

CEMEX LATAM HOLDINGS, S.A.

Notes to the Annual Accounts

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

(3) Distribution of Profit

The distribution of the Euros 37,064,644.18 profit for the year ended December 31, 2014, proposed by the directors and approved by the shareholders at their annual general meeting on June 16, 2015, was 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 board of directors will propose to the shareholders at their annual general meeting that the Euros 40,115,607.22 profit for the year ended December 31, 2015 be distributed as follows:

<u>Distribution</u>	<u>Euros</u>
Legal reserve	4,011,560.72
Voluntary reserves	<u>36,104,046.50</u>
	<u>40,115,607.22</u>

The Company's freely distributable reserves are, however, subject to the limits established by the law. 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.

(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.

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