

CEMEX LATAM HOLDINGS, S.A.

Balance Sheet
at December 31, 2018

(Expressed in thousands of Euros)

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

Assets	Note	2018	2017
Non-current investments in Group companies and associates			
Equity instruments	7 and 13 (a)	1,660,571	1,585,220
Other financial assets	8 and 13 (a)	<u>3</u>	<u>3</u>
Non-current investments			
Other financial assets	8	5	-
Total non-current assets		1,660,579	1,585,223
Trade and other receivables			
Trade receivables from Group companies and associates	8 and 13 (a)	1,141	13,890
Personnel	8	22	21
Public entities, other	12	991	768
Cash and cash equivalents			
Cash		<u>367</u>	<u>501</u>
Total current assets		2,521	15,180
Total assets		<u>1,663,100</u>	<u>1,600,403</u>
Equity and Liabilities			
Capital and reserves	9		
Registered capital		578,278	578,278
Share premium		728,266	728,266
Treasury shares		(108,407)	(109,729)
Reserves		172,250	159,798
Profit for the year		1,398	13,774
Translation differences		<u>121,550</u>	<u>53,813</u>
Total equity		1,493,335	1,424,200
Payables to Group companies and associates, non-current	10, 11 and 13 (a)	<u>145,555</u>	<u>167,020</u>
Total non-current liabilities		145,555	167,020
Payables to Group companies and associates, current	10, 11 and 13 (a)	-	3,077
Trade and other payables			
Other payables	10	630	701
Trade payables to Group companies and associates	10 and 13 (a)	19,558	677
Personnel	10	388	268
Current tax liabilities	12	3,270	4,264
Public entities, other	12	<u>364</u>	<u>196</u>
Total current liabilities		24,210	9,183
Total equity and liabilities		<u>1,663,100</u>	<u>1,600,403</u>

The accompanying notes form part of the annual accounts for 2018.

CEMEX LATAM HOLDINGS, S.A.

Income Statement
for the year ended
December 31, 2018

(Expressed in thousands of Euros)

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

	Note	2018	2017
CONTINUING OPERATIONS			
Revenue	13 (b) and 14 (a)	72,736	96,369
Personnel expenses	14 (b)	(2,286)	(2,338)
Salaries, wages and similar costs		(1,783)	(1,944)
Employee benefits expense		(503)	(394)
Other operating expenses	14 (c)	(52,563)	(56,845)
External services		(1,839)	(2,054)
Other operating expenses		(50,724)	(54,791)
Results from operating activities		17,887	37,186
Finance costs	10	(10,036)	(12,150)
Group companies and associates	13 (b)	(10,029)	(12,149)
Other		(7)	(1)
Exchange losses		(8)	(354)
Net finance cost		(10,044)	(12,504)
Profit before tax		7,843	24,682
Income tax	12	(6,445)	(10,908)
Profit for the year		1,398	13,774

The accompanying notes form part of the annual accounts for 2018.

CEMEX LATAM HOLDINGS, S.A.

Statement of Changes in Equity
for the year ended
December 31, 2018A) Statement of recognized income and expense
(Expressed in thousands of Euros)

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

	2018	2017
Profit for the year	<u>1,398</u>	<u>13,774</u>
Income and expense recognized directly in equity		
Translation differences	<u>67,737</u>	<u>(199,962)</u>
Total income and expense recognized directly in equity	<u>67,737</u>	<u>(199,962)</u>
Total recognized income and expense	<u><u>69,135</u></u>	<u><u>(186,188)</u></u>

CEMEX LATAM HOLDINGS, S.A.

Statement of Changes in Equity
for the year ended
December 31, 2018B) Statement of Total Changes in Equity
(Expressed in thousands of Euros)

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

	Registered capital	Share premium	Reserves	Profit for the year	Translation differences	Treasury shares	Total
Balances at December 31, 2016	578,278	728,266	92,104	68,579	253,775	(110,614)	1,610,388
Recognized income and expense	-	-	-	13,774	(199,962)	-	(186,188)
Transactions with shareholders or owners	-	-	68,579	(68,579)	-	-	-
Distribution of profit for 2016	-	-	(885)	-	-	885	-
Other changes	-	-	-	-	-	-	-
Balances at December 31, 2017	578,278	728,266	159,798	13,774	53,813	(109,729)	1,424,200
Recognized income and expense	-	-	-	1,398	67,737	-	69,135
Transactions with shareholders or owners	-	-	13,774	(13,774)	-	-	-
Distribution of profit for 2017	-	-	(1,322)	-	-	1,322	-
Other changes	-	-	-	-	-	-	-
Balances at December 31, 2018	578,278	728,266	172,250	1,398	121,550	(108,407)	1,493,335

The accompanying notes form part of the annual accounts for 2018.

CEMEX LATAM HOLDINGS, S.A.

Statement of Cash Flows
for the year ended
December 31, 2018

(Expressed in thousands of Euros)

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

	Note	2018	2017
Cash flows from operating activities		46,869	86,573
Profit for the year before tax		7,843	24,682
Adjustments to profit		10,044	12,504
Finance costs	10	10,036	12,150
Exchange losses		8	354
Changes in operating assets and liabilities		31,623	55,531
Trade and other receivables		12,525	55,190
Trade and other payables		18,810	348
Other current liabilities		288	(7)
Other cash flows used in operating activities		(2,641)	(6,144)
Income tax paid		(2,641)	(6,144)
Cash flows used in investing activities		(5)	(45,760)
Payments for investments		-	(45,760)
Group companies and associates	7	-	(45,760)
Other financial assets	8	(5)	-
Cash flows used in financing activities		(41,744)	(38,124)
Proceeds from and payments for financial liability instruments		38,345	98,691
Issue		38,345	98,691
Payables to Group companies and associates		38,345	98,691
Redemption and repayment of		(80,088)	(136,815)
Payables to Group companies and associates		(80,088)	(136,815)
Effect of exchange rate fluctuations		(5,254)	(3,096)
Net decrease in cash and cash equivalents		(134)	(407)
Cash and cash equivalents at beginning of year		501	908
Cash and cash equivalents at year end		367	501

CEMEX LATAM HOLDINGS, S.A.

Notes to the Annual Accounts
December 31, 2018

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

(1) Nature and Activities of the Company

Cemex Latam Holdings, S.A. (hereinafter the "Company" or "Cemex Latam") was incorporated on April 17, 2012 as a public limited liability company ("sociedad anónima"), for an unlimited period. Its registered office is located at Calle Hernández de Tejada, 1, in Madrid.

The statutory and principal activities of the Company consist of the management and administration of equity securities of entities not resident in Spain through the organization of material and human resources, as well as the subscription, buy-back, holding, use, management or disposal of securities and stakes in companies, except those subject to specific legislation.

Without prejudice to the foregoing, the Company's statutory activity also includes the following activities:

- Rendering technical assistance, business management and support services to other companies in its group;
- Research and development in the field of construction materials;
- The manufacture, production, purchase, sale, distribution, transportation, marketing, export and import of cement, aggregates, concrete, mortar and any other construction materials, as well as any other product or activity directly or indirectly related to the cement industry and construction materials, and the exploration and operation of mines; and
- Management of all types of by-products and/or waste, in the broadest sense, including collection, transportation by road, sorting, recovery, marketing, treatment, conversion into fuel or raw materials, and disposal.

At December 31, 2018 and 2017 the first two activities listed above are carried out directly by the Company, while the activities described in the last two points are conducted through its subsidiaries.

As detailed in note 13 (b), a significant part of the Company's transactions are with related parties.

As explained in note 7, the Company has equity investments in subsidiaries and associates, and is the parent of a group of companies that operate in Colombia, Panama, Costa Rica, Nicaragua, Guatemala and El Salvador (hereinafter "the Group" or "the Cemex Latam Group"), engaged mainly in the manufacture of cement, concrete and mortar, the extraction of aggregates, and the sale and distribution of the products extracted and manufactured. For the purposes of clarification, (i) the definition provided in this document for the terms "Group" and "Cemex Latam Group" is not contained in the provisions of Title VII, Chapter VI of Income Tax Law 27/2014 of November 27, 2014 on consolidated tax groups, and (ii) although the Company is the parent of a group of companies as defined under legislation in force, and therefore obliged to file consolidated annual accounts, it does not prepare consolidated annual accounts in Spain because the group of which it is the parent forms part of a Spanish group headed by Cemex España, S.A. (hereinafter the "Cemex España Group" or "Cemex España"), which presents consolidated annual accounts pursuant to article 43.2 of the Spanish Code of Commerce. Cemex España's registered office is located at Calle Hernández de Tejada, 1, in Madrid. Cemex España's consolidated annual accounts will be filed at the Madrid Mercantile Registry.

As stated in section c) below, the Company's shares were admitted to trading on the Colombian Stock Exchange ("BVC") on November 16, 2012. As a Spanish company, Cemex Latam is governed by the Spanish Companies Act, as well as its Bylaws, the Regulations of the General Shareholders Meeting, the Regulations of the Board of Directors and other rules approved by the Company's internal governing bodies. Since being admitted to trading, Cemex Latam has implemented a corporate governance system that, subject to the requirements of Spanish legislation, voluntarily adheres to the main good governance recommendations applicable to Colombian issuers.

Lastly, the Company, in turn, forms a part of an international cement and construction materials group (hereinafter "the Cemex Group") of which Cemex, S.A.B. de C.V. (hereinafter "Cemex") is the ultimate parent. Cemex, S.A.B. de C.V. is registered in Monterrey (Mexico) and listed on the Mexican (BMV) and New York (NYSE) stock exchanges.

CEMEX LATAM HOLDINGS, S.A.

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

(a) Relevant event and changes in management and corporate governance

In relation to the construction of a new cement plant in Maceo, in the Antioquia department of Colombia, in 2016 Cemex received reports through its whistle-blowing channel of possible deficiencies in the land purchasing process. Through investigation and internal audit, in accordance with its corporate governance policy and code of ethics, Cemex and the Company were able to confirm that there were irregularities in this process (hereinafter the "Maceo Project"). Moreover, at the request of the respective Audit Committees of Cemex and the Company, an audit firm specialized in forensic audit was hired to conduct an independent investigation of the Maceo Project. Cemex Colombia, S.A. and the Company also hired a firm of external lawyers to assist the Company and Cemex Colombia, S.A. in cooperating, as required, with the Colombian Public Prosecutor's Office, while the government brought in a firm of external lawyers for its own advisory purposes.

Specifically as regards the irregularities arising in the purchasing process for the land and other assets associated with construction of the plant, and taking into consideration the investigations and internal audit, as well as the advice received from external experts, the Cemex Latam Group continues with its initiatives and activities aimed at resolving the internal control weakness in unusual and significant transactions, which Cemex, S.A.B. de C.V. and the Group have defined as a material weakness. At December 31, 2018 the remedial initiatives implemented in 2017, with the approval of the Audit Committee and the Board of Directors of the Company, included the new policy for approving significant unusual transactions, creation of a committee to supervise projects that entail substantial investment, reinforcement of internal audit procedures and enhancement of existing controls used for monitoring purposes so as to operate at a sufficiently accurate level. The remedial activities have been implemented in full at December 31, 2018. However, the effectiveness of these activities is still being assessed, and the material internal control weakness cannot be deemed resolved until management of Cemex Latam concludes that the remedial controls have been operating effectively for a sufficient length of time. The Company does not consider that this weakness has had a material impact on the financial statements previously issued by Cemex Latam.

(b) Incorporation of a branch in Switzerland

On August 1, 2012, the Company resolved to set up a branch in Switzerland (hereinafter the "Branch"). The Branch operates under the name "Cemex Latam Holdings, S.A. Madrid, Swiss Branch Brugg" and its assets, liabilities, expenses and income form an integral part of the Company's annual accounts. Details of the assets and liabilities at December 31, 2018 and 2017 are as follows:

	Thousands of Euros	
	2018	2017
Non-current assets	5	-
Current assets	259,136	217,929
Total assets	259,141	217,929
Current liabilities	23,231	5,088
Total liabilities	23,231	5,088
Reserves	214,760	186,437
Profit for the year	12,589	28,323
Translation differences	8,561	(1,919)
Total equity and liabilities	259,141	217,929

Total assets include the Branch's balances vis-à-vis its parent, amounting to Euros 259,005 thousand at December 31, 2018 (Euros 204,308 thousand at December 31, 2017), which are eliminated when drawing up the Company's annual accounts.

The Branch's principal activity is the licensing, use, development, maintenance and protection of the Cemex Latam Group's intellectual and industrial property rights. Its activity also includes the provision of technical assistance and management services.

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The Branch keeps its own accounts, books and ledgers under Swiss accounting principles independently and separately from the Company's accounts. However, the legal person being one and the same, its results are integrated into the accompanying accounts.

(c) Initial public offering ("IPO")

On November 15, 2012, the Company completed its initial public offering on the Colombian Stock Exchange (BVC) of 170,388,000 new ordinary shares at a price of Colombian Pesos 12,250 (US Dollars 6.75) per share. The Company's shares are listed on the BVC under the ticker CLH. At December 31, 2018, Cemex España, S.A. holds approximately 73.22% of the outstanding ordinary shares of the Company, excluding treasury shares.

(2) Basis of Presentation

(a) True and fair view

The accompanying annual accounts have been prepared on the basis of the accounting records of Cemex Latam and of its Branch in accordance with prevailing legislation and the Spanish General Chart of Accounts, to give a true and fair view of the equity and financial position at December 31, 2018 and results of operations, changes in equity, and cash flows for the reporting period then ended.

The Board of Directors considers that the annual accounts for 2018, authorized for issue on March 27, 2019, will be approved with no changes by the shareholders at their annual general meeting.

In addition, as a foreign issuer of securities on the BVC and in accordance with Colombian securities exchange rules, the Company presents separate (individual) and consolidated financial statements under International Financial Reporting Standards as issued by the International Accounting Standards Board ("IASB"). The financial statements were approved by the Company's Board of Directors on February 6, 2019 and filed with the Financial Superintendency of Colombia ("SFC" – the Colombian securities market regulator). Those financial statements are not submitted to the shareholders for approval at the annual general meeting. However, the consolidated financial statements may be consulted on the Company's website (www.cemexlatam.com) in the Reports Archive section of the Investor Center tab.

(b) Comparative information

The balance sheet, income statement, statement of changes in equity, statement of cash flows and the notes thereto for 2018 include comparative figures for 2017, which formed part of the annual accounts approved by shareholders at the annual general meeting held on June 15, 2018.

(c) Functional and presentation currency

The figures disclosed in the annual accounts are expressed in thousands of Euros, rounded off to the nearest thousand. The Company's functional currency is the US Dollar, as this is the currency in which most of its transactions are carried out.

The following criteria were applied when translating the functional currency to Euros:

- Assets and liabilities are translated at the closing rate at the reporting date.
- Income and expenses are translated at the average exchange rate for the period.
- Exchange gains and losses arising from application of the above criteria are recognized as translation differences in equity.

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

(d) Critical issues regarding the valuation and estimation of relevant uncertainties and judgments used when applying accounting principles

Relevant accounting estimates and judgments and other estimates and assumptions have to be made when applying the Company's accounting principles to prepare the annual accounts. A summary of the items requiring a greater degree of judgment or which are more complex, or where the assumptions and estimates made are significant to the preparation of the annual accounts, is as follows:

The annual accounts of the Company for the years ended December 31, 2018 and 2017 reflect the estimates calculated by Company management and the Cemex Group to measure certain assets, liabilities and commitments disclosed therein. Estimates affecting the most significant items relate to impairment of equity investments in Group companies and associates, and the projections supporting recognition of tax credits for tax loss carryforwards.

The Company tests equity investments in Group companies and associates for impairment on an annual basis when there are indications of impairment. Calculating the recoverable amount of these equity investments requires the Cemex Group to use estimates. The recoverable amount is the higher of fair value less costs to sell and value in use. The Cemex Group determines value in use by applying discounted cash flow methods, which are generally based on the future projections in the budgets approved by the Cemex Group.

The flows take into consideration past experience and represent the Cemex Group's best estimate of future market performance. From the final year cash flows are extrapolated using perpetual growth rates. The key assumptions employed when determining fair value less costs to sell and value in use include growth rates, the weighted average cost of capital and tax rates. The estimates, including the methodology used, could have a significant impact on values and impairment.

Tax projections are determined based on the budgets approved by the Board of Directors and other estimates prepared by the Company's different departments. These projections, which encompass a maximum period of 10 years, take into consideration past experience and represent management's best estimate of future market performance.

Although the estimates made by the Company's Board of Directors were based on the best information available at December 31, 2018, future events may require changes to these estimates in future reporting periods. Any effect on the annual accounts of adjustments to be made in subsequent years would be recognized prospectively.

(e) Going concern

The Company had negative working capital amounting to Euros 21,689 thousand at December 31, 2018, including current payables to Cemex Group companies of Euros 18,417 thousand. However, the Board of Directors have prepared these annual accounts on a going concern basis inasmuch as the parent of the Group to which the Company belongs has expressed in writing its commitment to provide any necessary financial support in the short term to enable the Company to honor all of its commitments, and thereby maintain the financial equilibrium required for it to continue operating as a going concern.

(3) Distribution of Profit

The distribution of the Euros 13,773,636.33 profit for the year ended December 31, 2017, proposed by the Board of Directors and approved by the shareholders at their annual general meeting on June 15, 2018, was as follows:

Distribution	Euros
Legal reserve	1,377,363.63
Voluntary reserves	12,396,272.70
	<u>13,773,636.33</u>

CEMEX LATAM HOLDINGS, S.A.

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December 31, 2018

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

The Board of Directors will propose to the shareholders at their annual general meeting that the Euros 1,397,574.59 profit for the year ended December 31, 2018 be distributed as follows:

Distribution	Euros
Legal reserve	139,757.46
Voluntary reserves	1,257,817.13
	<u>1,397,574.59</u>

The Company's freely distributable reserves are nonetheless subject to the legal limits. Dividends may not be distributed if equity would be less than share capital as a result. Moreover, the distribution of dividends by the Company with a charge to reserves is subject to the limits set out in the Framework Agreement, as explained in note 16.

(4) **Significant Accounting Policies**

(a) Leases

The Company has rights to use certain assets through lease contracts.

Leases in which, upon inception, the Company assumes substantially all the risks and rewards incidental to ownership are classified as finance leases, otherwise they are classified as operating leases.

Operating lease payments are recognized as an expense on a straight-line basis over the lease term.

(b) Financial instruments

The Company recognizes financial instruments when it becomes party to the contract or legal transaction, in accordance with the terms set out therein.

Debt instruments are recognized from the date on which the legal right to receive or legal obligation to pay cash arises. Financial liabilities are recognized at the trade date.

Financial instruments are classified on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the economic substance of the contractual arrangement and the definitions of a financial asset, a financial liability and an equity instrument.

The Company classifies financial instruments into different categories based on the nature of the instruments and the Company's intentions on initial recognition.

A financial asset and a financial liability are offset only when the Company currently has the legally enforceable right to offset the recognized amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

(i) Loans and receivables

These assets mainly include receivables from Group companies and are initially recognized at fair value, including transaction costs, and subsequently measured at amortized cost using the effective interest method. Nevertheless, financial assets which have no established interest rate, which mature or are expected to be received in the short term, and for which the effect of discounting is immaterial, are measured at their nominal amount.

(ii) Investments in Group companies and associates

Group companies are those over which the Company, either directly, or indirectly through subsidiaries, exercises control as defined in article 42 of the Spanish Code of Commerce, or when the companies are controlled by one or more individuals or entities acting jointly or under the same management through contractual agreements or statutory clauses.

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December 31, 2018

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

Control is the power to govern the financial and operating policies of an entity or business so as to obtain benefits from its activities. In assessing control, potential voting rights held by the Company or other entities that are exercisable or convertible at the end of each reporting period are considered.

Investments in Group companies are initially recognized at cost, which is equivalent to the fair value of the consideration given net of transaction costs, and are subsequently measured at cost net of any accumulated impairment.

The Company assesses its equity investments in Group companies to determine whether there is any indication of impairment, recognizing an impairment loss where the carrying amount exceeds the recoverable amount.

Dividends from investments in equity instruments are recognized when the Company is entitled to receive them. If the dividends are clearly derived from profits generated prior to the acquisition date because amounts higher than the profits generated by the investment since acquisition have been distributed, the carrying amount of the investment is reduced.

(iii) Derecognition and modification of financial assets

Financial assets are derecognized when the contractual rights to the cash flows from the financial asset expire or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received, net of transaction costs, including any new asset obtained less any new liability assumed and any cumulative gain or loss deferred in recognized income and expense, is recorded in profit or loss. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the consideration received is recognized in liabilities. Transaction costs are recognized in profit and loss using the effective interest method.

(iv) Impairment of financial assets

A financial asset or a group of financial assets is impaired and impairment losses are incurred if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset and the event or events have an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

The Company recognizes impairment of loans and receivables and debt instruments when estimated future cash flows are reduced or delayed due to debtor insolvency.

For equity instruments, objective evidence of impairment exists when the carrying amount of an asset is uncollectible due to a significant or prolonged decline in its fair value.

(v) Financial liabilities

Financial liabilities mainly include payables to Group companies and trade payables and are recognized initially at fair value less any directly attributable transaction costs. After initial recognition, liabilities classified under this category are measured at amortized cost.

Nevertheless, financial liabilities which have no established interest rate, which mature or are expected to be settled in the short term, and for which the effect of discounting is immaterial, are measured at their nominal amount.

(vi) Derecognition and modification of financial liabilities

The Company derecognizes all or part of a financial liability when it either discharges the liability by paying the creditor, or is legally released from primary responsibility for the liability either by process of law or by the creditor.

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

(c) Own equity instruments

Equity instruments acquired by the Company are shown separately at cost of acquisition as a reduction in capital and reserves in the balance sheet. Any gains or losses on transactions with own equity instruments are not recognized in profit or loss.

Transaction costs related to own equity instruments are accounted for as a reduction in reserves, net of any tax effect.

(d) Cash and cash equivalents

Cash and cash equivalents include cash on hand and demand deposits in financial institutions.

(e) Contributions to defined contribution plans

The Company recognizes the contributions payable to a defined contribution plan in exchange for a service when an employee has rendered services. The contributions payable are recognized as an expense for the period, and as a liability after deducting any contribution already paid.

(f) Revenue from the rendering of services

Cemex Latam's revenue represents the pre-VAT value of royalties paid by its direct and indirect subsidiaries for the use of intangible assets, trademarks and management services of Cemex under licensing agreements arranged through the Branch in Switzerland. Revenue is measured at the fair value of the consideration received or receivable and is recognized once the corresponding service has been provided.

(g) Income tax

The income tax expense or tax income for the year comprises current tax and deferred tax.

Current tax assets or liabilities are measured at the amount expected to be paid to or recovered from the taxation authorities, using the tax rates and tax laws that have been enacted or substantially enacted at the reporting date.

Current and deferred tax are recognized as income or an expense and included in profit or loss for the year, except to the extent that the tax arises from a transaction or event which is recognized, in the same or a different year, directly in equity, or from a business combination.

The Company has elected to file tax under the tax regime for entities holding foreign securities ("ETVEs" in the Spanish acronym), having submitted the pertinent notification to the Spanish Ministry of Finance on November 28, 2012. ETVEs are defined as entities whose corporate purpose consists of managing and administering equity securities of entities not resident in Spain through the organization of material and human resources. Such entities are regulated under Chapter XIII of Income Tax Law 27/2014 of November 27, 2014.

The Company files consolidated tax returns with Cemex España, S.A. and the Cemex España Group companies that are resident in Spain for tax purposes (the "Tax Group"). These companies are Cemex España Operaciones, S.L.U., Cementos Andorra, S.A., Corporación Cementera Latinoamericana, S.L.U., CCL Business Holdings, S.L.U., Business Material Funding, S.L., Macoris Investments, Solvades, S.L.U., Cemex Ventures España, S.L.U., Cemex España Gestión y Servicios, S.L.U., Triexplanada, S.L., Links Connecting the dots, S.L. and Neoris, S.L. The Company recognizes income tax payable or recoverable with a debit or credit to receivables from or payables to Group companies in accordance with the figures included in the consolidated income tax return.

The Company only recognizes deferred tax assets when it is probable that future taxable profit will be generated against which they may be offset within the period stipulated in applicable tax legislation, up to a maximum period of ten years, unless there is evidence that their recovery in a longer period of time is probable and tax legislation provides for their utilization in a longer period or stipulates no time limit for their utilization.

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It is considered probable that the Company will generate sufficient taxable profit to recover deferred tax assets when there are sufficient taxable temporary differences relating to the same taxation authority and the same taxable entity, which are expected to reverse in the same tax period as the expected reversal of the deductible temporary differences or in periods into which a tax loss arising from a deductible temporary difference can be carried back or forward.

In order to determine future taxable profit the Company takes into account tax planning opportunities, provided it intends or is likely to adopt them.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the years when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantially enacted. The tax consequences that would follow from the manner in which the Company expects to recover or settle the carrying amount of its assets or liabilities are also reflected in the measurement of deferred tax assets and liabilities.

Deferred tax assets and liabilities are recognized in the balance sheet under non-current assets or liabilities, irrespective of the expected date of recovery or settlement.

(h) Share-based payment transactions

On January 16, 2013, having received a report from the Appointments and Remuneration Committee approving the initiative, the Company's Board of Directors approved a long-term incentive scheme for certain Cemex Latam Group executives in the form of annual remuneration programs with payment in Company shares, effective from January 1, 2013.

The cost associated with these long-term incentive schemes is the fair value of the shares at the delivery date and is recognized in the income statements of the CEMEX Latam Group companies in which the executives adhering to the scheme render their services. The shares underlying the scheme, which are treasury shares of the Company, are delivered fully paid-in over a period of four years under each annual program. The Company recognizes a reduction in treasury shares with a charge to other capital reserves in the amount of the shares delivered to the executives at the delivery date thereof.

(i) Classification of assets and liabilities as current and non-current

The Company classifies assets and liabilities in the balance sheet as current and non-current. Assets and liabilities are classified as current when they are expected to be realized or settled within 12 months after the reporting date. All other assets and liabilities are classified as non-current.

(j) Transactions between Group companies

Transactions between Group companies are recognized at the fair value of the consideration given or received. Any difference between this value and the amount agreed is recognized in line with the underlying economic substance of the transaction.

(k) Foreign currency transactions, balances and cash flows

Foreign currency transactions have been translated to US Dollars using the spot exchange rate applicable at the transaction date.

Monetary assets and liabilities denominated in foreign currencies have been translated to US Dollars at the closing rate, while non-monetary assets and liabilities measured at historical cost have been translated at the exchange rate applicable at the transaction date.

In the statement of cash flows, cash flows from foreign currency transactions have been translated to US Dollars at the exchange rates at the dates the cash flows occur.

The effect of exchange rate fluctuations on cash and cash equivalents denominated in foreign currencies is recognized separately in the statement of cash flows as effect of exchange rate fluctuations.

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Exchange gains and losses arising on the settlement of foreign currency transactions and the translation to US Dollars of monetary assets and liabilities denominated in foreign currencies are recognized in profit or loss.

(5) Operating Leases - Lessee

Since July 1, 2012 the Company has rented 100m² of space in a building located at Calle Hernández de Tejada, 1 (Madrid) from Cemex España, S.A. under an operating lease. On September 29, 2015, due to Cemex España, S.A. selling the buildings in which the aforementioned space is located to Hermandad Nacional de Arquitectos Superiores y Químicos, Mutualidad de Previsión Social a Prima Fija, and the ensuing lease agreement between the two parties, the Company entered into a new sublease agreement, as sublessee, with Cemex España, S.A. for rental of that same space. The previous lease agreement was therefore terminated. On June 12, 2017 the sublease agreement was amended to reduce the leased surface area and the associated rent, in line with the Company's needs. The remaining terms and conditions of the sublease agreement are unchanged. The new sublease agreement has a term of 10 years and may be extended for two additional periods of two and three years, respectively.

Similarly, since November 2012 the Swiss Branch has leased 300m² of office space from Cemex Research Group AG (CRG) in Brugg, Switzerland. On September 1, 2017, following the amendment of the aforementioned agreement with the consent of the parties, the lease was extended for a further five years, and is automatically renewable for additional one-year periods unless either of the parties gives written notice to the contrary one month in advance of the expiry date of the period in question.

Operating lease payments recognized as expenses amounted to Euros 140 thousand in 2018 and Euros 147 thousand in 2017.

Projected future minimum payments under non-cancelable operating leases are as follows:

	Thousands of Euros	
	2018	2017
Up to one year	143	138
One to five years	451	533
More than five years	66	98
	<u>660</u>	<u>769</u>

(6) Risk Management Policy

The Company's activities are exposed to various financial risks, primarily liquidity risk, cash flow interest rate risk and capital risk. The Company's global risk management program focuses on uncertainties in its sector of operations and in financial markets, and aims to minimize the potentially adverse effects on the Company's financial performance.

The Company's Finance and Management departments ("Comptroller, Internal Control and Internal Audit") work in coordination to jointly oversee the management of the Company's risks based on the policies, procedures and systems ("the Policies and Systems") in place and/or adopted specifically by the Company and other Cemex Latam Group companies. The strategic planning, tax and legal areas are also involved in the process. These departments identify, measure and manage the operating and financial risks to which the Company is exposed, in close collaboration with other Group areas and always under the supervision of the Company's senior management.

The Audit Committee is responsible for supervising the effectiveness of the Company's internal control and for managing corporate risks directly, in line with the duties expressly conferred on it in the Regulations of the Board of Directors. The Audit Committee is assisted in this task by the Company's Internal Audit area, which reports to the Committee. The Board of Directors is ultimately responsible for the appropriate management of the Company's risks, approving and defining suitable guidelines and policies, subject to a prior report by the Audit Committee.

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The main risks and uncertainties identified are:

(a) Liquidity risk

The Company applies a prudent policy to cover its liquidity risks based on having sufficient cash, as well as sufficient financing through credit facilities. One of the objectives of the Company's and the Cemex Group's Treasury department is to maintain flexible financing through drawdowns on credit facilities arranged with Cemex Group companies. Details of financial liabilities by contractual maturity date are provided in notes 10 and 11 (b). In addition, the parent of the Group to which the Company belongs has expressed in writing its commitment to provide any financial support required in the short term (see note 3 (e)).

(b) Cash flow interest rate risk

The Company is exposed to interest rate risk from borrowings (loans and credit facilities) vis-à-vis Cemex Group companies. Fixed-rate loans are exposed to fair value interest rate risk, and are subject to review by the Cemex Group to confirm whether market interest rates are being used.

(c) Capital risk

At December 31, 2018 and 2017 the Company has no financial instruments or transactions involving treasury shares or shares of Cemex S.A.B. de C.V. or third parties, except the share-based payment plans granted to executives. As such, the Company does not expect any changes in forecast cash flows due to variations in share prices.

(7) Investments in Equity Instruments of Group Companies and Associates

Information on equity investments in Group companies and associates is provided in Appendices I and II. At December 31, 2018 and 2017 no indications of impairment have been identified and no impairment has been recognized for equity investments.

Details of and movement in equity investments in Group companies and associates in 2018 and 2017 are as follows:

Thousands of Euros					
Equity investment (*)	12.31.2017	Additions	Disposals	Translation differences	12.31.2018
Corporación Cementera Latinoamericana, S.L.U.	1,585,059	-	-	75,344	1,660,403
Cementos de Centroamérica, S.A. ⁽¹⁾	94	-	-	5	99
Inversiones Secoya, S.A.	67	-	-	2	69
Total	1,585,220	-	-	75,351	1,660,571

Thousands of Euros					
Equity investment (*)	12.31.2016	Additions	Disposals	Translation differences	12.31.2017
Corporación Cementera Latinoamericana, S.L.U.	1,763,046	45,760	-	(223,747)	1,585,059
Equipos Para Uso de Guatemala, S.A.	107	-	-	(13)	94
Inversiones Secoya, S.A.	76	-	-	(9)	67
Total	1,763,229	45,760	-	(223,769)	1,585,220

(*) The Company's equity investments in Cemex El Salvador, S.A. de C.V., Cemex Transportes de Colombia, S.A., Cemex Guatemala, S.A. and Central de Mezclas, S.A. are not listed in the above table because the amounts are less than one thousand Euros.

⁽¹⁾ On July 26, 2018, the merger of Equipos para Uso de Guatemala, S.A. (absorbed company) with and into Cementos de Centroamérica, S.A. (absorbing company) was entered into the Guatemalan Commercial Registry. In this merger, Cementos de Centroamérica, S.A. retained its legal personality and acquired the assets, liabilities, rights and obligations of the absorbed company.

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On September 27, 2018, with the approval of the pertinent authorities, the Company and its subsidiary Corporación Cementera Latinoamericana, S.L.U. ("CCL") sold their operations in Brazil through the sale of the Brazilian company Cimento Vencemos Do Amazonas, Ltda., as part of the binding agreements entered into with Votorantim Cimentos N/NE S.A., for approximately US Dollars 31 million.

In 2017 the Company increased its investment in Corporación Cementera Latinoamericana, S.L.U. by Euros 45,760 thousand by way of contributions made to offset this subsidiary's losses.

The functional currencies of foreign operations are the currencies of the countries in which they are domiciled.

(8) Financial Assets

The classification of financial assets by category and class, except for equity investments in Group companies and associates, at December 31, 2018 and 2017 is as follows:

	2018		2017	
	Non-current At amortized cost or cost	Current At amortized cost or cost	Non-current At amortized cost or cost	Current At amortized cost or cost
Loans and receivables				
Other financial assets				
Group companies and associates (note 13 (a))	3	-	3	-
Investments	5	-	-	-
Trade receivables from Group companies and associates (note 13 (a))	-	1,141	-	13,890
Personnel	-	22	-	21
Total financial assets	<u>8</u>	<u>1,163</u>	<u>3</u>	<u>13,911</u>

The carrying amount of trade and other receivables does not differ significantly from their fair value.

At December 31, 2018, trade receivables from Group companies and associates primarily reflect income tax receivable from Cemex España, S.A., the head of the Spanish tax group (see note 12), while at December 31, 2017 this item mainly consisted of balances receivable from the Cemex Latam Group subsidiaries to which the Company charges royalties for use of intangible assets, trademarks and Cemex management services provided through the Swiss Branch.

(9) Equity

Details of equity and movement during the year are shown in the statement of changes in equity.

(a) Capital

At December 31, 2018 and 2017 the Company's share capital amounts to Euros 578,278,342, represented by 578,278,342 ordinary shares with a par value of Euros 1 each. All the shares are subscribed and fully paid in.

The Company's shares are listed on the BVC under the ticker CLH.

(b) Share premium

The share premium includes contributions made by shareholders where shares are issued above par. The share premium is unrestricted, unless there are negative reserves or losses that reduce equity to below share capital.

(c) Reserves

Details of reserves and profit/loss and movement during the year are shown in Appendix III.

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(i) Legal reserve

The legal reserve has been appropriated in compliance with article 274 of the Spanish Companies Act, which requires that companies transfer 10% of profits for the year to a legal reserve until this reserve reaches an amount equal to 20% of share capital.

The legal reserve is not distributable to shareholders and if it is used to offset losses, in the event that no other reserves are available, the reserve must be replenished with future profits.

(ii) Voluntary reserves

The Company's voluntary reserves are freely distributable, subject to the legal limits. Dividends may not be distributed if equity would be less than share capital as a result.

(iii) Other reserves

Other reserves include the cumulative effect of items and transactions recognized directly in equity.

In 2018 and 2017, other reserves were reduced by Euros 1,322 thousand and Euros 885 thousand, respectively, primarily as a result of transactions involving own equity instruments in relation to the Company shares delivered to executives of the Cemex Latam Group under the share-based payment plans.

(d) Treasury shares

At December 31, 2018 and 2017 the Company holds 21,199,113 and 21,457,624 treasury shares, respectively.

In 2018 and 2017, treasury shares were reduced by Euros 1,322 thousand and Euros 885 thousand, respectively, as a result of the shares delivered to executives of the Cemex Latam Group under the aforementioned share-based payment plans (see note 4 (h)).

(10) Financial Liabilities

The classification of financial liabilities by category and class at December 31, 2018 and 2017 is as follows:

	Thousands of Euros					
	2018			2017		
	Non-current	Current	Total	Non-current	Current	Total
Payables to Group companies and associates (note 13 (a))						
Fixed-rate loans (note 11)	82,149	-	82,149	73,196	-	73,196
Fixed-rate credit facilities (note 11)	63,406	-	63,406	93,824	-	93,824
Accrued interest (note 11)	-	-	-	-	3,077	3,077
	<u>145,555</u>	<u>-</u>	<u>145,555</u>	<u>167,020</u>	<u>3,077</u>	<u>170,097</u>
Trade and other payables						
Other payables	-	630	630	-	701	701
Trade payables to Group companies and associates (note 13 (a))	-	19,558	19,558	-	677	677
Personnel	-	388	388	-	268	268
	<u>-</u>	<u>20,576</u>	<u>20,576</u>	<u>-</u>	<u>1,646</u>	<u>1,646</u>
Total financial liabilities	<u>145,555</u>	<u>20,576</u>	<u>166,131</u>	<u>167,020</u>	<u>4,723</u>	<u>171,743</u>

Debts and payables, for both trade and non-trade transactions, are measured at amortized cost or cost, which is a reasonable approximation of fair value.

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At December 31, 2018, trade payables to Group companies and associates essentially reflect the balance payable to CRG and Cemex Central, S.A. de C.V. for royalties on technical assistance agreements, use of licenses and trademarks received by Cemex Latam Holdings through the Branch, as well as the amount payable to Cemex Colombia, S.A. for administrative services provided to the Group.

Details of gains and losses on financial liabilities recognized in the income statement in 2018 and 2017 are as follows:

	Thousands of Euros	
	2018	2017
Finance costs at amortized cost	10,036	12,150
	<u>10,036</u>	<u>12,150</u>

(11) Payables and Trade Payables(a) Main characteristics of financial debt:

The terms and conditions of loans and financial debt at December 31, 2018 and 2017 are as follows:

2018						Thousands of Euros	
						Amortized cost	
Type	Currency	% effective and nominal rate	Start	Maturity	Nominal amount in original currency (thousands)	Current	Non-current
Group companies and associates							
Fixed-rate loans							
Lomez International B.V.	USD	5.65%	2012	2023	229,507	-	82,149
Fixed-rate credit facilities							
Lomez International B.V.	USD	5.65%	2012	2023	300,000	-	63,406
Accrued interest payable						-	-
						<u>-</u>	<u>145,555</u>
2017						Thousands of Euros	
						Amortized cost	
Type	Currency	% effective and nominal rate	Start	Maturity	Nominal amount in original currency (thousands)	Current	Non-current
Group companies and associates							
Fixed-rate loans							
New Sunward Holding B.V.	USD	5.65%	2012	2023	229,507	-	73,196
Fixed-rate credit facilities							
New Sunward Holding B.V.	USD	5.65%	2012	2023	300,000	-	93,824
Accrued interest payable						3,077	-
						<u>3,077</u>	<u>167,020</u>

On March 1, 2018, as part of the process to simplify the Cemex Group's corporate structure, New Sunward Holding, B.V. ("NSH") transferred to Lomez International, B.V., a Dutch firm that is also part of the Cemex Group, the loans that had been extended by NSH to the Company. The terms and conditions of these loans have not been affected by the transfer.

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In 2017, the Company refinanced its debt to NSH by extending the maturity date to 2023 and reducing the interest rate from 7% to 5.65%, in accordance with market conditions at the renegotiation date. By changing these credit agreements the Company incurred renegotiation expenses of approximately Euros 3,410 thousand (US Dollars 3,867 thousand), which are included at their net amount in the debt balance and repaid over the term of the debt.

(b) Classification of non-current financial liabilities by maturity

At December 31, 2018 and 2017 the classification by maturity of non-current financial liabilities, all of which are payables to Group companies and associates, is as follows:

	Thousands of Euros	
	2018	2017
Five years	145,555	-
Six years	-	167,020
	<u>145,555</u>	<u>167,020</u>

(c) Average supplier payment period

The information required by additional provision three of Law 15/2010 of July 5, 2010 (amended by final provision two of Law 31/2014 of December 3, 2014) is provided below. This information has been prepared in accordance with the Spanish Accounting and Auditing Institute (ICAC) resolution of January 29, 2016 on the information to be included in the notes to the annual accounts in relation to the average supplier payment period in trade operations.

Details of the average supplier payment period are as follows:

	Days	
	2018	2017
Average supplier payment period	31	62
Transactions paid ratio	33	62
Transactions payable ratio	27	12
	Thousands of Euros	
	2018	2017
Total payments made	40,347	58,094
Total payments outstanding	19,907	71

In accordance with the ICAC resolution, the average supplier payment period has been calculated on the basis of trade operations involving the delivery of goods or provision of services that have accrued since the entry into force of Law 31/2014 of December 3, 2014.

For the sole purpose of providing the information envisaged in this resolution, suppliers are considered to be trade payables to suppliers of goods or services recorded as other payables and payables to Group companies and associates under liabilities on the balance sheet.

The average supplier payment period is understood as the period from the date the invoice is received until actual payment.

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(12) Taxation

Details of current balances vis-à-vis public entities at December 31, 2018 and 2017 are as follows:

	Thousands of Euros	
	2018	2017
Assets		
Value added tax and similar taxes	991	768
	<u>991</u>	<u>768</u>
Liabilities		
Current tax liabilities	3,270	4,264
Withholdings	148	102
Social Security	216	94
	<u>3,634</u>	<u>4,460</u>

Details by company of intercompany receivables and payables resulting from the tax effect of filing consolidated tax returns are as follows:

	Thousands of Euros	
	2018	2017
Current assets		
Cemex España, S.A.	752	-
	<u>752</u>	<u>-</u>
Current liabilities		
Cemex España, S.A.	-	57
	<u>-</u>	<u>57</u>

In accordance with current legislation, taxes cannot be considered definitive until they have been inspected by the taxation authorities or before the four-year inspection period has elapsed.

In accordance with Spanish corporate income tax legislation, losses declared may be carried forward to be offset against profits of future accounting periods, indefinitely. Losses are offset when the tax return is filed, without prejudice to the taxation authorities' power of inspection. However, on December 3, 2016 Royal Decree-Law 3/2016 of December 2, 2016, adopting tax-related measures aimed at consolidating public finances and other urgent welfare measures, was published. Pursuant to this legislation, among other tax matters, with effect from January 1, 2016 tax losses may be offset up to a limit of 25% of taxable income before application of the carryforward.

The Company files consolidated income tax returns with its main shareholder, Cemex España, S.A., and the other Cemex Group entities that are resident in Spain for tax purposes. The standard rate of tax is 25%, which may be reduced by certain credits.

The Company is also subject to the tax regime applicable to entities holding foreign securities (ETVEs), in accordance with Title VII, Chapter XIII of Spanish Income Tax Law 27/2014 of November 27, 2014. Under this regime, dividends paid by the Company to shareholders not resident in Spain are not subject to taxation in Spain, unless the shareholder is a resident of a tax haven as defined in Spanish taxation terms, and provided that the dividends originate from tax-exempt income of the Company.

The Branch in Switzerland is a permanent establishment there for the purposes of the double taxation treaty between Switzerland and Spain, and is subject to Swiss tax legislation. It is liable for Swiss corporate income tax, which has a nominal rate of over 10%.

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Income tax is calculated based on accounting profit or loss obtained by applying generally accepted accounting principles, which is not necessarily the same as the taxable income or tax loss. A provisional reconciliation of the accounting profit for 2018 and 2017 with the tax loss for income tax purposes is as follows:

	Thousands of Euros	
	2018	2017
Profit before income tax	7,843	24,682
Permanent differences		
Loss attributable to the Branch	(19,765)	(39,171)
Temporary differences		
Finance costs for the year	4,911	-
Accounting loss for tax purposes	(7,011)	(14,489)
Tax loss of the Company	(7,011)	(14,489)

Negative permanent differences of the foreign Branch relate to income it obtained in Switzerland that is exempt from taxation in Spain.

The temporary differences arising in Spain in 2018 are the result of finance costs that are not deductible in the year. These finance costs may be deducted in subsequent tax periods up to the limits established in income tax regulations.

The Company has not recognized any deferred tax assets or liabilities at December 31, 2018 or 2017.

Details of the income tax expense related to profit/loss for 2018 and 2017 are as follows:

	Thousands of Euros		
	2018		
	Company	Branch	Total
Profit/(loss) for the year before tax	(11,922)	19,765	7,843
Tax paid abroad	-	(5,701)	(5,701)
Temporary differences	4,911	-	4,911
	(7,011)	14,064	7,053
Tax at 25%/9.64% (*)	(1,753)	1,356	(397)
Tax credits not capitalized in the year	1,647	-	1,647
Tax paid abroad	-	5,701	5,701
Other (adjustment of tax for prior year)	(626)	120	(506)
	(732)	7,177	6,445

	Thousands of Euros		
	2017		
	Company	Branch	Total
Profit/(loss) for the year before tax	(14,489)	39,171	24,682
Tax paid abroad	-	(7,680)	(7,680)
	(14,489)	31,491	17,002
Tax at 25%/9.64% (*)	(3,622)	3,036	(586)
Tax credits not capitalized in the year	3,622	-	3,622
Tax paid abroad	-	7,680	7,680
Other (adjustment of tax for prior year)	60	132	192
	60	10,848	10,908

(*) The Branch is subject to a dual tax regime entailing full taxation at federal level and partial exemption at cantonal and local level. The tax rate of 9.64% is the effective rate applicable to the Branch.

At December 31, 2018 tax paid abroad, amounting to Euros 5,701 thousand (Euros 7,680 thousand at December 31, 2017) mainly reflects withholdings in the countries where the Swiss Branch receives royalties from the Company's subsidiaries.

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In 2018 the Company incurred a tax loss on an individual basis, which was utilized by other tax group companies and, therefore, the Company recognized tax income of Euros 106 thousand from Cemex España, S.A., the parent of the Spanish tax group, with a charge to trade receivables from Group companies and associates. In 2017 the Company incurred a tax loss on an individual basis, which was not capitalized or utilized by any of the companies in the tax group. However, based on the final tax return for 2017, tax income of Euros 626 thousand was recognized in 2018 because the tax group companies utilized more losses of the Company (see note 8).

Details of the income tax expense (income) in 2018 and 2017 are as follows:

	Thousands of Euros	
	2018	2017
Current tax		
Present year	6,951	10,716
Prior year adjustments	(506)	192
	<u>6,445</u>	<u>10,908</u>

(13) Related Party Balances and Transactions

Balances and transactions with the Parent reflect those carried out with the principal shareholder, Cemex España, S.A. Balances and transactions with Group companies and other related parties are those conducted with Cemex Latam Group companies and other Cemex Group companies, respectively.

(a) Related party balances

Details of balances with related parties at December 31, 2018 and 2017 are as follows:

	2018			
	Thousands of Euros			
	Parent	Group companies	Other related parties	Total
Non-current investments in Group companies and associates				
Equity instruments (note 7)	-	1,660,571	-	1,660,571
Other financial assets (note 8)	3	-	-	3
Total non-current assets	<u>3</u>	<u>1,660,571</u>	<u>-</u>	<u>1,660,574</u>
Trade and other receivables				
Trade receivables from Group companies and associates (note 8)	756	359	26	1,141
Total non-current assets	<u>756</u>	<u>359</u>	<u>26</u>	<u>1,141</u>
Total assets	<u>759</u>	<u>1,660,930</u>	<u>26</u>	<u>1,661,715</u>
Payables to Group companies and associates, non-current (note 10)	-	-	145,555	145,555
Total non-current liabilities	<u>-</u>	<u>-</u>	<u>145,555</u>	<u>145,555</u>
Payables to Group companies and associates, current (note 10)	-	-	-	-
Trade and other payables				
Trade payables to Group companies and associates (note 10)	58	4,056	15,444	19,558
Total current liabilities	<u>58</u>	<u>4,056</u>	<u>15,444</u>	<u>19,558</u>
Total liabilities	<u>58</u>	<u>4,056</u>	<u>160,999</u>	<u>165,113</u>

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	2017			
	Thousands of Euros			
	Parent	Group companies	Other related parties	Total
Non-current investments in Group companies and associates				
Equity instruments (note 7)	-	1,585,220	-	1,585,220
Other financial assets (note 8)	3	-	-	3
Total non-current assets	3	1,585,220	-	1,585,223
Trade and other receivables				
Trade receivables from Group companies and associates (note 8)	4	13,862	24	13,890
Total non-current assets	4	13,862	24	13,890
Total assets	7	1,599,082	24	1,599,113
Payables to Group companies and associates, non-current (note 10)	-	-	167,020	167,020
Total non-current liabilities	-	-	167,020	167,020
Payables to Group companies and associates, current (note 10)	-	-	3,077	3,077
Trade and other payables				
Trade payables to Group companies and associates (note 10)	103	153	421	677
Total current liabilities	103	153	3,498	3,754
Total liabilities	103	153	170,518	170,774

(b) Related party transactions

The amounts of transactions with related parties in 2018 and 2017 are as follows:

	2018				
	Thousands of Euros				
	Parent	Group companies	Directors	Other related parties	Total
Income					
Income from royalties or licenses	-	51,419	-	-	51,419
Use of trademark	-	3,948	-	-	3,948
Management services	-	17,362	-	-	17,362
Other services rendered	-	7	-	-	7
Total income	-	72,736	-	-	72,736
Expenses					
Expenses for royalties or licenses	-	-	-	30,351	30,351
Use of trademark	-	-	-	3,829	3,829
Management services	-	3,723	-	12,821	16,544
Other services received	37	-	-	103	140
Personnel expenses	-	-	345	-	345
Finance costs	-	-	-	10,029	10,029
Total expenses	37	3,723	345	57,133	61,238

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	2017				
	Thousands of Euros				
	Parent	Group companies	Directors	Other related parties	Total
Income					
Income from royalties or licenses	-	76,476	-	-	76,476
Use of trademark	-	4,879	-	-	4,879
Management services	-	15,004	-	-	15,004
Other services rendered	-	10	-	-	10
Total income	-	96,369	-	-	96,369
Expenses					
Expenses for royalties or licenses	-	-	-	35,508	35,508
Use of trademark	-	-	-	4,845	4,845
Management services	-	-	-	14,438	14,438
Other services received	38	-	-	109	147
Personnel expenses	-	-	331	-	331
Finance costs	-	-	-	12,149	12,149
Total expenses	38	-	331	67,049	67,418

On February 9, 2016 the Company signed a guarantee arrangement for the credit facility agreements entered into by its direct and indirect subsidiaries with Citigroup Inc. or any of the latter's subsidiaries, whereby the Company undertakes to act as guarantor in the event that any of its subsidiaries should fail to meet their payment obligations to Citigroup Inc. under those credit facilities. The Company would only be liable for an amount of up to US Dollars 30,000 thousand. At December 31, 2018 Cemento Bayano, S.A. and Cemex Costa Rica, S.A. have drawn down US Dollars 5,777 thousand and US Dollars 2,500 thousand, respectively, from the aforementioned credit facilities (US Dollars 5,655 thousand and US Dollars 1,857 thousand at December 31, 2017, respectively).

(c) Information on the Company's directors and senior management personnel

During the years ended December 31, 2018 and 2017, the Company's directors did not carry out any transactions outside the ordinary course of business or that were not under market conditions.

The Company has no senior management personnel other than the members of the Board of Directors.

In 2018 and 2017 the members of the Board of Directors did not receive any loans or advances, nor did the Company extend any guarantees on their behalf or pay any public liability insurance premiums for damage or loss caused by actions or omissions in the performance of their duties. The Company has no pension or life insurance obligations with its former or current directors.

In 2018 and 2017 the members of the Board of Directors accrued Euros 345 thousand and Euros 331 thousand, respectively, as remuneration and allowances for attendance at meetings of the Board and its Committees. These amounts were paid during the years in question.

The directors of the Company and their related parties have had no conflicts of interest requiring disclosure in accordance with article 229 of the Spanish Companies Act.

(14) Income and Expenses(a) Revenue

Revenue includes royalties from the use of intangible assets and trademarks, and the services provided to direct and indirect subsidiaries through the human and material resources located in the Swiss Branch. Details of revenue by category of activity are provided in note 13 (b). All of this revenue is generated in Latin America and is accrued in US Dollars.

CEMEX LATAM HOLDINGS, S.A.

Notes to the Annual Accounts
December 31, 2018

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

(b) Personnel expenses and employee information

Details of personnel expenses in 2018 and 2017 are as follows:

	Thousands of Euros	
	2018	2017
Salaries, wages and similar costs		
Salaries and wages	1,427	1,440
Transfers to defined contribution plans	8	7
Other remuneration	348	497
	<u>1,783</u>	<u>1,944</u>
Employee benefits expense		
Social Security payable by the Company	224	194
Other employee benefits expenses	279	200
	<u>503</u>	<u>394</u>
	<u>2,286</u>	<u>2,338</u>

The average number of employees and directors of the Company in 2018 and 2017, by professional category, is as follows:

	Number	
	2018	2017
Directors	9	9
Management	1	1
Middle management and supervisors	15	14
	<u>25</u>	<u>24</u>

The distribution of personnel by gender at December 31, 2018 and 2017 is as follows:

	Number			
	2018		2017	
	Female	Male	Female	Male
Directors	3	6	2	7
Management	-	1	-	1
Middle management and supervisors	8	7	8	6
	<u>11</u>	<u>14</u>	<u>10</u>	<u>14</u>

In 2018 and 2017 the Company had no employees with a disability rating of 33% or higher on its workforce.

(c) Other operating expenses

Other operating expenses mainly include royalty payments for use of intangible assets and trademarks recognized in the Swiss Branch, and management services provided by the Cemex Group.

(15) Audit Fees

The auditor of the Company's annual accounts, KPMG Auditores, S.L., accrued the following fees in 2018 and 2017 in respect of professional services rendered to the Company:

	Euros	
	2018	2017
Audit services	332,603	347,687
Other services	15,794	15,560
	<u>348,397</u>	<u>363,247</u>

Other services comprise reviews of the consolidated and individual interim financial statements under international standards, carried out by KPMG Auditores, S.L. on behalf of Cemex Latam Holdings, S.A. during the years ended December 31, 2018 and 2017.

CEMEX LATAM HOLDINGS, S.A.

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

The amounts shown in the above table reflect the fees for 2018 and 2017, irrespective of the date of invoice.

(16) Commitments and Contingencies

At December 31, 2018 the Company has the following relevant commitments:

On November 15, 2012 Cemex Latam, through its Branch in Switzerland, entered into an agreement with Cemex, S.A.B. de C.V. for use of Cemex trademarks. This agreement has a term of five years and is automatically renewable for equal periods, unless it is terminated by either of the parties one month in advance of the expiry date in question. In 2017 the agreement was renewed for a five-year period until July 1, 2022. Cemex Latam Group companies must pay an annual amount for use of the trademarks. The royalty is calculated based on net annual sales of goods and services, and market prices. The total royalty charge recognized in the income statement for the use of the trademark amounts to Euros 3,829 thousand at December 31, 2018 (Euros 4,845 thousand in 2017).

On November 15, 2012 Cemex Latam, through its Branch in Switzerland, entered into an agreement with CRG for the use, operation and exploitation of intangible assets. This agreement was replaced on January 1, 2014. The agreement has a term of five years as of the novation date and is automatically renewable for equal periods, unless it is terminated by either of the parties one month in advance of the expiry date in question. Cemex Latam Group companies must pay an annual royalty calculated based on net annual sales of goods and services, and market prices. The total royalty charge recognized in the income statement for the use of intangible assets amounts to Euros 30,351 thousand at December 31, 2018 (Euros 35,508 thousand in 2017).

On November 15, 2012 Cemex Latam, through its Branch in Switzerland, entered into a technical assistance agreement with Cemex Central, S.A. de C.V., for the technical, financial, market analysis, legal, human resources and IT areas, and other technical assistance. This agreement has a term of five years and is automatically renewable for equal periods, unless it is terminated by either of the parties one month in advance of the expiry date in question. In 2017 the agreement was renewed for a five-year period until July 1, 2022. Cemex Latam Group companies must pay an annual amount for technical assistance based on net annual sales of goods and services, and market prices. The total expense recognized in the income statement for services received amounts to Euros 12,821 thousand at December 31, 2018 (Euros 14,438 thousand in 2017).

In respect of these three agreements, Cemex Latam has agreed to pay Cemex an amount equivalent to 5% of the Cemex Latam Group's annual consolidated revenue. The 5% rate approved for these agreements cannot be increased without the consent of Cemex Latam's independent directors.

With respect to the IPO (see note 1 (c)) and to prevent potential conflicts of interest, on October 5, 2012 the Company also entered into a framework agreement with Cemex, S.A.B. de C.V. and Cemex España (the "Framework Agreement"). Under the Framework Agreement and in order to help Cemex honor its debt obligations, the Cemex Latam Group will require the prior consent of Cemex S.A.B. de C.V. and Cemex España:

- To carry out any consolidation, merger or cooperation arrangement (joint venture) with any natural or legal person other than Cemex S.A.B. de C.V. or its subsidiaries;
- To carry out any sale, lease, exchange or other arrangement, or acquisition from any person other than Cemex S.A.B. de C.V. or its subsidiaries;
- To issue or sell any shares or equity derivatives or to operate any share-based incentive plans, except (i) the issue of shares by the Company to Cemex S.A.B. de C.V. or its subsidiaries, (ii) the issue of shares to carry out the long-term incentive plan for executives, for an amount not exceeding US Dollars 1.75 million;

CEMEX LATAM HOLDINGS, S.A.

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

- To declare, resolve or pay out dividends, or other distributions by the Company related to its shares, other than (i) through the issuance of ordinary shares of the Company or pre-emptive subscription rights to shareholders of the Company in proportion to their stakes, provided that no cash is paid and no other assets of Cemex S.A.B. de C.V. or its subsidiaries (or any interest in the cash or asset) related to such distribution or interest are transferred to another person who does not belong to Cemex S.A.B. de C.V. or its subsidiaries (other than the Company) and/or (ii) in proportion to non-controlling interests in the Company, provided that each shareholder receives their share of any dividend, distribution or payment of interest at the same time;
- The following: (i) to create, assume, grant or guarantee any type of debt, and (ii) pledge or encumber any assets for a total amount of more than US Dollars 25 million at any time (considering both (i) and (ii));
- To grant loans or assume a creditor position in respect of any type of debt, except (i) with respect to trade loans granted to customers under normal trade terms and in the ordinary course of business, (ii) as deferred consideration in respect of any sale, lease, exchange or other arrangement which the Company or its subsidiaries are authorized to perform without the consent of Cemex S.A.B. de C.V. and Cemex España; and
- To take any action that could reasonably cause Cemex S.A.B. de C.V. or its subsidiaries to breach any agreement or contract, including the debt agreement reached by Cemex S.A.B. de C.V. or its subsidiaries with a banking syndicate and any refinancing, substitution or amendment thereto, and comply with the notification requirements of Cemex S.A.B. de C.V. or its subsidiaries set out in the Framework Agreement for contracts or agreements other than (i) the debt agreement and any refinancing, substitution or amendment thereto, and (ii) the deeds of issuance of Cemex S.A.B. de C.V. or its subsidiaries and any substitution or amendment thereto.

The Framework Agreement may be amended or terminated if agreed in writing between Cemex, S.A.B. de C.V., Cemex España and Cemex Latam, subject to authorization by the independent directors. In addition, the Framework Agreement will be rendered null and void if the Company ceases to be subordinate to Cemex or if Cemex ceases to recognize its investment in Cemex Latam according to the full consolidation or equity method of accounting (or any other method applying similar principles). At its meeting held on March 28, 2017 the Board of Directors approved an amendment to the Framework Agreement to include a mutual interest principle between Cemex, S.A.B. de C.V., Cemex España and the Company in relation to the management of and response to legal proceedings, administrative matters and investigations conducted by governmental authorities or regulators.

(17) Events after the Reporting Period

No significant events have occurred between December 31, 2018 and the date of authorization for issue of these annual accounts.

CEMEX LATAM HOLDINGS, S.A.

Information on Group Companies and Associates
December 31, 2018

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

Name	Registered office	Activity	Auditor
Subsidiaries			
Apollo Re, Ltd.	Bridgetown (Barbados)	Insurance company	KPMG
Cemento Bayano, S.A.	Panama City (Republic of Panama)	Manufacture and sale of cement and concrete	KPMG
Cemex El Salvador, S.A de C.V.	La Libertad (El Salvador)	Sale of cement	KPMG
Cemex Nicaragua, S.A.	Managua (Nicaragua)	Manufacture and sale of cement	KPMG
Cemex Transportes de Colombia, S.A.	Bogotá (Colombia)	Freight	KPMG
Central de Mezclas, S.A.	Bogotá (Colombia)	Mining permits	KPMG
Corporación Cementera Latinoamericana, S.L.U.	Madrid (Spain)	Holding company	KPMG
Cementos de Centroamérica, S.A.	Guatemala City (Guatemala)	Finance	KPMG
Cemex Guatemala, S.A.	Puerto Quetzal (Guatemala)	Manufacture and sale of cement and concrete	KPMG
Cemex Colombia, S.A.	Bogotá (Colombia)	Manufacture and sale of cement and concrete	KPMG
Cemex Costa Rica, S.A.	San José (Costa Rica)	Manufacture and sale of cement	KPMG
Lomas del Tempisque, S.R.L.	San José (Costa Rica)	Holding company	KPMG
Pavimentos Especializados, S.A.	Panama City (Republic of Panama)	Consultancy, advisory, study, design and consumer services	KPMG
Cemex Lan Trading Corporation	Bridgetown (Barbados)	Sale of cement	-
Cemex Premezclados de Colombia, S.A.	Bogotá (Colombia)	Manufacture and sale of construction materials	KPMG
Inversiones Secoya, S.A.	Managua (Nicaragua)	Manufacture and sale of construction materials	KPMG
CCL Business Holdings, S.L.	Madrid (Spain)	Holding company	-
Cemex Finance Latam B.V.	Amsterdam (Netherlands)	Finance	-
Superquímicos de Centroamérica, S.A.	Panama City (Republic of Panama)	Manufacture of chemicals for industry	-
Zona Franca Especial Cementera del Magdalena Medio S.A.S.	Maceo (Colombia)	Sale of construction materials and cement production	Carlos Alvarado Consultores Auditores S.A.S.

This appendix forms an integral part of note 7 to the annual accounts for 2018, in conjunction with which it should be read.

CEMEX LATAM HOLDINGS, S.A.

Information on Group Companies and Associates
December 31, 2017

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

Name	Registered office	Activity	Auditor
Subsidiaries			
Apollo Re, Ltd.	Bridgetown (Barbados)	Insurance company	KPMG
Cemento Bayano, S.A.	Panama City (Republic of Panama)	Manufacture and sale of cement and concrete	KPMG
Cemex El Salvador, S.A de C.V.	La Libertad (El Salvador)	Sale of cement	KPMG
Cemex Nicaragua, S.A.	Managua (Nicaragua)	Manufacture and sale of cement	KPMG
Cemex Transportes de Colombia, S.A.	Bogotá (Colombia)	Freight	KPMG
Central de Mezclas, S.A.	Bogotá (Colombia)	Mining permits	KPMG
Cimiento Vencemos do Amazonas Ltda.	Manaus (Brazil)	Sale of cement	KPMG
Corporación Cementera Latinoamericana, S.L.U.	Madrid (Spain)	Holding company	KPMG
Equipos Para Uso de Guatemala, S.A.	Guatemala City (Guatemala)	Equipment hire	KPMG
Cemex Guatemala, S.A.	Puerto Quetzal (Guatemala)	Manufacture and sale of cement and concrete	KPMG
Cemex Colombia, S.A.	Bogotá (Colombia)	Manufacture and sale of cement and concrete	KPMG
Cemex Costa Rica, S.A.	San José (Costa Rica)	Manufacture and sale of cement	KPMG
Lomas del Tempisque, S.R.L.	San José (Costa Rica)	Holding company	KPMG
Pavimentos Especializados, S.A.	Panama City (Republic of Panama)	Consultancy, advisory, study, design and consumer services	-
Cemex Lan Trading Corporation	Bridgetown (Barbados)	Sale of cement	KPMG
Cemex Premezclados de Colombia, S.A.	Bogotá (Colombia)	Manufacture and sale of construction materials	KPMG
Inversiones Secoya, S.A.	Managua (Nicaragua)	Manufacture and sale of construction materials	-
CCL Business Holdings, S.L.	Madrid (Spain)	Holding company	-
Cemex Finance Latam B.V.	Amsterdam (Netherlands)	Finance	-
Superquímicos de Centroamérica, S.A.	Panama City (Republic of Panama)	Manufacture of chemicals for industry	Carlos Alvarado Consultores
Zona Franca Especial Cementera del Magdalena Medio S.A.S.	Maceo (Colombia)	Sale of construction materials and cement production	Auditores S.A.S.

This appendix forms an integral part of note 7 to the annual accounts for 2018, in conjunction with which it should be read.

CEMEX LATAM HOLDINGS, S.A.

Other Information on Group Companies and Associates
December 31, 2018
(Expressed in thousands of Euros)

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

Subsidiaries	Thousands of Euros									
	% ownership			Profit/(loss)						Carrying amount ⁽²⁾
	Direct	Indirect	Total	Capital	Reserves	Other equity component	Operating activities	Continuing operations	Total equity	
Apollo Re, Ltd	-	100.00%	100.00%	56,080	-	(1,985)	16,203	17,517	71,612	-
Cemento Bayano, S.A. ⁽³⁾	-	99.48%	99.48%	125,980	26,002	(3,230)	15,942	7,703	156,455	-
Cemex El Salvador, S.A de CV	0.01%	99.99%	100.00%	2,280	15,343	(209)	213	(294)	17,120	-
Cemex Nicaragua, S.A.	-	98.85%	98.85%	7	64,102	(9,529)	8,893	8,092	62,672	-
Cemex Transportes de Colombia, S.A. ⁽¹⁾	-	100.00%	100.00%	117	3,286	1,063	1,058	584	5,050	-
Central de Mezclas, S.A. ⁽¹⁾	-	100.00%	100.00%	3,161	4,960	1,398	(18)	(101)	9,418	-
Corporación Cementera Latinoamericana, S.L.U.	100.00%	-	100.00%	1,314,761	130,063	211,856	(132,354)	(161,315)	1,495,365	1,660,403
Cementos de Centroamérica, S.A.	1.00%	99.00%	100.00%	1	16,008	140	(73)	996	17,145	99
Cemex Guatemala, S.A. ^{(1) (3)}	-	100.00%	100.00%	17,703	234,259	1,328	4,076	4,292	257,582	-
Cemex Colombia, S.A. ⁽³⁾	-	99.74%	99.74%	182,781	627,720	(15,676)	30,814	(81,200)	713,625	-
Cemex Costa Rica, S.A. ⁽³⁾	-	98.92%	98.92%	360	126,977	(13,594)	23,934	13,861	127,604	-
Lomas del Tempisque, S.R.L.	-	99.74%	99.74%	109,978	13,343	(7,855)	(34)	5,201	120,667	-
Pavimentos Especializados, S.A.	-	99.74%	99.74%	137	(1,317)	9	(146)	(374)	(1,545)	-
Cemex Lan Trading Corporation	-	100.00%	100.00%	-	21,465	(747)	2,518	2,823	23,541	-
CCL Business Holdings, S.L.	-	100.00%	100.00%	4	71	(3)	-	(4)	68	-
Cemex Premezclados de Colombia, S.A.	-	100.00%	100.00%	40	467	(71)	690	109	545	-
Inversiones Secoya, S.A.	1.00%	99.00%	100.00%	7,131	2,699	(1,453)	3,097	1,053	9,430	69
Cemex Finance Latam B.V.	-	100.00%	100.00%	2,025	(24)	(150)	(5)	375	2,226	-
Superquímicos de Centroamérica, S.A.	-	100.00%	100.00%	8	966	29	1,559	1,556	2,559	-
Zona Franca Especial Cementera del Magdalena Medio S.A.S.	-	99.74%	99.74%	55,587	(15,281)	(6,448)	(3,390)	(9,877)	23,981	-
										<u>1,660,571</u>

This appendix forms an integral part of notes 1 and 7 to the annual accounts for 2018, in conjunction with which it should be read.

(1) One share is held by Cemex Latam Holdings, S.A.

(2) The Company's equity investments in Cemex El Salvador, S.A. de C.V., Cemex Transportes de Colombia, S.A., Cemex Guatemala, S.A. and Central de Mezclas, S.A. are not listed in the above table because the amounts are less than one thousand Euros.

(3) Consolidated figures

CEMEX LATAM HOLDINGS, S.A.

Other Information on Group Companies and Associates
December 31, 2017
(Expressed in thousands of Euros)

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

	Thousands of Euros									
	% ownership				Profit/(loss)					
	Direct	Indirect	Total	Capital	Reserves	Other equity components	Operating activities	Continuing operations	Total equity	Carrying amount ⁽²⁾
Subsidiaries										
Apollo Re, Ltd	-	100.00%	100.00%	54,304	-	(4,908)	1,718	1,776	51,172	-
Cemento Bayano, S.A. ⁽³⁾	-	99.48%	99.48%	125,980	23,500	(11,436)	41,911	28,657	166,701	-
Cemex El Salvador, S.A. de CV	0.01%	99.99%	100.00%	2,280	17,531	(1,152)	(268)	(669)	17,990	-
Cemex Nicaragua, S.A.	-	98.85%	98.85%	7	52,659	(9,489)	14,402	11,423	54,600	-
Cemex Transportes de Colombia, S.A. ⁽¹⁾	-	100.00%	100.00%	117	2,515	(22)	985	809	3,419	-
Central de Mezclas, S.A. ⁽¹⁾	-	100.00%	100.00%	3,161	5,301	(605)	(3)	(121)	7,736	-
Cimiento Vencemos do Amazonas Ltda. ⁽¹⁾	-	100.00%	100.00%	9,159	47,131	7,543	(42,720)	(26,257)	37,576	-
Corporación Cementera Latinoamericana, S.L.U.	100.00%	-	100.00%	1,314,761	281,077	138,511	(123,519)	(151,014)	1,583,335	1,585,059
Equipos Para Uso de Guatemala, S.A. ⁽³⁾	1.00%	99.00%	100.00%	1	17,974	(1,479)	94	(153)	16,343	94
Cemex Guatemala, S.A. ^{(1) (3)}	-	100.00%	100.00%	17,783	231,075	(8,161)	8,077	4,488	245,185	-
Cemex Colombia, S.A. ⁽³⁾	-	99.74%	99.74%	182,296	610,409	8,107	6,545	(20,708)	780,104	-
Cemex Costa Rica, S.A. ⁽³⁾	-	98.83%	98.83%	360	97,353	(10,991)	39,603	28,889	115,611	-
Lomas del Tempisque, S.R.L.	-	99.74%	99.74%	109,978	23,192	(12,063)	10	(2,985)	118,122	-
Pavimentos Especializados, S.A.	-	99.74%	99.74%	137	(957)	57	(158)	(358)	(1,121)	-
Cemex Lan Trading Corporation	-	100.00%	100.00%	-	16,429	(1,771)	4,960	5,036	19,694	-
CCL Business Holdings, S.L.	-	100.00%	100.00%	4	65	(6)	-	6	69	-
Cemex Premezclados de Colombia, S.A.	-	100.00%	100.00%	40	339	(30)	914	112	461	-
Inversiones Secoya, S.A.	1.00%	99.00%	100.00%	7,131	1,528	(1,441)	3,692	1,171	8,389	67
Cemex Finance Latam B.V.	-	100.00%	100.00%	2,025	21	(249)	(23)	(46)	1,751	-
Superquímicos de Centroamérica, S.A.	-	100.00%	100.00%	8	(266)	(50)	1,433	1,242	934	-
Zona Franca Especial Cementera del Magdalena Medio S.A.S.	-	99.74%	99.74%	56,171	(8,520)	(10,765)	(4,949)	(7,280)	29,606	-
										1,585,220

This appendix forms an integral part of notes 1 and 7 to the annual accounts for 2018, in conjunction with which it should be read.

(1) One share is held by Cemex Latam Holdings, S.A.

(2) The Company's equity investments in Cemex El Salvador, S.A. de C.V., Cemex Transportes de Colombia, S.A., Cimiento Vencemos Do Amazonas, Ltd., Cemex Guatemala, S.A. and Central de Mezclas, S.A. are not listed in the above table because the amounts are less than one thousand Euros.

(3) Consolidated figures

CEMEX LATAM HOLDINGS, S.A.

Details of Reserves
December 31, 2018 and 2017
(Expressed in thousands of Euros)

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

	Legal reserve	Voluntary reserves	Other reserves	Total
Balance at December 31, 2016	10,527	92,438	(10,861)	92,104
Distribution of profit	6,858	61,721	-	68,579
Other changes in equity	-	-	(885)	(885)
Balance at December 31, 2017	17,385	154,159	(11,746)	159,798
Distribution of profit	1,378	12,396	-	13,774
Other changes in equity	-	-	(1,322)	(1,322)
Balance at December 31, 2018	18,763	166,555	(13,068)	172,250

This appendix forms an integral part of note 9 to the annual accounts for 2018, in conjunction with which it should be read.