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1999 First Quarter Results

EBITDA Increases 16% and Cash Earnings 25% in US Dollar Terms

- Net sales increased 6% in real terms to Ps. 10.646 billion during the first quarter of 1999 versus the same quarter of 1998. In dollar terms, net sales increased 13% in the first quarter to US$1.119 billion

- Operating margin was 28.3% during the first quarter, versus 27.1% for the year ago period. Operating income increased 10% to Ps. 3.014 billion (US$317 million) in the first quarter 1999.

- EBITDA increased 9% in real terms during the first quarter to Ps. 3.788 billion. In dollar terms, EBITDA grew 16% to US$398 million during the first quarter as compared to US$342 million during the same period a year ago. EBITDA, with respect to the CEMEX Group, equals operating income before amortization expense plus depreciation. Amortization of goodwill is not included in operating income, but instead recorded in other income (expense) below the operating line. EBITDA does not include certain extraordinary income and expenses, which are not included in operating income under Mexican GAAP.

- Cash earnings (EBITDA less net interest expense) in the first quarter grew 17% in real terms versus the prior year, to Ps. 2.706 billion (Ps. 4.45 per ADR), or 25% in dollar terms to US$285 million (US$0.47 per ADR). The ADR ratio is 2:1 per ordinary share. Excluding shares held in trust for equity swaps, the average number of ordinary shares outstanding during the quarter totaled 1,216 million.

- Majority net income during the first quarter of 1999 increased 54% to Ps. 2.848 billion (including monetary position gains of Ps. 1.473 billion) or US$299 million. Majority net income during the same period in 1998 was Ps. 1.845 billion (including monetary position gains of Ps. 1.677 billion) or US$182 million.

- Earnings per ADR in the first quarter was Ps. 4.68 (US$0.49), versus Ps. 3.03 (US$0.30) during the same period a year ago.

- For the first quarter of 1999 Free Cash Flow totaled Ps. 1.816 billion (Ps. 2.99 per ADR), a 7% increase from the same period of last year. In dollar terms, free cash flow grew 14% to US$191 million (US$0.31 per ADR).

- Interest plus Preferred dividend coverage (EBITDA before operating lease payments and cost restatements for inflation divided by interest expense plus dividend on Preferred Capital Securities) was 3.12 times for the trailing twelve months versus 2.62 times a year ago. Leverage as defined by Net Debt to Trailing Twelve Month EBITDA declined to 3.16 times, versus 3.65 times at the end of the first quarter of 1998.

- Net debt (on-balance sheet debt plus equity obligations minus cash and cash equivalents) was US$4.956 billion at the end of the first quarter of 1999. Net debt increased US$299 million as compared to the end of the first quarter 1998, mainly as a result of the acquisition of APO Cement and the consolidation of Rizal Cement, two companies from the Philippines.

- In the first quarter of 1999 CEMEX's consolidated cement volumes increased 8% (domestic volumes increased 8% and export volumes increased 4%) while ready-mix volumes decreased 2%.

Consolidated Results (in real terms)

Monterrey, N.L., Mexico, April 20, 1999, CEMEX, S.A. de C.V. (OTC: CMXBY) announced today first quarter 1999 results:

Net sales increased 6% in real terms to Ps. 10.646 billion during the first quarter of 1999 versus the same quarter of 1998. 2% of this increase is due to the consolidation of Rizal Cement Co. from the Philippines, and the rest was attributable to strong pricing and higher domestic demand in many of the Company's markets. In dollar terms, net sales increased 13% in the first quarter to US$1.119 billion.

North America represented 59% of first quarter net sales, South America & the Caribbean 22% and Europe and Asia 19%.

CEMEX **consolidated cement volumes** increased 8% in the first quarter (domestic volumes increased 8% and export volumes increased 4%), while **ready-mix volumes** decreased 2%.

Operating income increased 10% in real terms to Ps. 3.014 billion for the quarter and increased 18% in dollar terms to US$317 million. **Operating margin** in the first quarter increased to 28.3% from 27.1% last year, attributable to strong pricing, increase in volumes and lower costs.

EBITDA in the quarter was Ps. 3.788 billion, an increase of 9% in real terms over the first quarter of 1998 due to stronger prices and lower costs in most operations. In dollar terms, EBITDA reached US$398 million, a 16% increase over the US$342 million reported during last year's first quarter. **EBITDA margin** was 35.6% in the quarter versus 34.5% in the first quarter of 1998.

In the first quarter, North America represented 65% of total EBITDA, South America & the Caribbean 18% and Europe and Asia 17%.

EBITDA, with respect to the CEMEX Group, equals operating income before amortization expense plus depreciation. Amortization of goodwill is not included in operating income, but instead recorded in other income (expense) below the operating line. EBITDA does not include certain extraordinary income and expenses, which are not included in operating income under Mexican GAAP.

Cash earnings (EBITDA less net financial expenses) were Ps. 2.706 billion (Ps. 4.45 per ADR) in the quarter, 17% higher in real terms. In dollar terms, cash earnings increased 25% to US$285 million (US$0.47 per ADR) from the first quarter of 1998.

First quarter **interest expenses** were Ps. 1.157 billion, a 7% decrease over the same period in 1998. In dollar terms, interest expenses were US$122 million, a 1% decrease versus the first quarter of 1998.

Net Foreign Exchange Gain (Loss) in the first quarter was a gain of Ps. 425 million, a significant change versus the loss of Ps. 605 million reported during the first quarter of 1998, principally due to the appreciation of the Mexican Peso versus the US Dollar during the first quarter 1999.

A **net monetary position gain** of Ps. 1.473 billion was recognized during the first quarter, a decrease of 12% in real terms versus the comparable period a year earlier. The weighted average inflation factor used in the first quarter to calculate the net monetary position gain was 3.65%.

Other Expenses and Income was an expense of Ps. 583 million versus an expense of Ps. 305 million during the first quarter of 1998. Most of this increase was attributable to increase in severance payments, dumping charges and a decrease in gains from sale of assets. In cash, this account reflected an expense in the first quarter of 1999 of Ps. 38 million or US$4 million.

Cash tax paid during the first quarter of 1999 was approximately Ps. 133 million (US$14 million). The **total effective tax rate** was 8% in the quarter.

Minority interest declined 43% to Ps. 173 million in the quarter in real terms from Ps. 301 million in the first quarter of 1998, due principally to losses in the Colombian operations.

North America Region

Mexico (Constant Pesos)

In the following section we analyze the results of our businesses in Mexico on a proforma basis, but only the operational aspects as a business unit rather than an independent company. For this reason we do not analyze the remaining items in the financial statements and these figures are not included in the tables.

Beginning in 1999, CEMEX-Mexico's results will only include cement and cement related activities. In the past, CEMEX-Mexico's results included the tourism business, which is being held for divestment. Tourism results are presented within CEMEX's consolidated results beginning in 1999. CEMEX-Mexico's historic proforma results excluding tourism business are available upon request.

Net sales during the first quarter were Ps. 4.813 billion, an increase of 10% compared with the equivalent period in 1998 due primarily to stronger domestic cement volumes and prices. In dollar terms, net sales increased 17% to US$506 million.

Domestic grey cement volume increased 7% in the first quarter of 1999 versus 1998, while **ready-mix volumes** increased 1% driven by private sector demand.

CEMEX's **average realized grey cement price** (invoice) in Mexico during the first quarter increased 2% versus the first quarter of 1998 in constant peso terms. In dollar terms, prices rose 5% versus the same period a year ago.

The **average ready-mix price** increased 7% in constant peso terms and increased 10% in dollar terms over the first quarter 1998.

During the first quarter, both domestic cement and ready-mix volumes remained strong due to a renewed confidence in the Mexican economy has created a solid performance for the cement industry. In the ready-mix sector, CEMEX has also entered new markets with lower, but consistent ready-mix volume demand, and has developed new products for urban pavements.

Total export volumes increased 1% during the quarter compared with the first quarter of 1998. Exports from Mexico during the quarter were distributed as follows:

North America: 57% **The Caribbean: 26%** **Central/South America: 17%**

The **average cash cost of goods sold** per ton in the first quarter of 1999 decreased 9% in constant peso terms versus the first quarter of 1998. The 4% reduction in variable costs was primarily due to lower energy costs, while the 18% reduction in fixed costs was lead by lower maintenance costs. In dollar terms, cash costs decreased 6% versus the year ago period.

Operating income was Ps. 2.100 billion, 19% higher than the same quarter a year ago. **Operating margin** in Mexico increased to 43.6% during the period from 40.2% in 1998.

EBITDA in Mexico increased 18% in constant peso terms to Ps. 2.442 billion in the first quarter and in dollar terms grew 25% to US$257 million. **EBITDA margin** was 50.7% in the first quarter of 1999 versus 47.3% a year ago.

United States (US Dollars)

For analysis purposes, CEMEX USA's figures are presented in dollars. In the consolidation process, CEMEX USA's figures are converted into pesos and to Mexican GAAP. Cement and aggregate volumes and prices have been converted from short tons to metric tons using 1.102311 short tons per metric ton, and ready-mix volumes from cubic yards to cubic meters using 1.3079 cubic yards per cubic meter.

Net sales in the United States operations during the first quarter of 1999 were US$143 million, a 33% increase over the same period a year ago from stronger prices and volumes for both cement and ready-mix.

Cement sales volume increased by 41% during the first quarter of 1999 as compared to the same period in 1998. Demand is expected to remain strong going forward due to recent federal legislation (TEA 21- Transportation Equity Act for the Twenty First Century) which will significantly increase federal funding for highway construction over the next six years. **Ready-mix volumes** increased 26% and **aggregates volumes** increased 58% over the same period a year ago.

Average realized cement prices increased 10% in the first quarter versus the same period in 1998 as local cement producers are operating at capacity. **Average ready-mix prices** during the quarter increased 9% versus a year ago, while the **average price of aggregates** increased 9%.

Operating margin increased to 19.9% in the first quarter from 6.6% in 1998 due to a more favorable pricing environment and lower operating costs as a percentage of sales.

Operating income in the first quarter of 1999 was US$28 million, 299% higher than the first quarter of 1998.

EBITDA increased 192% to US$33 million from US$11 million for the same period a year ago. **EBITDA margin** increased to 22.9% from 10.4% in the in the first quarter of 1998.

South America & the Caribbean Region

Venezuela (Constant Bolivars)

For analysis purposes, Vencemos' figures are presented in constant Bolivars considering Venezuelan inflation. When consolidated into CEMEX's results, these figures are converted into Dollars and then into Pesos and Mexican GAAP.

In 1998, Vencemos began consolidating its majority interest in Cementos Nacionales of the Dominican Republic. Vencemos completed the purchase of 100% of Cementos Nacionales in December of 1998, requiring full consolidation of results. Vencemos' historic proforma results including Cementos Nacionales are available upon request.

During the first quarter of 1999, **net sales** in Vencemos were Bs. 92.520 billion. This represents a 12% decrease in constant Bolivar terms over the same period in 1998 and was due primarily to lower prices in constant Bolivar terms as well as lower domestic cement volumes. In dollar terms, net sales increased 1% to US$158 million for the same period.

Venezuela **domestic cement volume** decreased 18% in the quarter compared to the first quarter of 1998, principally driven by a decline in private sector demand. Venezuela **ready-mix volume** decreased 14%.

The volume of **exports** from Venezuela grew 15% during the first quarter as compared to same period a year ago and in the period comprised 51% of total sales volumes versus 43% a year ago. Exports during the quarter were distributed as follows:

North America: 58% The Caribbean & Central America: 33% South America: 9%

Venezuela **domestic cement prices** and **ready-mix prices** decreased by 4% and 3% respectively, in constant Bolivar terms, when compared with the first quarter of 1998. In dollar terms, cement and ready-mix prices increased 11% and 12%, respectively, as inflation between March 1998 and March 1999 was approximately 28/%, while the Bolivar devalued only 11% during the period.

The average **cash cost of goods sold** per ton in Venezuela increased 14% in constant Bolivar terms in the first quarter of 1999 compared to the first quarter of 1998. Fixed costs per ton increased 19% from higher salaries. Variable costs per ton increased 6% due to higher natural gas costs. In dollar terms, the cash cost per ton increased 30% versus the same period a year ago.

Operating margin for Vencemos consolidated decreased to 22.0% in the first quarter from 31.1% in the prior year. **Operating income** was Bs. 20.313 billion, 38% lower in constant Bolivar terms than the first quarter last year.

For Vencemos, **EBITDA** was Bs. 27.852 billion for the quarter, a 31% decrease over the same period in 1998. In dollar terms, EBITDA decreased 21% to US$48 million. The **EBITDA margin** was 30.1% in the first quarter of 1999 versus 38.7% in 1998.

Colombia (Colombian pesos)

For analysis purposes, Diamante's figures are presented in constant Colombian pesos. When consolidated into CEMEX's results, these figures are converted into dollars and then into Mexican pesos and Mexican GAAP. For comparative purposes 1999 figures, as in 1998, are presented in constant terms. However, for the second quarter this could change in accordance with modifications to the Colombian GAAP.

Net sales of the Colombian operations, in constant Colombian pesos, were CPs. 79.350 billion (US$52 million), 46% lower as compared to the first quarter of 1998.

Unfavorable economic conditions continue to impact the Colombian construction sector where cement demand remains depressed. **Domestic grey cement volume** decreased 44% in the first quarter of 1999 versus 1998, while **ready-mix volumes** decreased 31% driven by private sector demand.

CEMEX's **average realized grey cement price** (invoice) in Colombia during the first quarter decreased 3% versus the first quarter of 1998 in constant peso terms. In dollar terms, prices was 3% lower versus the same period a year ago.

The **average ready-mix price** increased 3%t in constant Colombian peso terms and increased 3% in dollar terms over the first quarter 1998.

The **average cash cost of goods sold** per ton in the first quarter of 1999 decreased 16% in constant Colombian peso terms versus the first quarter of 1998. The 14% reduction in variable costs was primarily due to lower raw material costs, while the 18% reduction in fixed costs was lead by lower spare part costs. In dollar terms, cash costs decreased 14% versus the year ago period.

Operating margin was 14.7% in the first quarter on an **operating profit** of CPs. 11.632 billion. This compares to an operating margin of 21.9% and operating income of CPs. 32.066 billion a year ago.

EBITDA was CPs. 29.619 billion (US$19 million) in the first quarter of 1999, a decrease of 44% versus the same period in 1998. However, **EBITDA margin** increased from 35.9% last year to 37.3% in the first quarter of 1999.

Europe and Asia Region

Spain (Pesetas)

For analysis purposes, Spanish results are presented in pesetas. When consolidated into CEMEX's results, these figures are converted into dollars and then into pesos under Mexican GAAP.

The Spanish operations reported **net sales** of Ptas. 30.128 billion during the first quarter, a 2% increase compared with the same period in 1998. This increase was due primarily to stronger prices and growth in domestic cement and ready-mix volumes. Considering the sale of the Andalusian assets in November, on a like-like basis sales grew 16% versus the same period in 1998 in peseta terms.

Domestic cement volume remained flat while **ready-mix volume** decreased 4% during the first quarter of 1999 compared to the same period of 1998. Considering the sale of the Andalusian assets in November, on a like-like basis domestic cement volume increased 14%, whereas ready-mix volume grew 27% versus the same period in 1998. Building activity continues to improve due to a favorable environment of lower interest rates and higher employment rates. In particular, the housing sector remains strong and non-residential construction continues to improve, primarily in industrial projects and new office space. At the same time, civil engineering has started to show a very positive impact on the construction sector.

Exports from CEMEX Spain decreased 3% in the first quarter compared to the first quarter of 1998, distributed as follows:

North America: 76% **Europe & the Middle East: 18%** **Africa: 6%**

The average **domestic price for cement** increased 4% in peseta terms, when compared with the same period of the previous year, and increased 7% in dollar terms due to the appreciation of the Peseta. The **average price for ready-mix** during the period increased 8% in peseta terms and increased 11% in dollar terms.

The average **cash cost of goods sold** per ton decreased 8%, in Peseta terms, in the first quarter of 1999 versus 1998. Fixed costs per ton in Peseta terms decreased 3% from lower labor costs. Variable costs per ton decreased by 12% in Peseta terms due primarily to lower raw material and electricity costs. In dollar terms the cash cost of goods sold per ton decreased 6% year over year.

Operating income in the first quarter was Ptas. 9.157 billion, 27% higher than in 1998. **Operating margin** was 30.4% as compared to 24.4% in the same period a year ago.

EBITDA increased 15% year over year to Ptas. 11.528 billion. In dollar terms, EBITDA grew 17% to US$75 million in the first quarter of 1999, while **EBITDA margin** increased to 38.3% versus 34.1% a year earlier. Considering the sale of the Andalusian assets in November, on a like-like basis EBITDA grew 29% versus the same period in 1998 in peseta terms.

Philippines

For analysis purposes, Philippine results are presented in Philippine pesos. When consolidated into CEMEX's results, these figures are converted into dollars and then into Mexican pesos under Mexican GAAP.

In the first quarter of 1999, Philippine section presents only the figures of Rizal Cement Co. APO Cement has not been consolidated into CEMEX's figures in the first quarter 1999.

The Philippine operations reported **net sales** of FPs. 639 million during the first quarter.

Operating income in the first quarter was a loss of FPs. 228 million. **Operating margin** was –35.7%.

EBITDA in the period was a negative FPs. 76 million, whereas in dollar terms EBITDA was a negative US$2 million. **EBITDA margin** was –11.9%.

At March 31, 1999, CEMEX's 100% interest in APO Cement was accounted for under the equity method, reflecting an investment of Ps. 3,926 million in the Investment in Associated Companies account, which is part of Other Assets.

Financial Position and Activities

	03/31/99	12/31/98	03/31/98
Interest Coverage (LTM)	3.12	3.03	2.62
Interest Expense plus Cash Tax Coverage (LTM)	2.92	2.74	2.41
Leverage (Net Debt / EBITDA –LTM-)	3.16	3.09	3.65
Net Debt (USD billion)	4.956	4.585	4.657
Total Debt plus Equity Obligations (USD billion)	5.332	4.992	5.079
On-Balance Sheet Debt (USD billion)	4.582	4.242	4.579
Equity Obligations (USD million)	750	750	500
Short Term Debt	26%	26%	12%
Long Term Debt	74%	74%	88%
Denomination	98%USD, 1%Ptas	97%USD, 2%Ptas	96%USD, 4%Ptas
Average Cost	7.9%USD, 3.8%Ptas	8.1%USD, 4.5%Ptas	8.1%USD, 5.1%Ptas

Note. For the calculation of Net Debt, Net Debt to EBITDA, Interest Coverage, and Interest Expense plus Cash Tax Coverage, the Company is conservatively adding the Preferred Capital Security (US$250 million) because of the Put option to CEMEX in 2005 under the structure. Net debt is defined as on-balance sheet debt plus equity obligations minus cash and cash equivalents. LTM represents "Latest Twelve Months."

(USD million)	IQ-99	IQ-98
EBITDA	398	342
- Net Interest Expense	114	115
- Capital Expenditures	35	58
- Working Capital Investment	38	(20)
- Taxes and Dividends	20	22
Free Cash Flow	191	167

Principal uses of 1999 first quarter Free Cash Flow was to partially fund the strategic investments in the Philippines (US$400 million) and Indonesia (US$73 million).

Restructuring of Equity Swaps

On February 5, the company finished the renegotiations to increase the existing US$320 million equity swap with Valenciana shares, to US$ 500 million. The additional proceeds of US$180 million were applied to terminate the existing equity swaps with CEMEX shares for the same amount. After the completion of this transaction, the total amount of equity swaps remained at US$500 million.

The equity swap is denominated in US dollars and CEMEX has the option to repurchase the Valenciana shares in 3 trenches during the next 28 months or to renegotiate an extension up to 58 months. The transaction was made by Sunward, a company based in the Netherlands, which is the holding of the Valenciana shares.

US$110 Million Drawn Down of Revolving Credit Facility

On March 25, CEMEX drew down the remaining US$110 million of the US$600 million Revolving Credit Facility to mitigate the refinancing risk of short-term debt at the Holding Company. The proceeds can be converted in May 1999 into a medium-term loan with a final maturity in May 2001.

Hedging Activities

To actively manage interest rate, currency and employee stock options exposures arising in the ordinary course of business, CEMEX has entered into financial arrangements in the derivatives and swaps markets. At the end of the first quarter of 1999, the outstanding transactions have been designated for either interest rate or capital hedges. The financial effect of these operations is reflected as either part of interest expense or stockholders equity, as appropriate.

Strategic Developments

Investment in APO Cement

On February 16, CEMEX acquired a 99.9% economic interest in APO Cement Corporation in conjunction with Philippine investors through a Philippine company. As part of the agreement, and subject to nationality requirements, CEMEX has the right to designate the members of the board of directors of APO. With an investment of US$400 million, CEMEX obtained the economic rights of 99.9% of APO's paid in capital. Including an expansion that will be operational in the first half of 1999, the company has 3.0 million metric tons of cement production capacity. APO has US$100 million in debt.

This transaction allows CEMEX to increase its presence in the Philippine cement market, consolidating the company's position as the country's second largest cement producer.

Year 2000 Issues Addressed

In January 1998 CEMEX launched a company-wide program called "CEMEX 2000". The objective of this program is to assure continuous business operation on the year 2000 and beyond, through the preparation of sensitive business areas to the Year 2000 Problem (Y2K). This preparation includes information technology, manufacturing technology and the extended business network. The program has been reviewed by IBM Global Services in order to identify areas of opportunity for process improvement and to reduce business risk. TAVA Technologies is providing assistance in the preparation of the manufacturing technology, the identification of potential problems and in the implementation of solutions in our plants.

CEMEX's Y2K solution includes improvement of business practices and the replacement of certain technologies worldwide to provide benefits in the future. As part of the program, CEMEX has also implemented a continuous follow-up plan to monitor the progress of its most important suppliers, customers, financial institutions and government. As of March 1999, the total amount executed has been approximately US$21 million. The budget for executing this company-wide effort is expected to reach an estimated total cost of US$43 million.

The program is currently in the implementation and testing phases and is expected to be completed by mid-year 1999. The scope of the program also includes the implementation of selective contingency plans that support the continuous operation of the core business processes.

Equity Related Information

The breakdown of the average number of shares outstanding for the first quarter of 1999 is as follows:

Average number of shares outstanding	**1,216,122,156**
CEMEX A shares	440,438,136
CEMEX B shares	381,265,681
CEMEX CPO shares	394,418,339
Average number of shares held in trust for equity swaps	
CEMEX B shares	7,456,044
CEMEX CPO shares	6,741,573

Change in period end shares outstanding as of March 31, 1999:

Number of shares outstanding as of December 31, 1998	**1,223,227,464**
Change in the number of total shares subscribed and paid between periods resulting from the exercise of stock options	17,343
Decrease (Increase) in CEMEX shares held at subsidiaries *(including change in number of shares held in trust for equity swaps)*	97,043
Number of shares outstanding as of March 31, 1999	**1,223,341,850**

Employee Stock Options

In 1995, the Company adopted a stock option plan under which the Company is authorized to grant, to directors, officers and other employees, options to acquire up to 72,100,000 CEMEX B shares. As of March 31, 1999 options to acquire a total of 38,065,736 shares remain outstanding, distributed as follows:

- 25,954,097 with a weighted average strike price of Ps. 31.49 per share, an average time to full vesting of 1.2 years and an average maximum exercisable period of 7.5 years. Of this amount, 36% are fully vested with a weighted average strike price of Ps. 26.71 per share.
- 3,427,624 options for which the share price must reach a 12-month average price, in dollars terms, of US$9.62 per share by the end of 2002 to fully vest.
- 8,684,015 options for which the share price must reach a 12-month average price, in dollars terms, of US$7.90 per share by the end of 2003 to fully vest.

Under these types of programs, the company is not required to register a liability for the options.

As of March 31, 1999, the Voluntary Employee Stock Option Plan (VESOP) is composed of 1,049,125 five-year options on CEMEX B shares and 29,670,340 five-year options on CEMEX CPO shares, both with an escalating strike price indexed quarterly in dollar terms reflecting market funding costs for this fully hedged program.

Announcement of Agenda for Annual Shareholders Meeting

On April 5, 1999 CEMEX announced the agenda for its annual shareholders meeting to be held on April 29, 1999. The agenda includes the following proposals:

- Presentation and approval of 1998 financial statements.
- 1998 Dividend program where shareholders elect to receive a Ps. 1.30 per share cash dividend or CPOs at a discount to market prices.
- Modify terms and conditions of CPO trust by issuing a new CPO formed of 2 A shares and 1 B share to be offered in a public exchange offer. The new CPO will be listed on the Mexican Bolsa and may be listed on international stock exchanges such as the NYSE. Once the exchange reaches a certain level, A and B shares would be delisted from the Mexican stock exchange.
- Election of Board Members and Commissioners.
- Compensation for Board Members and Commissioners.
- Designation of individuals responsible for formalizing the adopted proposals.

The agenda for the extraordinary shareholders meeting includes the following proposals:

- Split each share (A and B) into 3 new shares (2 A shares and 1 B share), so that all shareholders may participate in the exchange offer for the new CPO.
- Designation of individuals responsible for formalizing the adopted proposals.

ANNOUNCEMENT

The CEMEX quarterly report is also available by email in PDF format. If you would like to receive the CEMEX quarterly report by email only or would prefer to receive the report by email and fax, please fill out and fax the form below.

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Country: _________________________ Telephone: ___________________ Fax: ____________________

Please fax this form to Beate Melten of CEMEX NY Office at (212) 317 -6047.

CEMEX, S.A. DE C.V. AND SUBSIDIARIES

Consolidated Figures

(Convenience translation in thousands of dollars)*

	January - March				%	Quarters		%
FINANCIAL INDICATORS**	**1999**		**1998**		**Var.**	**I 1999**	**I 1998**	**Var.**
Operating Margin	28.3%		27.1%			28.3%	27.1%	
EBITDA Margin	35.6%		34.5%			35.6%	34.5%	
Interest Coverage (2)	3.12	(1)	2.62	(1)		3.12	2.84	
Interest + Cash Tax Coverage (3)	2.92	(1)	2.41	(1)		3.08	2.46	
Net Debt / EBITDA (4)	3.16	(1)	3.65	(1)				
Debt / Total Capitalization (Covenant)	47.9%		49.4%					
Net Return on Equity (5)	20.7%	(1)	14.9%	(1)				
Gross Return on Operating Assets (6)	16.2%	(1)	13.5%	(1)				
EBITDA per Share (7)	0.33		0.28		17%	0.33	0.28	17%
Cash Earnings per Share (7)	0.23		0.19		25%	0.23	0.19	25%
Free Cash Flow per Share (7)	0.16		0.14		15%	0.16	0.14	15%
Earnings per Share (7)	0.25		0.15		65%	0.25	0.15	65%
Share Price Series "A" (End of period)	4.15		4.41		(6%)			
Share Price Series "B" (End of period)	4.20		5.36		(22%)			
Share Price Series "CPO" (End of period)	4.09		4.41		(7%)			

(*) Results for 1999 were converted to dollars by dividing by the March 1998 exchange rate of 9.51. Results for 1998 were converted to dollars by dividing by the weighted average inflation factor of 18.82% (1.1882) and then dividing by the March 1998 exchange rate of 8.55.

(**) Note that in the calculation of Interest Coverage, Interest Plus Cash Tax Coverage and Net Debt to EBITDA, the US$250 Million Preferred Capital Security was conservatively considered as an obligation.

(1) Trailing twelve months.

(2) Interest Coverage is defined as EBITDA before operating lease payments and cost restatements for inflation, divided by financial expenses plus the Preferred dividend.

(3) Interest Plus Cash Tax Coverage is defined as EBITDA before operating lease payments and cost restatements for inflation, divided by interest expense, the Preferred dividend and the amount of total income tax and profit sharing actually paid in cash.

(4) Net Debt is defined as on- plus off-balance sheet debt less cash.

(5) Return on Equity is defined as: (Cash earnings - Cash taxes - Other non-operating cash expenses) / Average consolidated shareholders equity

(6) Return on Operating Assets is defined as: EBITDA / (Average consolidated shareholders equity + Average net debt)

(7) Considering 1,216,122 thousand average shares for I 1999, 1,217,638 thousand average shares for I 1998, 1,216,122 thousand average shares for 1999 accumulated and 1,217,638 thousand average shares for 1998 accumulated

CEMEX, S.A. DE C.V. AND SUBSIDIARIES

Volume Summary

	January - March		%	Quarters		%
CONSOLIDATED VOLUMES	**1999**	**1998**	**Var.**	**I 1999**	**I 1998**	**Var.**
Cement (Thousands of Metric Tons)	10,049,460	9,327,153	8%	10,049,460	9,327,153	8%
Ready Mix Concrete (Thousands of Cubic Meters)	3,257,658	3,329,914	(2%)	3,257,658	3,329,914	(2%)

DOMESTIC CEMENT VOLUME	**January - March**	**Quarter**	**Quarter**
(% Change)	**1999 - 1998**	**I 1999 - I 1998**	**I 1999 - IV 1998**
North America			
Mexico	7%	7%	(1%)
USA	41%	41%	2%
South America & Caribbean			
Venezuela	(18%)	(18%)	(8%)
Colombia	(44%)	(44%)	(10%)
Europe and Asia			
Spain	0%	0%	(3%)
Philippines	(4%)	(4%)	97%

EXPORT CEMENT VOLUME	**January - March**	**Quarter**	**Quarter**
(% Change)	**1999 - 1998**	**I 1999 - I 1998**	**I 1999 - IV 1998**
North America			
Mexico	1%	1%	5%
USA	-	-	-
South America & Caribbean			
Venezuela	15%	15%	21%
Colombia	-	-	-
Europe and Asia			
Spain	(3%)	(3%)	(10%)
Philippines	NA	NA	NA

READY MIX CONCRETE VOLUME	**January - March**	**Quarter**	**Quarter**
(% Change)	**1999 - 1998**	**I 1999 - I 1998**	**I 1999 - IV 1998**
North America			
Mexico	1%	1%	(15%)
USA	26%	26%	2%
South America & Caribbean			
Venezuela	(14%)	(14%)	(15%)
Colombia	(31%)	(31%)	(31%)
Europe and Asia			
Spain	(4%)	(4%)	(7%)
Philippines	NA	NA	NA

CEMEX, S.A. DE C.V. AND SUBSIDIARIES
Consolidated Figures
(Convenience translation in thousands of dollars)*

INCOME STATEMENT	January - March 1999	January - March 1998	% Var.	Quarters I 1999	Quarters I 1998	% Var.
Net Sales	1,119,406	992,903	13%	1,119,406	992,903	13%
Cost of Sales	(638,148)	(575,582)	11%	(638,148)	(575,582)	11%
Gross Profit	481,258	417,321	15%	481,258	417,321	15%
Selling, General and Administrative Expenses	(164,290)	(148,272)	11%	(164,290)	(148,272)	11%
Operating Income	316,968	269,049	18%	316,968	269,049	18%
Financial Expenses	(121,662)	(122,946)	(1%)	(121,662)	(122,946)	(1%)
Financial Income	7,884	8,451	(7%)	7,884	8,451	(7%)
Exchange Gain (Loss), Net	44,712	(59,578)	(175%)	44,712	(59,578)	(175%)
Monetary Position Gain (Loss)	154,851	165,025	(6%)	154,851	165,025	(6%)
Total Comprehensive Financing (Cost) Income	85,786	(9,048)	(1048%)	85,786	(9,048)	(1048%)
Gain or (Loss) on Marketable Securities	3,528	(5,792)	(161%)	3,528	(5,792)	(161%)
Other Expenses, Net	(64,856)	(24,267)	167%	(64,856)	(24,267)	167%
Other Income (Expense)	(61,327)	(30,059)	104%	(61,327)	(30,059)	104%
Net Income Before Income Taxes	341,426	229,942	48%	341,426	229,942	48%
Income Tax	(19,158)	(14,528)	32%	(19,158)	(14,528)	32%
Employees' Statutory Profit Sharing	(7,421)	(4,547)	63%	(7,421)	(4,547)	63%
Total Income Tax & Profit Sharing	(26,580)	(19,074)	39%	(26,580)	(19,074)	39%
Net Income Before Participation of of Uncons. Subs. and Ext. Items	314,846	210,868	49%	314,846	210,868	49%
Participation of Unconsolidated Subsidiaries	2,824	396	613%	2,824	396	613%
Consolidated Net Income	317,670	211,264	50%	317,670	211,264	50%
Net Income Attributable to Min. Interest	18,177	29,644	(39%)	18,177	29,644	(39%)
NET INCOME AFTER MINORITY INTEREST	299,493	181,620	65%	299,493	181,620	65%
EBITDA (Operating Income + Depreciation)	398,359	342,104	16%	398,359	342,104	16%
EBITDA before Operating Leases and Cost Restatements for Inflation	408,817	349,072	17%	408,817	349,072	17%

BALANCE SHEET	January - March 1999	January - March 1998	% Var.
Total Assets	11,021,385	10,188,872	8%
Cash and Temporary Investments	376,252	422,424	(11%)
Trade Accounts Receivables	539,559	491,714	10%
Other Receivables	113,068	178,002	(36%)
Inventories	467,958	464,798	1%
Other Current Assets	61,036	32,995	0%
Current Assets	1,624,120	1,589,933	2%
Fixed Assets	6,129,059	5,914,647	4%
Other Assets	3,268,207	2,684,292	22%
Total Liabilities	5,589,653	5,494,908	2%
Current Liabilities	1,879,897	1,176,786	60%
Long-Term Liabilities	3,544,824	4,157,221	(15%)
Other Liabilities	164,931	160,901	3%
Consolidated Stockholders' Equity	5,431,732	4,693,964	16%
Stockholders' Equity Attributable to Minority Interest	1,263,963	1,151,577	10%
Stockholders' Equity Attributable to Majority Interest	4,167,769	3,542,387	18%

CEMEX, S.A. DE C.V. AND SUBSIDIARIES
Consolidated Figures
(Thousands of Pesos in Real Terms as of March 1999)*

FINANCIAL INDICATORS**	January - March 1999		1998		% Var.	Quarters I 1999	I 1998	% Var.
Operating Margin	28.3%		27.1%			28.3%	27.1%	
EBITDA Margin	35.6%		34.5%			35.6%	34.5%	
Interest Coverage (2)	3.12	(1)	2.62	(1)		3.12	2.84	
Interest + Cash Tax Coverage (3)	2.92	(1)	2.41	(1)		3.08	2.46	
Net Debt / EBITDA (4)	3.16	(1)	3.65	(1)				
Debt / Total Capitalization (Covenant)	47.9%		49.4%					
Net Return on Equity (5)	20.7%	(1)	14.9%	(1)				
Gross Return on Operating Assets (6)	16.2%	(1)	13.5%	(1)				
EBITDA per Share (7)	3.12		2.85		9%	3.12	2.85	9%
Cash Earnings per Share (7)	2.23		1.90		17%	2.23	1.90	17%
Free Cash Flow per Share (7)	1.49		1.39		7%	1.49	1.39	7%
Earnings per Share (7)	2.34		1.52		55%	2.34	1.52	55%
Share Price Series "A" (End of period)	39.50		37.72		5%			
Share Price Series "B" (End of period)	39.90		45.80		(13%)			
Share Price Series "CPO" (End of period)	38.85		37.68		3%			

(*) Results for 1998 may be converted to dollars by dividing by the March 1999 exchange rate of 9.51. Results for 1998 may be converted to dollars by dividing by the weighted average inflation factor of 18.82% (1.1882) and then dividing by the March 1998 exchange rate of 8.55.

(**) Note that in the calculation of Interest Coverage, Interest Plus Cash Tax Coverage and Net Debt to EBITDA, the US$250 Million Preferred Capital Security was conservatively considered as an obligation.

(1) Trailing twelve months.

(2) Interest Coverage is defined as EBITDA before operating lease payments and cost restatements for inflation, divided by financial expenses plus the Preferred dividend.

(3) Interest Plus Cash Tax Coverage is defined as EBITDA before operating lease payments and cost restatements for inflation, divided by interest expense, the Preferred dividend and the amount of total income tax and profit sharing actually paid in cash.

(4) Net Debt is defined as on- plus off-balance sheet debt less cash.

(5) Return on Equity is defined as: (Cash earnings - Cash taxes - Other non-operating cash expenses) / Average consolidated shareholders equity

(6) Return on Operating Assets is defined as: EBITDA / (Average consolidated shareholders equity + Average net debt)

(7) Considering 1,216,122 thousand average shares for I 1999, 1,217,638 thousand average shares for I 1998, 1,216,122 thousand average shares for 1999 accumulated and 1,217,638 thousand average shares for 1998 accumulated

CEMEX, S.A. DE C.V. AND SUBSIDIARIES
Consolidated Figures
(Thousands of Pesos in Real Terms as of March 1999)*

	January - March		%	Quarters		%
INCOME STATEMENT	**1999**	**1998**	**Var.**	**I 1999**	**I 1998**	**Var.**
Net Sales	10,645,548	10,087,015	6%	10,645,548	10,087,015	6%
Cost of Sales	(6,068,785)	(5,847,401)	4%	(6,068,785)	(5,847,401)	4%
Gross Profit	4,576,762	4,239,614	8%	4,576,762	4,239,614	8%
Selling, General and Administrative Expenses	(1,562,399)	(1,506,315)	4%	(1,562,399)	(1,506,315)	4%
Operating Income	3,014,363	2,733,300	10%	3,014,363	2,733,300	10%
Financial Expenses	(1,157,005)	(1,249,017)	(7%)	(1,157,005)	(1,249,017)	(7%)
Financial Income	74,979	85,852	(13%)	74,979	85,852	(13%)
Exchange Gain (Loss), Net	425,211	(605,258)	(170%)	425,211	(605,258)	(170%)
Monetary Position Gain (Loss)	1,472,637	1,676,507	(12%)	1,472,637	1,676,507	(12%)
Total Comprehensive Financing (Cost) Income	815,821	(91,917)	(988%)	815,821	(91,917)	(988%)
Gain or (Loss) on Marketable Securities	33,554	(58,842)	(157%)	33,554	(58,842)	(157%)
Other Expenses, Net	(616,778)	(246,530)	150%	(616,778)	(246,530)	150%
Other Income (Expense)	(583,224)	(305,372)	91%	(583,224)	(305,372)	91%
Net Income Before Income Taxes	3,246,960	2,336,011	39%	3,246,960	2,336,011	39%
Income Tax	(182,196)	(147,588)	23%	(182,196)	(147,588)	23%
Employees' Statutory Profit Sharing	(70,577)	(46,190)	53%	(70,577)	(46,190)	53%
Total Income Tax & Profit Sharing	(252,773)	(193,778)	30%	(252,773)	(193,778)	30%
Net Income Before Participation of Uncons. Subs. and Ext. Items	2,994,187	2,142,233	40%	2,994,187	2,142,233	40%
Participation in Unconsolidated Subsidiaries	26,853	4,023	568%	26,853	4,023	568%
Consolidated Net Income	3,021,040	2,146,256	41%	3,021,040	2,146,256	41%
Net Income Attributable to Min. Interest	172,864	301,159	(43%)	172,864	301,159	(43%)
NET INCOME AFTER MINORITY INTEREST	2,848,176	1,845,097	54%	2,848,176	1,845,097	54%
EBITDA (Operating Income + Depreciation)	3,788,391	3,475,470	9%	3,788,391	3,475,470	9%
EBITDA before Operating Leases and Cost Restatements for Inflation	3,887,851	3,546,260	10%	3,887,851	3,546,260	10%

	January - March		%
BALANCE SHEET	**1999**	**1998**	**Var.**
Total Assets	104,813,372	103,509,872	1%
Cash and Temporary Investments	3,578,156	4,291,457	(17%)
Trade Accounts Receivables	5,131,207	4,995,374	3%
Other Receivables	1,075,274	1,808,341	(41%)
Inventories	4,450,284	4,721,932	(6%)
Other Current Assets	580,457	335,198	73%
Current Assets	15,445,378	16,152,301	(4%)
Fixed Assets	58,287,350	60,087,549	(3%)
Other Assets	31,080,644	27,270,022	14%
Total Liabilities	53,157,596	55,823,375	(5%)
Current Liabilities	17,877,823	11,955,102	50%
Long-Term Liabilities	33,711,279	42,233,661	(20%)
Other Liabilities	1,568,494	1,634,612	(4%)
Consolidated Stockholders' Equity	51,655,776	47,686,496	8%
Stockholders' Equity Attributable to Minority Interest	12,020,292	11,698,993	3%
Stockholders' Equity Attributable to Majority Interest	39,635,484	35,987,503	10%

CEMEX, S.A. DE C.V. AND SUBSIDIARIES

Operating Summary

(Convenience Translation in Thousands of Dollars) *

NET SALES	January - March 1999	1998	% Var.	I 1999	I 1998	% Var.
North America	**648,947**	**541,079**	**20%**	**648,947**	**541,079**	**20%**
Mexico	506,053	433,335	17%	506,053	433,335	17%
USA	142,894	107,744	33%	142,894	107,744	33%
South America and the Caribbean	**244,537**	**274,854**	**(11%)**	**244,537**	**274,854**	**(11%)**
Venezuela/Dominican Republic	158,493	156,456	1%	158,493	156,456	1%
Colombia	51,744	94,054	(45%)	51,744	94,054	(45%)
Central America and the Caribbean	34,300	24,345	41%	34,300	24,345	41%
Europe and Asia	**212,237**	**188,104**	**13%**	**212,237**	**188,104**	**13%**
Spain	195,739	188,104	4%	195,739	188,104	4%
Philippines	16,498	NA	NA	16,498	NA	NA
Others and Intercompany Eliminations	*13,685*	*(11,133)*		*13,685*	*(11,133)*	
NET SALES	**1,119,406**	**992,903**	**13%**	**1,119,406**	**992,903**	**13%**

GROSS PROFIT	January - March 1999	1998	% Var.	I 1999	I 1998	% Var.
North America	**308,904**	**236,825**	**30%**	**308,904**	**236,825**	**30%**
Mexico	273,213	221,846	23%	273,213	221,846	23%
USA	35,690	14,979	138%	35,690	14,979	138%
South America and the Caribbean	**77,378**	**103,460**	**(25%)**	**77,378**	**103,460**	**(25%)**
Venezuela/Dominican Republic	47,127	61,257	(23%)	47,127	61,257	(23%)
Colombia	18,268	35,342	(48%)	18,268	35,342	(48%)
Central America and the Caribbean	11,983	6,861	75%	11,983	6,861	75%
Europe and Asia	**78,759**	**66,678**	**18%**	**78,759**	**66,678**	**18%**
Spain	82,147	66,678	23%	82,147	66,678	23%
Philippines	(3,388)	NA	NA	(3,388)	NA	NA
Others and Intercompany Eliminations	*16,217*	*10,358*		*16,217*	*10,358*	
GROSS PROFIT	**481,258**	**417,321**	**15%**	**481,258**	**417,321**	**15%**

OPERATING PROFIT	January - March 1999	1998	% Var.	I 1999	I 1998	% Var.
North America	**249,186**	**181,173**	**38%**	**249,186**	**181,173**	**38%**
Mexico	220,791	174,050	27%	220,791	174,050	27%
USA	28,395	7,124	299%	28,395	7,124	299%
South America and the Caribbean	**50,836**	**73,924**	**(31%)**	**50,836**	**73,924**	**(31%)**
Venezuela/Dominican Republic	34,797	48,686	(29%)	34,797	48,686	(29%)
Colombia	7,585	20,574	(63%)	7,585	20,574	(63%)
Central America and the Caribbean	8,454	4,664	81%	8,454	4,664	81%
Europe and Asia	**53,595**	**45,990**	**17%**	**53,595**	**45,990**	**17%**
Spain	59,489	45,990	29%	59,489	45,990	29%
Philippines	(5,894)	NA	NA	(5,894)	NA	NA
Others and Intercompany Eliminations	*(36,650)*	*(32,038)*		*(36,650)*	*(32,038)*	
OPERATING PROFIT	**316,968**	**269,049**	**18%**	**316,968**	**269,049**	**18%**

CEMEX, S.A. DE C.V. AND SUBSIDIARIES

Operating Summary

(Convenience Translation in Thousands of Dollars) *

EBITDA	January - March 1999	1998	% Var.	I 1999	I 1998	% Var.
North America	**289,549**	**216,146**	**34%**	**289,549**	**216,146**	**34%**
Mexico	256,786	204,933	25%	256,786	204,933	25%
USA	32,763	11,212	192%	32,763	11,212	192%
South America and the Caribbean	**78,285**	**102,071**	**(23%)**	**78,285**	**102,071**	**(23%)**
Venezuela/Dominican Republic	47,712	60,588	(21%)	47,712	60,588	(21%)
Colombia	19,315	33,729	(43%)	19,315	33,729	(43%)
Central America and the Caribbean	11,258	7,754	45%	11,258	7,754	45%
Europe and Asia	**72,936**	**64,129**	**14%**	**72,936**	**64,129**	**14%**
Spain	74,898	64,129	17%	74,898	64,129	17%
Philippines	(1,962)	NA	NA	(1,962)	NA	NA
Others and Intercompany Eliminations	*(42,411)*	*(40,242)*		*(42,411)*	*(40,242)*	
EBITDA	**398,359**	**342,104**	**16%**	**398,359**	**342,104**	**16%**

EBITDA MARGIN	January - March 1999	1998	% Var.	I 1999	I 1998	% Var.
North America						
Mexico	50.7%	47.3%		50.7%	47.3%	
USA	22.9%	10.4%		22.9%	10.4%	
South America and the Caribbean						
Venezuela/Dominican Republic	30.1%	38.7%		30.1%	38.7%	
Colombia	37.3%	35.9%		37.3%	35.9%	
Central America and the Caribbean	32.8%	31.9%		32.8%	31.9%	
Europe and Asia						
Spain	38.3%	34.1%		38.3%	34.1%	
Philippines	(11.9%)	NA		(11.9%)	NA	
EBITDA MARGIN	**35.6%**	**34.5%**		**35.6%**	**34.5%**	

* Results for the 1999 Mexican results were converted to dollars by dividing by the March 1999 exchange rate of 9.51. For 1998 they were converted by dividing by the inflation rate of 18.34% (1.1834) and then dividing by the March 1998 exchange rate of 8.55.
Results for the 1999 Spanish results were converted to dollars by dividing by the March 1999 exchange rate of 153.92. For 1998 they were converted by dividing by the March 1998 exchange rate of 156.84.
Results for the 1999 Venezuelan results were converted to dollars by dividing by the March 1999 exchange rate of 583.75. For 1998 they were converted by dividing by the inflation rate of 27.61% (1.2761) and then dividing by the March 1998 exchange rate of 525.25.
Results for the 1999 Colombian results were converted to dollars by dividing by the March 1999 exchange rate of 1,533.51. For 1998 they were converted by dividing by the inflation rate of 14.77% (1.1477) and then dividing by the March 1998 exchange rate of 1,358.03.
Results for the 1999 Philippinian results were converted to dollars by dividing by the March 1999 exchange rate of 38.72.

DETAILED INFORMATION AVAILABLE UPON REQUEST