Cemex Latam Holdings, S.A.

Separate Financial Statements

December 31, 2012

(With Auditors' Report Thereon)

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

INDEX

CEMEX Latam Holdings S.A.

KPMG Auditores S.L.
Edificio Torre Europa
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28046 Madrid

Independent Auditors' Report on Separate Financial Statements

(Translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

To the Shareholders of
Cemex Latam Holdings, S.A.

We have audited the accompanying separate financial statements of Cemex Latam Holdings, S.A. ("the Company"), which comprise the separate balance sheet at December 31, 2012 and the separate income statement, the separate statement of comprehensive income, the separate statement of changes in stockholders' equity and the separate statement of cash flows for the period from April 17 to December 31, 2012 and the notes thereto, which include a summary of significant accounting policies and other explanatory information

Management's Responsibility for the Separate Financial Statements

Company management is responsible for the preparation and fair presentation of the accompanying separate financial statements in accordance with International Financial Reporting Standards and for such internal control as Company management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these separate financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the separate statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Company management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the accompanying separate financial statements present fairly, in all material respects, the financial position of Cemex Latam Holdings, S.A. as at December 31, 2012 and its separate financial performance and cash flows for the period from April 17 to December 31, 2012 in accordance with International Financial Reporting Standards

KPMG Auditores, S.L.

(Signed on original in Spanish.)

David Hernanz Sayans

February 28, 2013

CEMEX Latam Holdings, S.A.
Income Statement
(Thousands of U.S. dollars)

	Notes	For the period from April 17 to December 31, 2012
Net sales	2J	$ 67,756
Gross profit		**67,756**
Administrative expenses	2K	(40,894)
		(40,894)
Operating earnings before other income, net		**26,862**
Other expenses, net	3	(1,477)
Operating earnings		**25,385**
Financial expenses	4	(15,855)
Other financial expenses, net	4	(1,937)
Earnings before income tax		**7,593**
Income tax	10A	(10,553)
NET LOSS		$ **(2,960)**

The accompanying notes are part of this separate financial statement.

Camilo González Téllez
Apoderado General

Marta Isabel Ferreira Duarte
Contadora
T.P. 54921 - T

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

	Notes		For the period from April 17 to December 31, 2012
NET LOSS		$	(2,960)
COMPRENHENSIVE LOSS FOR THE PERIOD		$	**(2,960)**

The accompanying notes are part of this separate financial statement.

Camilo González Téllez
Apoderado General

Marta Isabel Ferreira Duarte
Contadora
T.P. 54921 - T

CEMEX Latam Holdings, S.A.
Statement of Financial Position
(Thousands of U.S. dollars)

	Notes		As of December 31, 2012
ASSETS			
CURRENT ASSETS			
Cash	5	$	235
Receivables from related parties	6		444
Taxes receivable			147
Total current assets			826
NON-CURRENT ASSETS			
Investments in subsidiaries	7		1,681,282
Total non-current assets			1,681,282
TOTAL ASSETS		$	**1,682,108**
LIABILITIES AND STOCKHOLDERS' EQUITY			
CURRENT LIABILITIES			
Trade payables			126
Payables to related parties	6		43,026
Taxes payable			4,682
Other accounts payable and accrued expenses	8		451
Total current liabilities			48,285
NON-CURRENT LIABILITIES			
Long term payables to related parties	6		146,262
Total non-current liabilities			146,262
TOTAL LIABILITIES			**194,547**
STOCKHOLDERS' EQUITY			
Common stock	11		718,124
Additional paid in capital	11		745,213
Other equity reserves			27,184
Net loss			(2,960)
TOTAL STOCKHOLDERS' EQUITY			**1,487,561**
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY		$	**1,682,108**

The accompanying notes are part of this separate financial statement.

Camilo González Téllez
Apoderado General

Marta Isabel Ferreira Duarte
Contadora
T.P. 54921 - T

CEMEX Latam Holdings, S.A.
Statement of cash flows
(Thousands of U.S. dollars)

	Notes		For the period from April 17 to December 31, 2012
OPERATING ACTIVITIES			
Net loss		$	**(2,960)**
Non-cash items:			
Financial expenses			15,855
Income taxes	10A		10,553
Royalties			27,184
Other adjustments to the result			(6,968)
Changes in working capital, excluding income taxes			20,221
Net cash flow provided by operating activities before interest and income taxes			63,885
Financial expenses paid in cash			(1,997)
Net cash flows provided by operating activities			**61,888**
INVESTING ACTIVITIES			
Equity investment			(1,681,282)
Net cash flows used in investing activities			**(1,681,282)**
FINANCING ACTIVITIES			
Initial capital contribution	11		75
Increase of capital	11		500,000
Issuance of common stock	11		963,496
Related parties debt			
Issuance			1,193,815
Amortization			(1,034,872)
Net cash flows provided by financing activities			**1,622,514**
Increase in cash			160
Cash on April 17, 2012			75
CASH AT END OF YEAR	5	$	**235**
Changes in working capital, excluding income taxes:			
Other accounts receivable			(147)
Trade payables			126
Related parties, net			15,109
Other accounts payable			5,133
Changes in working capital, excluding income taxes		$	**20,221**

The accompanying notes are part of this separate financial statement

Camilo González Téllez
Apoderado General

Marta Isabel Ferreira Duarte
Contadora
T.P. 54921 - T

CEMEX Latam Holdings, S.A.
Statement of Changes in Stockholders' Equity
(Thousands of U.S. dollars)

	Notes		Common Stock	Additional paid-in capital	Other equity reserves	Retained Earnings	Total stockholders' equity
Initial capital contribution of capital on April 17, 2012....		$	75	-	-	-	75
Separate net loss..			-	-	-	(2,960)	(2,960)
Increase or (decrease) of capital..	11		500,000	-	-	-	500,000
Public and private offer of shares...	11		218,049	745,213	-	-	963,262
Other capital movements...			-	-	27,184	-	27,184
Balance as of December 31, 2012.....................................		**$**	**718,124**	**745,213**	**27,184**	**(2,960)**	**1,487,561**

The accompanying notes are part of this separate financial statement.

Camilo González Téllez
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1) DESCRIPTION OF BUSINESS

CEMEX Latam Holding, SA was formed a capital stock corporation (S.A.) for an undefined period, on April 17, 2012, under the laws of Spain. The Company is a subsidiary of CEMEX Spain, SA ("CEMEX Spain"), organized under the laws of Spain, and an indirect subsidiary of CEMEX, SAB de CV ("CEMEX"), a public stock corporation with variable capital (SAB de CV) organized under the laws of the United Mexican States, or Mexico.

The statutory and principal activities of the Company consist of subscription, derivative acquisition, holding, use, management or disposal of securities and shares, as well as the management and administration of securities representing the equity of entities not resident in Spanish territory with a proper organization of material and personal resources. As described in Note 7, the Company's indirect interest in entities whose main activities are in Colombia, Panama, Costa Rica, Nicaragua, Guatemala, El Salvador and Brazil, are aimed at the construction industry, to through production, marketing, distribution and sale of cement, ready-mix concrete, aggregates and other construction materials.

During the period of this financial statements, the income recorded by the Company are related mainly to the royalties of its direct and indirect subsidiaries, due to the usage of trademarks, intangible assets and administration expenses of CEMEX group.

The terms "CEMEX Holdings Latam" and / or "the Parent Company" used in these notes to the financial statements refer to CEMEX Latam Holdings, S.A. The issuance of these consolidated financial statements was approved by management and the Board of Directors of CEMEX Latam Holdings, S.A. on February 28, 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. The Parent Company's common shares are listed on the Colombian Stock Exchange (*Bolsa de Valores de Colombia S.A.*) under the ticker CLH. The net proceeds from the offering amounted approximately 960 million U.S. dollars, after deducting commissions and offering expenses and after giving effect to the exercise of the put option by the initial purchasers, 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, as ordinary participation certificates ("CPOs").

Reorganization of the society and acquisitions during the period

CEMEX Latam Holdings establish its only two subsidiaries on June 17, 2012. Corporación Cementera Latinoamericana, S.L.U. (hereafter CCL) under the laws of Spain and on October 16, 2012, Maverick Re Limited, a reinsures that is domiciled in Bermuda.

Corporación Cementera Latinoamericana, S.L.U. ("Corporación Cementera), acquired the majority of shares in the following subsidiaries and CEMEX Latam acquired a minority interest on July 1, 2012, as follows:

- 230 shares of CEMEX El Salvador, S.A. de C.V., representing 0.0092% of the stock of such entity for an amount of 231 American dollars.
- 1 share of Cimentos Vencemos Do Amazonas, Ltd, representing 0.001% of the stock of such entity for an amount of 0.42 American dollars.
- 1 share of Equipos para Uso de Guatemala, S.A., representing 1% of the stock of such entity for an amount of 112,996 American dollars and also acquired 1 share in Global Cement, S.A., representing 0.00005% of the equity of such entity for an amount of 0.4 American dollars.
- 1 share of CEMEX Transportes de Colombia, S.A., representing 0.003% of the equity of such entity for an amount of 14 American dollars.
- 1 share of Central de Mezclas S.A., representing 0,0000007% of the stock of such entity for an amount of 0.10 American dollars.

On August 1, 2012, the Company agreed to establish a branch of Cemex Latam Holdings, S.A. in Switzerland (hereinafter the Branch). The Branch, operating under the name of "Cemex Latam Holdings, S.A. Brügg Swiss Branch ", and its assets, liabilities, income and expenses are an integral part of the financial statements of Cemex Latam Holdings, S.A. The main purpose of the Branch is holding, license, use, development, maintenance and protection of the rights of intellectual property and assets.

In addition, the branch is responsible for the investigation and development regarding materials for construction and the offer of services of technical assistance and management.

2) SIGNIFICANT ACCOUNTING POLICIES

A) BASIS OF PRESENTATION AND DISCLOSURE

The financial statement and the accompanying notes were prepared according to International Financial Reporting Standards ("IFRS"), as issued by International Accounting Standards Board ("IASB"), as these standards were effective on December 31, 2012. With the exception for the valuation of investments in subsidiaries that according to the 10th paragraph of the IAS 27 were valuated according to its cost to fulfill the Colombian Stock Exchange ("*Bolsa de valores de Colombia*").

The Company also is elaborating consolidated financial statement under IFRS, which are presented to the respective regulatory entity in Colombia, due to local demands of information as reason of the issuing of common stocks that was performed on November 6, 2012.

The figures in the financial statements and notes are in thousands of dollars of the United States of America ("U.S."), presentation and functional currency of the Company, except when reference is done to earnings per share and/or price per share.

Definition of terms

When reference is made to "$" or dollars, it means dollars of the United States of America. When reference is made to "€" or Euros, it means million of the currency managed in a significant number of the European Union ("EU") countries. With the exception when a reference is made to exchange rates.

Income statement

The line item "Other expenses, net" in the separate income consists primarily of revenues and expenses not directly related to the Company's main activity, or which are of an unusual and/or non-recurring nature, including results on disposal of assets, donations and recoveries from insurance companies, among others. (notes 3)

Statement of cash flow

From 17 April to 31 December 2012, the separate cash flow statement presents the cash inflows and outflows, excluding unrealized currency effects and transactions that did not represent the origin or cash application. The increase in payable accounts to related party long-term corresponds to the capitalized interest of $15,037 related to the loan with Construction Founding Group.

Going Concern

On December 31, 2012, current liabilities, including payable accounts to Group companies and associates (see note 6) amounting to $43,026, exceeding on $47,459 the current assets.

The Company's management has approved these financial statements for the year 2012 under the principle of going concern, considering that the Company will generate sufficient cash flow to enable it to meet any liquidity risk in the short term. Where necessary, management believes that they will succeed renegotiating the maturity of some current payable accounts to CEMEX. For period from April 17, 2012 to December 31, 2012, CEMEX Latam generated net cash operations by approximately $61,888 after interest expense and income taxes.

B) USE OF ESTIMATES AND CRITICAL ASSUMPTIONS

The preparation of 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 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 items subject to estimates and assumptions by management include, among others, the measurement of financial instruments at fair value. Significant judgment by management is required to appropriately assess the amounts of these assets and liabilities.

C) CASH (note 5)

The balance in this caption is comprised of available amounts of cash in banks mainly. CEMEX Latam Holdings has centralized cash management arrangements whereby excess cash generated by the different companies is swept into a centralized cash pool with a related party, and the Company´s cash requirements are met through withdrawals or borrowings from that pool.

D) BALANCES AND TRANSACTIONS WITH RELATED PARTIES (note 6)

The Company discloses balances and transactions with related parties within the CEMEX group. These balances and transactions resulted primarily from: i) the sale and purchase of goods between group entities; ii) the invoicing of administrative services, rentals, trademarks and commercial name rights, royalties and other services rendered between group entities; and iii) loans between related parties. Transactions between related parties were conducted on arm's length terms based on market prices and conditions.

E) INVESTMENTS IN SUBSDIARIES (note 7)

According to IAS 27, Consolidated and separate financial statements ("IAS 27"), investments in controlled entities and associates, which are not classified as held for sale, are measured using the cost method. Cost is represented by the consideration paid in exchange of the subsidiary irrespective of whether the transaction is performed with third parties or between entities under common control of CEMEX.

The investments in subsidiaries have impairment analysis in the case of a significant adverse event that could estimate that the recoverable amount, that consists in the larger amount between the fair value of the investment in the subsidiaries less the sale expenses and its usage value, represented by the discounted amount of future cash flows generated by the subsidiary exceeds the acquisition cost. An impairment loss is recognized in the other expenses, net whether the amount is lower in comparison to the net book value of the investment in the subsidiary.

F) FINANCIAL LIABILITIES AND DERIVATED FINANCIAL INSTRUMENTS

Debt

Bank loans, notes payable and long term payables to related parties are recognized at their amortized cost. Interest accrued on financial instruments is recognized in the consolidated balance sheet within "Other accounts payable and accrued expenses" against financial expense. Direct costs incurred in debt issuances or borrowings are capitalized and amortized as interest expense as part of the effective interest rate of each transaction over its maturity. These costs include commissions and professional fees.

Derivative financial instruments

The Company recognizes all derivative instruments as assets or liabilities in the balance sheet at their estimated fair values, and the changes in such fair values are recognized in the income statement for the period in which they occur, except for changes in fair value of derivative instruments associated to cash flow hedges.

During the period from April 17, 2012 to December 31, 2012, the Company did not have open positions of derivative financial instruments.

G) INCOME TAXES (note 10)

Based on IAS 12, Income taxes ("IAS 12"), the effects reflected in the statements of operations for income taxes include the amounts incurred during the period and the amounts of deferred income taxes, determined according to the income tax law. The effect of changes in the tax rate is recognized within the period when the change became official. The assets and liabilities of income tax are valuated according to the amounts that are expected to be paid or recover from the tax authorities, using the norm and current taxable types or approved and pending for the publishing in the closing date of the period.

H) STOCKHOLDERS' EQUITY

Common stock and additional paid-in capital (note 11)

These items represent the value of stockholders' contributions.

Other equity reserves

This caption groups the cumulative effects of items and transactions that are, temporarily or permanently, recognized directly to stockholders' equity, and includes the elements presented in the statements of comprehensive loss, which reflects the effects on stockholders' equity during a period, not resulting from investments by owners and distributions to owners. It also reflects the expense of the transaction of instruments in the own equity.

I) SHARE BASED PAYMENTS

The Company will grant from January 1, 2013 to certain of its executives, compensations using Cemex Latam Holdings CPOs. On December 31, 2012, the Company did not have outstanding options or commitments to make cash payments to executives at the date of the period of the benefits based on changes on the shares of the Company (Intrinsic value).

J) REVENUES RECOGNITION

The revenues of CEMEX Latam Holdings represent the amount before the value added tax, from services provided to subsidiaries as part of its regular activities, and quantified at the fair value of the cash consideration received or receivable. Service revenues are recognized once the services rendered to customers and there is no condition or uncertainty implying a reversal.

Revenues recognized by the Company are mainly royalties obtained from its direct and indirect subsidiaries, by the use of intangibles, trademarks and administrative costs of CEMEX Group, which are recognized as it accrues.

K) ADMINSITRATION EXPENSES

The administrative expenses represent the cost of the services provided by accrual; this cost includes the rights acquired by the Company to use trademarks and the technical knowledge from CEMEX Group to sell to its related parties.

L) NEWLY ISSUED IFRS NOT YET EFFECTIVE

Standards issued as of the date of issuance of this financial statement but which have not yet been adopted as of December 31, 2012 is listed below. Except as otherwise indicated, the Company expects to adopt these IFRS when they become effective.

- In January 2011, the IASB issued IFRS 9, *Financial instruments: classification and measurement* ("IFRS 9"), which as issued, reflects the first phase of the IASB work on the replacement of IAS 39. In subsequent phases, the IASB will address hedge accounting and derecognition. IFRS 9 introduces new requirements for the classification and measurement of financial assets and is effective for annual period beginning on or after January 1, 2015, with early adoption permitted. The adoption of this standard will have an effect on the classification and measurement of the Company financial assets and financial liabilities. The Company is currently evaluating the impact and will quantify the effect in conjunction with the other phases, when issued, to present a comprehensive picture.

- In May 2011, the IASB issued IFRS 12, *Disclosure of interests in other entities* ("IFRS 12"), effective beginning January 1, 2013, which is a new and comprehensive standard on disclosure requirements for all forms of interests in other entities, including subsidiaries, joint arrangements, associates and unconsolidated structured entities. IFRS 12 will require an entity to disclose information that enables users of financial statement to evaluate the nature of, and risks associated with, its interests in other entities, and the effects of those interests on its financial position, financial performance and cash flows. The Company would modify its current disclosures regarding interest in other entities as required by IFRS 12, if applicable.

- In June 2011, the IASB amended IAS 19, which provides the accounting and disclosure requirements by employers for employee benefits. The amendments to IAS 19 intend to provide investors and other users of financial statement with a better understanding of an entity's obligations resulting from the provision of defined benefit plans and how those obligations will affect its financial position, financial performance and cash flows. Among other things, the amendment eliminates the option to defer the recognition of gains and losses, known as the 'corridor method', and further aligns IFRS with Generally Accepted Accounting Principles in the United States (''U.S. GAAP''). The amendments to IAS 19 are effective for the Company beginning January 1, 2013, with earlier application permitted. The Company is currently evaluating the impact of adopting this amended standard; nonetheless, the Company does not expect a significant impact on its consolidated financial statement.

- On December 2011, the IASB amended IAS 32, for disclosure requirements for the offsetting of assets and liabilities on the balance sheet. The amended standard requires entities to disclose both gross information and net information about both instruments and transactions eligible for offset in the balance sheet and instruments and transactions subject to an agreement similar to a master netting arrangement. The scope includes derivatives, sale and repurchase agreements and reverse sale and repurchase agreements and securities borrowing and securities lending agreements. The amendments to IAS 32 are effective beginning January 1, 2014 and require retrospective application. The Company is currently evaluating the impact of adopting this amended standard; nonetheless, the Company does not expect a significant impact on its consolidated financial statement.

- On December 2011, the IASB issued final modifications to two IFRSs as a result of offset project: (1) a disclosure of compensation of Financial Assets and Liabilities (Amendments to IFRS 7), and (2) compensation for assets and Financial Liabilities (Amendments to IAS 32). These amendments clarify the trade-offs of assets and liabilities, but also introduces new compensation disclosure requirements for financial instruments. The amendments to IFRS 7 are effective from January 1, 2013 and the amendments to IAS 32 are effective from January 1, 2014, with early adoption permitted. The Company is evaluating the impact, but is not expected to have a significant impact on its financial statements.

(Thousands of U.S. dollars)

3) OTHER EXPENSES, NET

Other income, for the period from April 17 to December 31, 2012, consisted of the following:

		2012
Invoiced expenses for projects	$	(1,508)
Income for reinvoicing of expenses to CCL		31
	$	(1,477)

4) OTHER FINANCIAL EXPENSES, NET

Other financial expenses for the period from April 17 to December 31, 2012, are detailed as follows:

		2012
Debt financial expenses with related parties	$	(15,855)
Derivatives for hedging purposes		(1,997)
Generated interests income		60
	$	(17,792)

5) CASH

Balance of cash as of December 31, 2012 is detailed as follows:

		2012
Banks - foreign currency	$	221
Banks - local currency		14
	$	235

6) BALANCES AND TRANSACTIONS WITH RELATED PARTIES

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

Accounts receivable – current		2012
Corporación Cementera Latinoamericana, S.L.U	$	390
CEMEX Salvador, S.A. de C.V		54
	$	444

Accounts payable – current		2012
Construction Funding Corporation (1)	$	27,473
CEMEX Central, S.A. de C.V (2)		8,202
CEMEX, S.A.B. de C.V (2)		4,592
CEMEX Colombia, S.A.		1,772
CEMEX Research Group AG		158
CEMEX España, S.A		13
Others		816
	$	43,026

Accounts payable – non current		2012
Construction funding corporation(1)	$	146,262
	$	146,262

(1) Loan agreement of $ 173,733 negotiated by CEMEX Latam Holdings, S.A. with annual interest of 7%, maturing on different dates from 2013 to 2018.

(2) Royalties and technical assistance given to the subsidiaries.

(Thousands of U.S. dollars)

The maturities of non-current accounts payable and the borrowers as of December 31, 2012 are as follows:

Borrowers [(1)]		2012	
		2014	2015 - 2018
Construction Funding Corporation(7% annual)		27,473	118,789
Total	$	27,473	118,789

(1) Loan agreement of $ 173,733 negotiated by CEMEX Latam Holdings, S.A. with annual interest of 7%, maturing on different dates from 2014 to 2018.

The main transactions made by the Company with related parties for the period from April 17 to December 31, 2012 are as follows:

		2012
Royalties and technical assistance		
CEMEX Colombia, S.A	$	31,629
Cemento Bayano, S.A		19,583
CEMEX (Costa Rica), S.A		8,956
CEMEX Nicaragua, S.A.		5,410
Global Cement, S,A		2,124
CEMEX El Salvador, S.A. de C.V		54
	$	67,756
Financial expenses: [(1)]		
Construction Funding Corporation.	$	15,855
	$	15,855

(1) The transactions between related parties are made on arm's length terms based on market prices.

During the period from April, 17 to December 31, 2012, the directors of the Company in their responsibility as administrators have received retribution of $41. Such administrators do not have advances or loans granted by them and have not assumed obligations on their behalf by way of guaranty. Also the Company has not incurred in obligations respect to pensions and insurances.

7) INVESTMENTS IN SUBSIDIARIES

As of December 31, 2012, the investments in subsidiaries of CEMEX Latam Holdings are the following:

	Business	Country	%		2012
Corporación Cementera Latinoamericana S.L.U.[(1)]	Cement	Spain	100.0	$	1,680,669
Maverick RE Ltd.[(1)]	Reinsurer	Bahamas	100.0		500
Equipos para Uso de Guatemala, S.A. [(1),(2)]	Rent of equipment	Guatemala	0.0001		113
CEMEX El Salvador S.A. de C.V [(1),(2)]	Cement	El Salvador	1.06		0
CEMEX Transportes de Colombia S.A [(2)]	Transport	Colombia	0.0003		0
Cimento Vencemos Do Amazonas Ltd [(2)]	Cement	Brazil	0.0000025		0
Global Cement, S.A. [(2)]	Cement	Guatemala	0.00001		0
Central de Mezclas S.A.[(2)]	Cement	Colombia	0.0000007		0
				$	1,681,282

(1) Subsidiary Company.

(2) Indirect participation through Corporación Cementera Latinoamericana S.L.U.

8) OTHER ACCOUNTS PAYABLE AND ACCRUED EXPENSES

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

		2012
Other provisions	$	382
Provision of services and fees		41
Other accumulated expenses		28
	$	451

9) FAIR VALUE OF FINANCIAL INSTRUMENTS

Financial liabilities

The Company's carrying amounts of cash, trade accounts receivable, other accounts receivable, trade accounts payable, other accounts payable and accrued expenses, as well as short-term debt, approximate their corresponding estimated fair values due to the short-term maturity and revolving nature of these financial assets and liabilities.

The carrying amount of assets and liabilities and their approximate fair value as of December 31, 2012, is as follows:

		2012	
Thousands of U.S. dollars		**Book value**	**Fair value**
Financial liabilities			
Long-term payables to related parties	$	146,262	147,633

10) INCOME TAXES

10A) INCOME TAXES FOR THE PERIOD

The amount of income taxes included in the statement of income for the period from April 17, to December 31, 2012 is summarized as follows:

		2012
Current income taxes	$	(10,553)

As detailed in note 1, dated on August 1, 2102 the Company agreed to establish a branch in Switzerland. This branch has its own accounting and books independently and separately from the Company and is subject to taxation in Switzerland. To this end the Company has tax obligations in Spain for the operations carried out in the Spanish territory and in Switzerland by the share of the branch.

The reconciliation between the result before taxes and the current tax from the period is as follows.

		Spain	Switzerland branch	Total Company
Results before taxes…………..	$	(18,382)	25,975	7,593
Permanent differences……………	$	(36,737)	21,177	(15,560)
Temporal differences………………	$	8,587	-	8,587
Taxable base (TB)	$	(46,532)	47,152	620
Taxable type		30%	9.64%	
Effective quote…………………………	$	(13,960)	4,545	(9,414)
Taxes withholding……………..	$	-	6,008	6,008
(TB) negative no activated……	$	13,960	-	13,960
Expenses for current income taxes	$	-	10,553	10,553

The society presents taxes information in Spain under the status of fiscal consolidation with its parent society CEMEX Spain, S.A. and the societies from the CEMEX group Spanish operations, S.L., Cementos Andorra, S.A. and Corporación Cementera Latinoamericana, S.L.

The negative taxable bases that were not activated have a usage period of 18 years since the period when it was generated.

10B) EFFECTIVE INCOME TAX

The differences between financial accounting and tax bases of assets and liabilities, the different tax rates and laws that apply to the Company and other factors, create differences between the tax rate, which is applicable to entities in the separate financial statement and the effective rate in the separate income statement. For the period between April 17 and December 31, 2012, is as follows.

	2012
Current tax rate	30%
Effect for changes in the tax rate [1]	(20%)
Expenses and other no deductible expenses	123%
Others	6%
Effective tax rate	**139%**

11) COMMON STOCK AND ADDITIONAL PAID-IN CAPITAL

As of December 31, 2012 the Company's common stock and additional paid-in capital was summarized as follows:

		Authorized	Treasury shares	Total
Common stocks	$	718,358	–	718,358
Additional paid in capital		895,959	(150,012)	745,947
	$	1,614,317	(150,012)	1,464,305

As of December 31, 2012, the common stock of CEMEX Latam Holdings, S.A. was composed by the following shares:

Shares	2012
Subscribed and paid shares [1]	556,054,342
From which:	
Initial contribution of CEMEX Spain on Abril 17, 2012	60,000
Increase of capital of CEMEX Spain on July 31,2012	407,830,342
Initial capital of CEMEX Latam Holdings S.A. offered on November 6, 2012	148,164,000

On December 31, 2012, the share capital of Cemex Latam amounts to $718,358, represented by 578,278,342 ordinary shares with a nominal value of 1 euro each. The number of shares subscribed and paid CEMEX Latam presented in the table above excludes 22,224,000 treasury shares in the Company (own shares).

During fiscal 2012, the Company has carried out two capital increases. a) The first, dated August 1, 2012, which were circulated 407,830,342 new shares, with the same specifications as the existing ones, which are fully subscribed and paid. All the shares issued were subscribed and paid by the holding company Cemex Spain, S.A. b) On November 6, 2012, the Company Cemex Spain, S.A., the sole shareholder of the Company, the decision to increase the capital stock of Cemex Latam by issuing 170,388,000 new ordinary shares for $218,813 and a premium total $745,213 (note 1). This represented by book entries, with waiver from Cemex Spain, S.A. of preferential subscription to allow third parties to subscribe.

As indicated in Note 1, on November 15, 2012, the Company completed its initial offering of 170,388,000 new ordinary shares at a price of 12,250 Colombian pesos per share. Common stock offered by the Company include (a) 148,164,000 new ordinary shares offered in a public offering to investors in Colombia and in a private placement to qualified investors outside Colombia, and (b) an additional 22,224,000 new ordinary shares offered in private placement were subject to an option granted to the initial purchasers during the period of 30 days after the closing of the offering.

After giving effect to the offering and the period of the sale option by the initial buyers, CEMEX Spain, S.A. is the owner of approximately 73.35% of the common outstanding shares of the society, excluding the treasury shares.

12) COMMITMENTS - CONTRACTUAL OBLIGATIONS

As of December 31, 2012, the Company had the following contractual obligations:

(U.S. dollars thousands)	December 31, 2012			
Obligations	Less than 1 year	1-3 Years	3-5 Years	Total
Long-term payables to related parties [1]	27,473	54,947	91,313	173,733
Operating leases [2]	185	370	370	925
Total contractual obligations	27,658	55,317	91,683	174,658

(1) loan agreements of $173,733 as of December 31, 2012, negotiated by CEMEX Latam Holdings, bearing annual interest rate of 7%, with maturity in different dates from 2013 to 2018 and a revolving credit by $4,949 with a interest rate of 7%.

(2) The Company has leased to Cemex Spain, S.A., from July 1, 2012, an area of 100 square meters of space in the building located in Hernández de Tejada number. The duration of this contract is 5 years and shall be automatically extended for additional periods of one year duration. Similarly, the Swiss branch, has leased AG Cemex Research Group (CRG) an office of 300 square meters in Switzerland. This lease is valid from November 2012 and last for five years. The Branch may renew this contract for periods of one year by giving written notice to the lessee for a period not less than 60 days before the end of the initial contract.

13) OTHER COMMITMENTS

- CEMEX Latam Holdings S.A., through its branch in Switzerland, entered into a contract with CEMEX, SAB de CV to use of CEMEX trademarks. These contracts are valid for five years, automatically renewable for equal periods. This entity must pay annually the use of trademarks calculated based on annual net sales of goods and services and pirces of transference. The total charge of trademark use reported in operating expenses amounted to $4,592 for the six months ended on December 31, 2012.

- CEMEX Latam Holdings S.A. through its branch in Switzerland, negotiated an agreement with CEMEX Research Group AG for the use, operation and enjoyment of assets. The contract term is five years, automatically renewable for equal periods. This entity must pay royalties calculated annually based on annual net sales of goods and services. The total charge of royalties reported in operating expenses amounted $27,184 for the six months ended on December 31, 2012.

- CEMEX Latam Holdings S.A. through its branch in Switzerland, made an agreement for the provision of administrative services with CEMEX Central, S.A. de CV, for the technical, financial, marketing, legal, human resources and IT. The term of service contracts is five years, automatically renewable for equal periods. This entity must pay annually to provide these administrative services based on annual net sales of goods and services. The total service charge reported in operating expenses amounted $8,203 for the six months ended on December 31, 2012.

- In consideration of the services and the rights of use, operation and enjoyment of CEMEX marks, names and intellectual property, under non-exclusive agreement, leave-operation and asset services agreement management and business support and license agreement, described above, CEMEX Latam Holdings has agreed to pay to CEMEX, consistent with market practices and principles of unrelated parties, a fee equal to 5% of consolidated revenue, payable quarterly during each fiscal year. The rate of 5% paid under the non-exclusive agreements, operation and enjoyment of licensed asset management services and business support license and cannot be increased without the agreement of the independent directors of CEMEX Latam Holdings during a board meeting. The post offer fees have been adjusted for the rest of 2012, so that the sum of the rates of fees Pre-Placement and Post-Offer received by CEMEX for the year ended December 31, 2012 represented 5% of the pro forma consolidated net sales for the twelve month period ended on December 31, 2012.

- In connection with the initial offering of new common shares (note 1), the Parent Company entered into a Framework Agreement, a non exclusive use, exploitation and enjoyment of assets license agreement, a management and business support services agreement, and a license agreement, each of which was become effective after the closing of the initial offering with retroactive effect to June 30, 2012 and will have an initial term of five years, automatically renewable for subsequent five-year terms unless terminated by either party by providing one-month written notice prior to the end of the applicable term.

- In order to try to avoid potential conflicts of interest between CEMEX Latam Holdings and CEMEX, we have concluded a framework agreement, which will become effective at the closing of the Offer, and may be modified or finished by written agreement between CEMEX SAB de CV, CEMEX Spain and CEMEX Latam Holdings, for which CEMEX Latam Holdings will require approval of its independent directors. In addition, the Framework Agreement shall cease to have effect if the Company ceases to be subordinate of CEMEX or whether CEMEX does not have to recognize its investment in CEMEX Latam Holdings on a consolidated basis or under the equity method for accounting purposes (or any other method that applies similar principles).

- Within the framework agreement signed with CEMEX and in order to assist CEMEX to accomplish its debt agreements, the Company will require the prior consent of CEMEX and Cemex Spain, S.A. for:

    - Any consolidation, merger or partnership with a third party;

    - Any sale, lease, exchange or other disposition, acquisition to any person other than CEMEX;

    - The issuance or sale of any stock or equity securities derivatives or the adoption of any stock incentive plan, except for (i) the issuance of shares by the Company to CEMEX (ii) the issuance of titles under the plan stocks incentive that does not exceed $1.75 million;

    - The declaration, decree or payment of dividends or other distribution by the Company in connection with its shares other than (i) through the issuance of common stocks of the Company or the issuance of the right to subscribe ordinary shares of the company to the shareholders of the Company proportionally, always whether is not paid or transferred to another person who is not part of CEMEX (other than the company) cash or other assets of CEMEX (or any interest in such cash or assets) in connection with such distribution or interest and/or (ii) in proportion to the shares of each of the minority shareholders of the Company, always that each shareholder receives its share in any dividend , distribution or interest payment at the same time;

(Thousands of U.S. dollars)

- (i) the creation, assumption, grant or guarantee by the Company for any type of debt, and (ii) the creation of liens or charges on any of our assets, by a total amount above $25 million at any time (taking into account the assumption (i) as the (ii));

- Granting loans or become creditor of any debt, except (i) with respect to commercial loans granted to customers on normal commercial terms and in the ordinary course of business, (ii) as deferred compensation in respect of any sale, lease, exchange or other disposition that we or any of our subsidiaries are allowed to run without the consent of CEMEX and CEMEX Spain;

- Take any action that could result on default for CEMEX under any contract or agreement, under its financing agreements and any refinancing, relocation or modifications thereto, always, if the notification obligations the were written in the Framework Agreement to CEMEX are accomplished for contracts or agreements other than (i) the debt contract and any refinancing, replacement or modification thereto, and (ii) the issuance of minutes of CEMEX and any replacement or modification thereto.

- In addition there are other agreements, such as a lease agreement for a corporate office in Madrid and research and development office in Switzerland, compliance with CEMEX´s debt agreements, among others, with CEMEX, each of which became effective upon the completion of the Global Offering.

14) SUBSECUENT EVENTS

On January 16, 2013, CEMEX Latam Holdings signed an agreement to provide from January 1, 2013, an executive compensation plan using the financial CPOs.

15) MAIN SUBSIDIARIES

The main direct and indirect subsidiaries of the Parent Company at December 31, 2012, are as follows:

Subsidiary	Country	Position	% de interest 2012
Corporación Cementera Latinoamericana, S.A.U. 1	Spain	Parent	100.0
CEMEX Bogotá, N.V.	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
Global Cement, S.A.	Guatemala	Operative	100.0
CEMEX El Salvador, S.A.	El Salvador	Operative	100.0

1. CEMEX Latam Holdings, S.A., has an indirect control through CCL and CEMEX Bogotá, N.V. the operations from CEMEX Latam in Colombia, Costa Rica, Panama, Brazil, Guatemala and El Salvador.