



Antitrust Investigation in Colombia.

On September 5, 2013, CEMEX Latam Holdings, S.A. (“CLH”) (BVC: CLH) informed the Colombian Financial Superintendency (*Superintendencia Financiera de Colombia*) that on that same date, Cemex Colombia S.A. (“Cemex Colombia”), a subsidiary of CLH, was notified of Resolution No. 49141 dated August 21, 2013, issued by the Colombian Superintendency of Industry and Commerce, SIC, (*Superintendencia de Industria y Comercio*) pursuant to which the SIC opened an investigation and issued a statement of objections (*pliego de cargos*) against five (5) cement companies and fourteen (14) directors of those companies, including Cemex Colombia, for alleged anti-competitive practices. The parties being investigated have a twenty (20) day term commencing from the notice date to answer the statement of objections (*pliego de cargos*) and submit evidence.

The investigated parties are accused of allegedly breaching: (i) Article 1 of Law 155 of 1959, which prohibits any kind of practice, procedure or system designed to limit free competition and determining or maintaining unfair prices; (ii) paragraph 1 of Article 47 of Decree 2153 of 1992, which prohibits any agreements designed to directly or indirectly fix prices; and (iii) paragraph 3 of Article 47 of Decree 2153 of 1992, which prohibits any market sharing agreements between producers or between distributors. Additionally, the fourteen (14) executives, including a former legal representative and the current President of Cemex Colombia, are being investigated for allegedly breaching paragraph 16 of Article 4 of Decree 2153 of 1992, as amended by Article 26 of Law 1340 of 2009, which provides that the SIC may investigate and sanction any individual who collaborates, facilitates, authorizes, executes or tolerates behavior that violates free competition rules.

If the alleged infringements investigated by the SIC are substantiated, aside from any measures that could be ordered to stop the alleged anti-competitive practices, penalties may be imposed against Cemex Colombia. Pursuant to Law 1340 of 2009, the SIC may impose the following penalties: (i) up to one hundred thousand (100,000) legal monthly minimum wages, approximately 58,950,000,000 Colombian Pesos (approximately U.S.\$30 million as of September 5, 2013, based on an exchange rate of 1,938.00 Colombian Pesos to U.S.\$1.00) for each violation and to each company being declared in breach of the competition rules, and (ii) up to two thousand (2,000) legal monthly minimum wages, approximately 1,179,000,000 Colombian Pesos (approximately U.S.\$609,000 as of September 5, 2013, based on an exchange rate of 1,938.00 Colombian Pesos to U.S.\$1.00) against those individuals found responsible of collaborating, facilitating, authorizing, executing or tolerating behavior that violates free competition rules.

At this stage of the investigations, CLH is not able to assess the likelihood of an adverse result, but if adversely resolved against Cemex Colombia, such resolution may have a material adverse impact on CLH’s financial results.