

CEMEX LATAM HOLDINGS, S.A.

Notes to the Annual Accounts

(1) Distribution of Profit

The distribution of the Euros 28,076,247.53 profit for the year ended December 31, 2013, proposed by the directors and approved by the shareholders at their annual general meeting on May 14, 2014, was as follows:

<u>Distribution</u>	<u>Euros</u>
Legal reserve	2,807,624.75
Offset of prior years' losses	2,291,841.76
Voluntary reserves	<u>22,976,781.02</u>
	<u>28,076,247.53</u>

The board of directors will propose to the shareholders at their annual general meeting that the Euros 37,064,644.18 profit for the year ended December 31, 2014 be distributed as follows:

<u>Distribution</u>	<u>Euros</u>
Legal reserve	3,706,464.42
Voluntary reserves	<u>33,358,179.76</u>
	<u>37,064,644.18</u>

The Company's freely distributable reserves are, however, subject to the legal limits. Dividends may not be distributed if the distribution reduces equity to less than the Company's share capital. In addition, 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.

(2) 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.

CEMEX LATAM HOLDINGS, S.A.

Notes to the Annual Accounts