by CEMEX Guatemala S.A. (previously Global Cement S.A.) scheduled to mature in September 2014. The Company incurred interest on this financial obligation of $190 and $255 for the nine month period ended on September 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 of sixty months. CEMEX Colombia, S.A. incurred interest on these financial obligations amounting to $612 and $1,200 for nine month period ended September 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.

(4) Commercial paper program in Colombian pesos negotiated by CEMEX Colombia S.A. scheduled to mature in November 2013.

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

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

		2013	2012
Advances from customers	$	21,460	22,307
Provision for legal claims and other commitments		21,183	18,167
Other provisions and liabilities		15,918	4,345
Accrued expenses		10,873	9,954
Provision for personnel remuneration		10,087	14,668
Others		578	465
	$	80,099	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 September 30, 2013 and as of December 31, 2012 consolidated other non-current liabilities were as follows:

		2013	2012
Provision for asset retirement obligations [1]	$	7,344	8,130
Other provisions and liabilities		3,765	3,966
Deferred income		452	339
Equity Tax		–	6,810
	$	11,561	19,245

(1) Provisions for assets 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.

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 nine month period ended September 30, 2013. For the nine month period ended on September 30, 2013 the estimated current and deferred income tax expense recognized in the income statement was $70,487.

17B) UNCERTAIN TAX POSITIONS AND SIGNIFICANT TAX PROCEEDINGS

As of September 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 archive the 2010 tax year, which means that the year has been closed and the tax authority's window period for further reviews expired. The Company made a voluntary correction to its income tax return for the year 2010 that originated a tax payment of approximately Col $ 9 billion (approximately $5 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 income taxes payable by CEMEX Colombia in the amount of approximately Col$90 billion ($47 million) and to impose a penalty in the amount of approximately Col$144 billion ($75 million). The Colombian Tax Authority argues that certain expenses are not deductible for tax purposes because they are not linked to direct revenues recorded in the same fiscal year, without taking into consideration that future revenues will be taxed according to the applicable income tax law 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 January 17, 2013, the Colombian Tax Authority notified CEMEX Colombia of the resolution confirming the official liquidation. The company filed an appeal on May 10, 2013 before the Administrative Court of Cundinamarca, which was admitted on June 21, 2013. In addition, on July 3, 2013, such appeal 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 income taxes payable by CEMEX Colombia in the amount of approximately Col$43 billion ($22 million) and imposed a penalty in the amount of approximately Col$69 billion ($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 window period to review such year 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 proceeding before the courts. On June 27, 2013 the company presented to the Colombian Tax Authority a formal settlement request including the payment of the income tax due and the elimination of penalties and accrued interest. The company paid the tax in the same date. On August 26, 2013 the settlement were signed for the 2007 tax year and on September 16, 2013 the settlement were signed for the 2008 tax year.

- During the period from 2005 to 2011, CEMEX Colombia filed four legal proceedings and two appeals against official settlement requests related to the payment of the industry and commerce tax (*impuesto de industria y comercio*) in the municipality of San Luis. Although the municipality alleges that such tax is due as a result of industrial activities in such jurisdiction, CEMEX Colombia thinks otherwise that its activities in such jurisdiction are strictly mining for which it pays royalties for the mineral extraction, which in such jurisdiction is consider a mining not an industrial activity. The foregoing, pursuant to section 39 of the 14 Act of 1983 which bans the municipalities from collecting the industry and commerce tax when the amount payable for royalties equals or exceeds the amount payable of such tax. The disputed amount is of approximately Col$33 billion ($17 million). At this stage, CEMEX Colombia believes it is not probable that a payment has to be made with respect to this matter. In July 18 2013, the court issued a last instance resolution in favor of CEMEX Colombia in the proceedings with the San Luis municipality for the 1999 tax year.

(Thousands of U.S. dollars)

- On September 13, 2012, CEMEX Colombia received an ordinary proceeding from the Colombian Tax Authority requesting the amendment of its income tax return for the fiscal year 2011, in connection with goodwill amortization expense related to its subsidiary Lomas Del Tempisque S.R.L., which was considered deductible in such tax return. On October 8, 2012, CEMEX Colombia filed a response of the ordinary proceeding to the Tax Authority where the Company rejected the arguments of the demand and requested to archive the legal process. CEMEX Colombia is looking forward the response from the Colombian Tax Authority. The Company's management considers 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.

- On January 2011, the tax authorities initiated a review of Cemex (Costa Rica)'s income tax, withholding tax and value Added Tax (VAT) in connection with tax year 2008. On August 9, 2013, the tax authorities notified proposal preliminary settlement agreement in the amount of ¢4 billion ($8 million), including principal, interest and penalties. On August 23, 2013, Cemex (Costa Rica) issued a response against the proposal, arguing prescription and rejecting the proposed adjustments considering that it has acted in accordance with applicable tax regulations. On September 30, 2013, Cemex (Costa Rica) was notified of the administrative settlement proceeding where the tax authority did not accept the arguments presented by Cemex (Costa Rica) and ratified the preliminary settlement agreement. Cemex (Costa Rica) will appeal the aforementioned resolution before the tax authorities within the following 30 days. In this step of the proceeding, CEMEX Costa Rica cannot estimate the probability of an adverse result.

18) STOCKHOLDERS' EQUITY

18A) COMMON STOCK AND ADDITIONAL PAID-IN CAPITAL

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

		September 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 September 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 September 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).

(Thousands of U.S. dollars)

During 2012, the Parent Company carried out two capital increases: a) on August 1, 2012, 407,830,342 new shares of an amount of $500,000 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. At September 30, 2013 some additional expenses associated with the offer received in the period decreased the additional in-paid capital aforementioned in $248.

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. 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, At September 30, 2013 after giving effect to the offering and the exercise of the sale 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.

As mentioned above, the offering expenses were included in the line item additional paid-in capital for amounts of $248 for the nine month period ended September 30, 2013 and $36,737 for the year ended December 31, 2012.

18B) OTHER EQUITY RESERVES

As of September 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 (Condensed consolidated statement of comprehensive income) [1]		(37,781)	(33,292)
Other items		998	27,184
	$	(370,731)	(333,948)

(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 $327,840 resulting from the difference between the transaction amount determined in the reorganization of entities (Note 1) of approximately $2,971,208 and the amount of net assets from Colombia and subsidiaries, Panama, Guatemala, Brazil and El Salvador incorporated as of July 1, 2012.

As of September 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 September 30, 2013 and as of December 31, 2012, non-controlling interest in equity amounted to approximately $6,006 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 subsidiaries, 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 nine month period ended September 30, 2013, the Parent Company did not issue any shares to the executives under the long-term incentives plan.

Compensation expenses related to the long-term incentives plans with CEMEX´s and CEMEX Latam´s shares described above for the nine months ended September 30, 2013, which were recognized in the operating results, amounted to approximately $998.

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 September 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		556,054	189,623
Numerator			
Consolidated net income	$	238,568	90,417
Less: non-controlling interest net income		887	522
Controlling interest net income		237,681	89,895
Controlling interest basic earnings per share	$	0,43	0,47
Controlling interest diluted earnings per share	$	0,43	0,47

20) COMITMENTS FOR THE PURCHASE OF RAW MATERIALS

As of September 30, 2013 and December 31, 2012 the Company had commitments for the purchase of raw materials for approximately $ 13,181 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 September 30, 2013, appropriate provisions have been recorded for these matters which in aggregate are not material.

21B) OTHER CONTINGENCIES FROM LEGAL PROCEEDINGS

- On September 5, 2013, CEMEX Colombia was notified of Resolution No. 49141 dated August 21, 2013, issued by the Colombian Ministry of Industry and Commerce, SIC, (*Superintendencia de Industria y Comercio*) pursuant to which the SIC opened an investigation and issued a statement of objections (*pliego de cargos*) against five (5) cement companies and fourteen (14) directors of those companies, including CEMEX Colombia, for alleged anti-competitive practices. The parties being investigated have a twenty (20) day term commencing from the notice date to answer the statement of objections and submit evidence. The investigated parties are accused of allegedly breaching: (i) Article 1 of Law 155 of 1959, which prohibits any kind of practice, procedure or system designed to limit free competition and determining or maintaining unfair prices; (ii) paragraph 1 of Article 47 of Decree 2153 of 1992, which prohibits any agreements designed to directly or indirectly fix prices; and (iii) paragraph 3 of Article 47 of Decree 2153 of 1992, which prohibits any market sharing agreements between producers or between distributors. Additionally, the fourteen (14) executives, including a former legal representative and the current President of CEMEX Colombia, are being investigated for allegedly breaching paragraph 16 of Article 4 of Decree 2153 of 1992, as amended by Article 26 of Law 1340 of 2009, which provides that the SIC may investigate and sanction any individual who collaborates, facilitates, authorizes, executes or tolerates behavior that violates free competition rules. In case of the alleged infringements investigated by the SIC are substantiated, aside from any measures that could be ordered to stop the alleged anti-competitive practices, penalties may be imposed against CEMEX Colombia. Pursuant to Law 1340 of 2009, the SIC may impose the following penalties: (i) up to 100,000 times the legal monthly minimum wage, which is approximately Col$59 billion ($31 million) for each violation and to each company being declared in breach of the competition rules, and (ii) up to 2,000 times the legal monthly minimum wage, which is approximately Col$1 billion ($616 million) against those individuals found responsible of collaborating, facilitating, authorizing, executing or tolerating behavior that violates free competition rules. At this stage of the investigations, we are not able to assess the likelihood of an adverse result, but if adversely resolved, it could have a material adverse impact on our financial results.

- On June 5, 2010, the *Secretaría Distrital de Ambiente de Bogotá*, the District of Bogota's environmental ministry (or the "Environmental Ministry"), 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 Ministry 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 a notification from the Environmental Ministry 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 ($157 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 ($52 million). On January 21, 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 ($176 million), instead of being allowed to post an insurance policy to secure such recovery. CEMEX Colombia asked for reconsideration, and the court allowed CEMEX to present an insurance policy. Nevertheless, 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 ($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 ($17 thousand dollars). As a consequence of the annulment the judge ordered a restart of the proceedings against the ASOCRETO officers. The IDU or *Instituto de Desarrollo Urbano*, among others, filed an appeal against the October 10, 2012 ruling and on August 30, 2013, the Supreme Court of Bogota rendered its judgment convicting certain IDU officials to 60 months' imprisonment and imposing a fine equivalent to Col$9 million ($5 thousand dollars) Additionally, certain IDU officials were sentenced to severally pay damages in the amount of Col$108 (Approximately $56). Finally, the Superior Court of Bogota ruled that the timing for the criminal action against the builder's legal counselors and the auditor had elapsed; and consequently, the legal proceeding in this regards was concluded.

  In addition, as a result of the aforementioned premature distress of the roads built for the "Transmilenio-Autopista Norte" project in Colombia, six civil actions were brought against CEMEX Colombia. The Colombian Administrative Court nullified five of such actions and currently, only the popular action brought by a Colombian citizen remains outstanding. In addition, the IDU filed another civil action arguing that CEMEX Colombia made deceiving advertisements regarding the characteristics of certain filling fluid materials used. In the "Transmilenio-Autopista Norte" project, CEMEX Colombia participated solely and exclusively as supplier of the filling fluid materials and ready-mix concrete, which were delivered and received to the satisfaction of the contractor, fulfilling all the required technical specifications. Likewise, CEMEX Colombia did not participate in or have any responsibility on the design, materials or their corresponding technical specifications.

- In November 2004, 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 ($7 million), including principal, interests and fines. In 2006, Cemex (Costa Rica) received a new executive additional charge for ¢3,618 million ($7 million), including principal, interests and fines, for the years 2001 to 2005, reaching a total of ¢7,132 million ($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. The Collection Court resolved partially, declining the fines but adjusting the amount claimed to approximately ¢360 million ($713 thousand dollars), including principal and interest, this resolution was appealed by both parties. 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 ($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) would not expect this matter to have a material adverse effect on its financial position.

(Thousands of U.S. dollars)

In addition, as of September 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.

22) MAIN SUBSIDIARIES

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

Subsidiary	Country	Position	% interest 2013
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. de C.V...............................	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.