



107272018003673



## SECURITIES AND EXCHANGE COMMISSION

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Doc Source

### Company Information

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SEC Registration No. CS201518815  
Company Name CEMEX HOLDINGS PHILIPPINES, INC.  
Industry Classification Financial Holding Company Activities  
Company Type Stock Corporation

### Document Information

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Document ID 107272018003673  
Document Type 17-C (FORM 11-C:CURRENT DISCL/RPT)  
Document Code 17-C  
Period Covered July 27, 2018  
No. of Days Late 0  
Department CFD  
Remarks

# COVER SHEET

**CS201518815**

S.E.C. Registration Number

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( Business Address : No. Street City / Town / Province )

**JANNETTE VIRATA SEVILLA**

Contact Person

**849-3600**

Company Telephone Number

1 2

Month

3 1

Day

Fiscal Year

SEC Form 17-C

FORM TYPE

0 6

Month

0 6

Day

First Wednesday of June

Annual Meeting

Issuer of Securities under SEC MSRD Order No. 9 series of 2016

Secondary License Type, If Applicable

Dept. Requiring this Doc.

Amended Articles Number/Section

Total No. of Stockholders

Total Amount of Borrowings

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier

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11. Indicate the item numbers reported herein: **Item 9 - Other Events**

**CEMEX HOLDINGS PHILIPPINES, INC. ("CHP") released its briefing materials (attached) for the conference call and webcast presentation held on 27 July 2018 to discuss its 2<sup>nd</sup> Quarter 2018 results. These materials were posted prior to the conference call/webcast on [edge.pse.com.ph](http://edge.pse.com.ph) and CHP's website, [www.cemexholdingsphilippines.com](http://www.cemexholdingsphilippines.com).**

**CHP also issued its Press Release dated 27 July 2018 announcing its financial and operating highlights for the 2<sup>nd</sup> Quarter 2018 (also attached).**

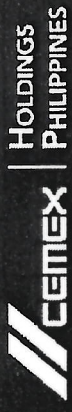
**SIGNATURES**

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**CEMEX HOLDINGS PHILIPPINES, INC.**  
Issuer

**27 July 2018**  
Date

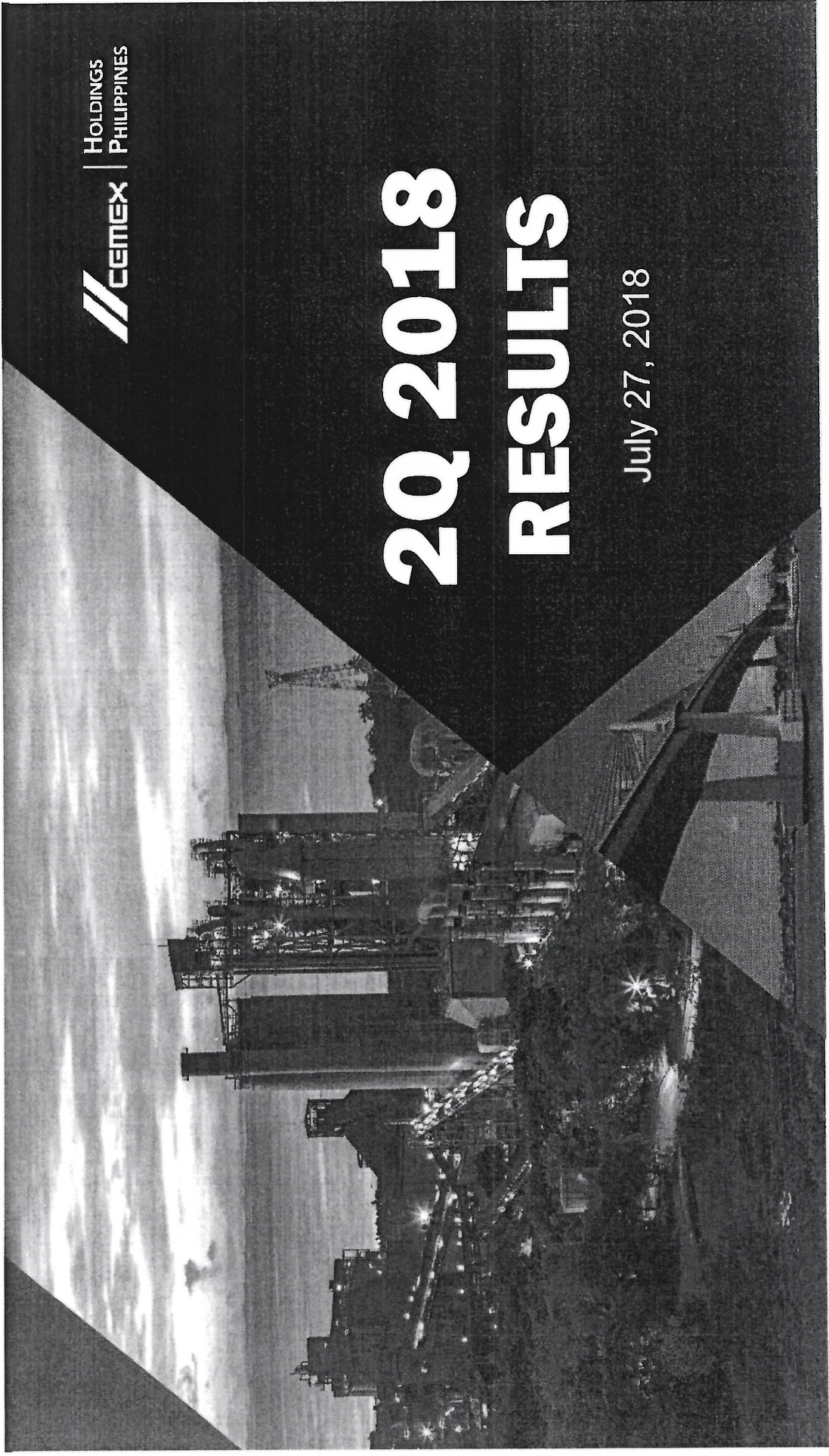
  
**Jannette Virata Sevilla**  
Compliance Officer



HOLDINGS  
PHILIPPINES

# 2Q 2018 RESULTS

July 27, 2018



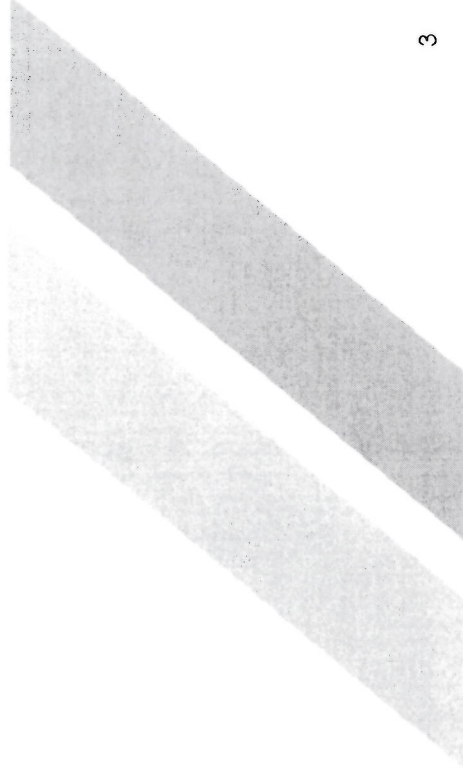
This presentation contains forward-looking statements. In some cases, these statements can be identified by the use of forward-looking words such as "may," "should," "could," "anticipate," "estimate," "expect," "plan," "believe," "predict," "potential" and "intend" or other similar words. These forward-looking statements reflect current expectations and projections about future events of CEMEX Holdings Philippines, Inc. ("CHP") based on CHP's knowledge of present facts and circumstances and assumptions about future events. These statements necessarily involve risks and uncertainties that could cause actual results to differ materially from CHP's expectations. Some of the risks, uncertainties and other important factors that could cause results to differ, or that otherwise could have an impact on CHP or its subsidiaries, include, but are not limited to, the cyclical activity of the construction sector; CHP's exposure to other sectors that impact CHP's business, such as the energy sector; competition; general political, economic and business conditions in the markets in which CHP operates; the regulatory environment, including environmental, tax, antitrust and acquisition-related rules and regulations; CHP's ability to satisfy its debt obligations and the ability of CEMEX, S.A.B. de C.V. ("CEMEX"), the ultimate parent company of the major shareholder of CHP, to satisfy CEMEX's obligations under its material debt agreements; the indentures that govern CEMEX's senior secured notes and CEMEX's other debt instruments; expected refinancing of CEMEX's existing indebtedness; the impact of CEMEX's below investment grade debt rating on CHP's and CEMEX's cost of capital; CEMEX's ability to consummate asset sales and fully integrate newly acquired businesses; achieve cost-savings from CHP's cost-reduction initiatives and implement CHP's pricing initiatives for CHP's products; the increasing reliance on information technology infrastructure for CHP's invoicing, procurement, financial statements and other processes that can adversely affect operations in the event that the infrastructure does not work as intended, experiences technical difficulties or is subjected to cyber-attacks; weather conditions; natural disasters and other unforeseen events; and the other risks and uncertainties described in CHP's public filings. Readers are urged to read these presentations and carefully consider the risks, uncertainties and other factors that affect CHP's business. The information contained in these presentations is subject to change without notice, and CHP is not obligated to publicly update or revise forward-looking statements. Unless the context indicates otherwise, all references to pricing initiatives, price increases or decreases, refer to CHP's prices for products sold or distributed by CHP or its subsidiaries.

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## Second Quarter 2018 Achievements

- ✓ All-time highest sales volume in a semester (6M18)
- ✓ All-time highest monthly sales volume in April
- ✓ Record total cement production (Solid Cement and APO Cement combined) in May
- ✓ Record cement production for APO Plant in May
- ✓ Record dispatch for APO Plant in May



## Domestic Cement Volumes and Prices



6M18 vs. 2Q18 vs. 2Q18 vs.  
6M17 2Q17 1Q18

Volume	12%	8%	(1%)
Price (USD)	(7%)	(5%)	2%
Price (PHP)	(3%)	0%	3%

**Domestic cement volumes** increased 8% year-over-year during the second quarter.

- Growth driven by higher public infrastructure spending and a strong residential sector.

On a year-to-date basis, domestic cement volumes grew 12% versus prior year, reflecting:

- Increased construction activity from both public and private sectors
- Progress from our debottlenecking efforts
- Favorable weather conditions
- Low base of comparison, particularly in 1Q17

**Domestic cement prices** increased 3% sequentially.

- Reflecting our continued efforts to recover higher cost through price adjustments
- Prices for the month of June were 6% higher in local-currency terms than the month of December

Year-over-year, domestic cement prices were flat during the quarter and 3% lower during the first half compared to prior year.

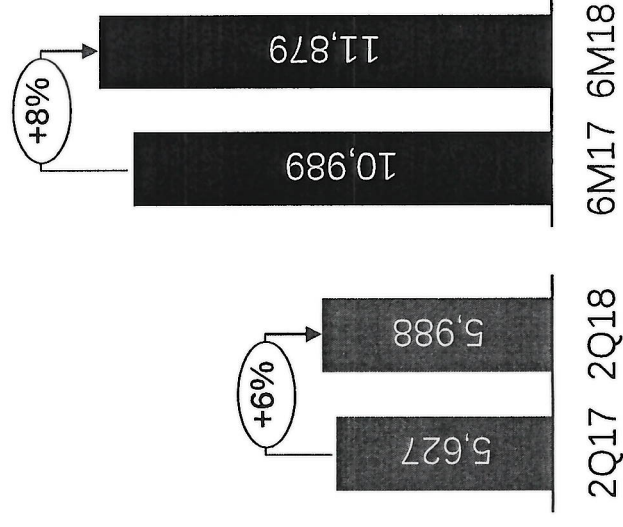


## Net Sales



Net sales increased year-over-year by 6% and 8%, respectively, for second quarter and first six months of the year.

### Net Sales<sup>1</sup>

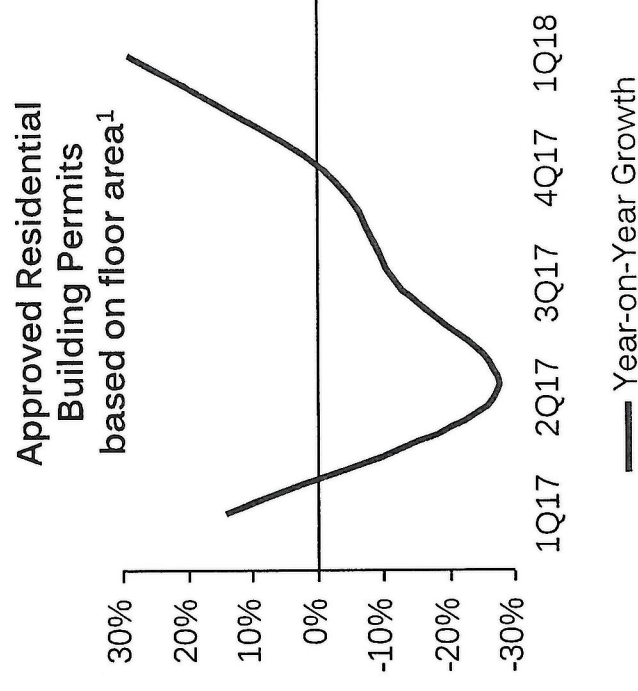


<sup>1</sup> Millions of Philippine Pesos

## Residential Sector

Activity in the residential sector has **continued its upward trend** in the second quarter of 2018 as seen in growing approval of residential permits.

The sector's growth should be supported by sustained remittance inflows from overseas, demand from the growing middle class and foreign residents, and the persistent low-income/socialized housing shortage.



<sup>1</sup>Source: Philippine Statistics Authority

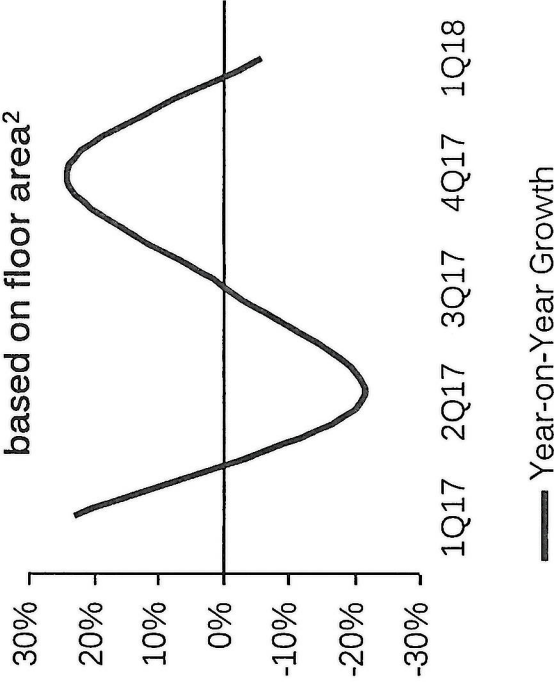
## Industrial-and-Commercial Sector

Industrial and commercial activity **appeared to slow down** in the second quarter compared to the same period last year.

Demand for commercial space is expected to come from the business process outsourcing and offshore gaming companies. Likewise, the expansion in the manufacturing, services, and tourism sectors should support the segment's growth.

However, developers report delays in construction due to labor shortage.<sup>1</sup>

Approved Non-Residential  
Building Permits  
based on floor area<sup>2</sup>



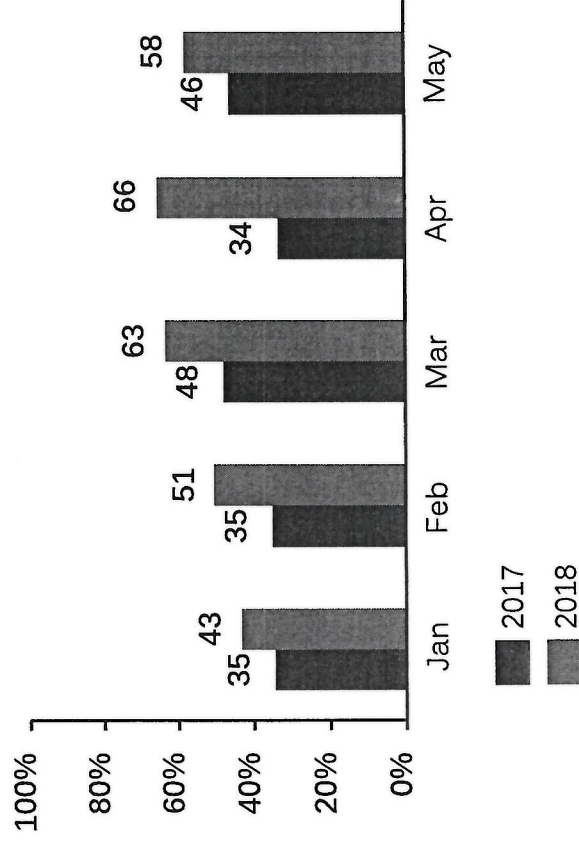
<sup>1</sup>Source: Leechiu Property Consultants

<sup>2</sup>Source: Philippine Statistics Authority

# Infrastructure Sector



2018 National Government Disbursement on Infrastructure and Capital Outlay (in PHP billion)<sup>1</sup>

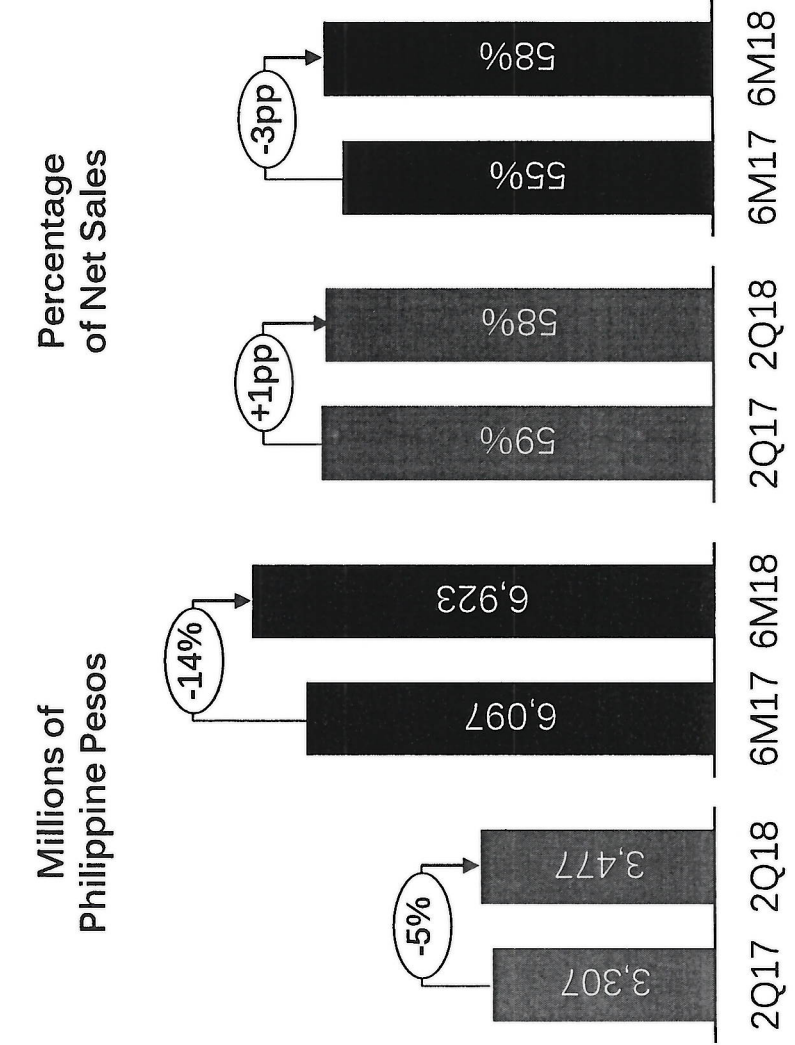


Infrastructure construction growth **accelerated in the second quarter** as the government fast-tracked the implementation and completion of its projects. Disbursements grew by 96% an 26% y-o-y in April and May, respectively.

For 2018, public infrastructure is expected to be a main driver of construction demand. According to the Department of Finance, a number of the government's flagship projects have already started construction.

<sup>1</sup> Source: Department of Budget and Management; (DBM); Department of Finance

## Cost of Sales



**Cost of sales** increased 5% year-over-year during the second quarter with higher volumes and input costs.

**Fuel costs** accounted for 25% of cost of sales vs. 20% same period last year. Increase mainly driven by higher coal prices.

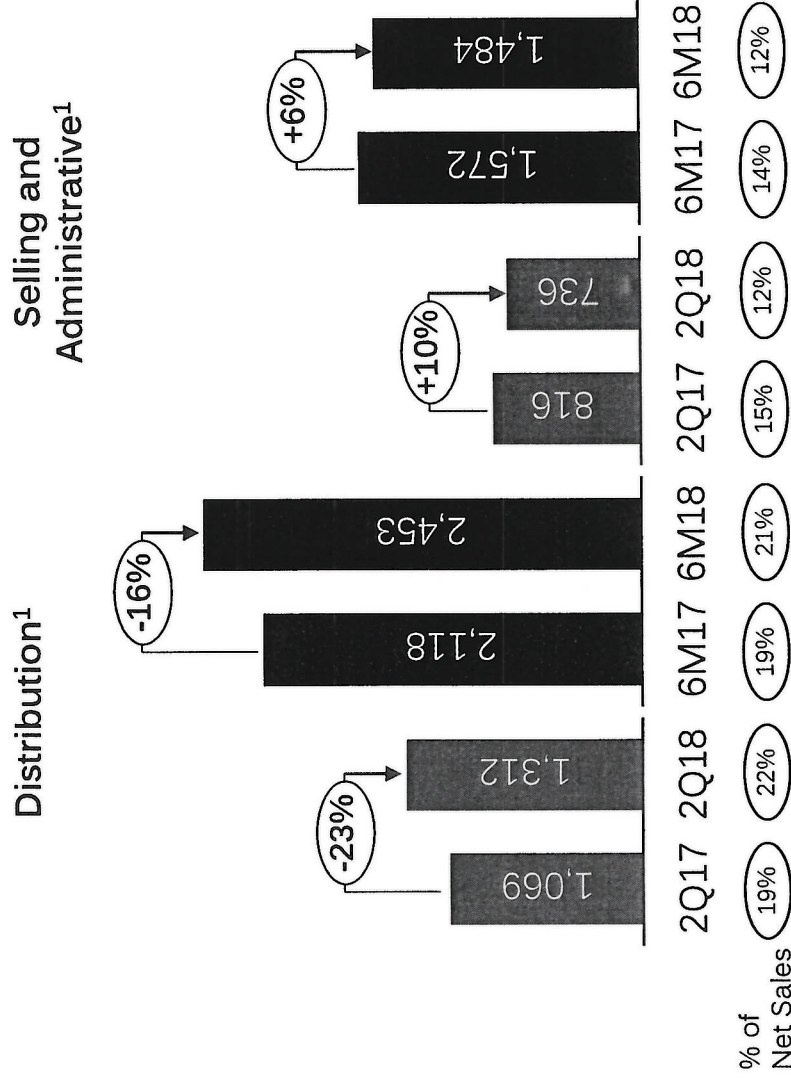
However, on a sequential basis, fuel costs as a percentage of cost of sales decreased as our coal costs continue to converge closer to 2017 levels.

**Power costs** accounted for 24% of cost of sales vs. 21% same period last year. Excise tax and higher grid rates in both our plants resulted to this increase.

**Year-to-date**, Cost of Sales increased 14% given the rate of increase in 1Q.

**As a percentage of sales**, Cost of Sales decreased 1 pp during the second quarter and increased 3 pp for the first half of the year versus the same period last year.

# Operating Expenses



**Distribution expenses** were 23% higher year-over-year during the second quarter.

As a percentage of sales, distribution expenses increased 3 pp, from 19% to 22%.

The increase was due to higher fuel costs, higher dispatched volumes benefiting from our debottlenecking efforts, and upgrading of vessels.

For the first six months of the year, distribution expenses increased 16% in absolute terms and 2 pp as a percentage of sales, from 19% to 21%.

**Selling and administrative expenses** declined 10% year-over-year during the second quarter, a result of continued efforts to optimize costs.

As a percentage of sales, selling and administrative expenses declined from 15% to 12%.

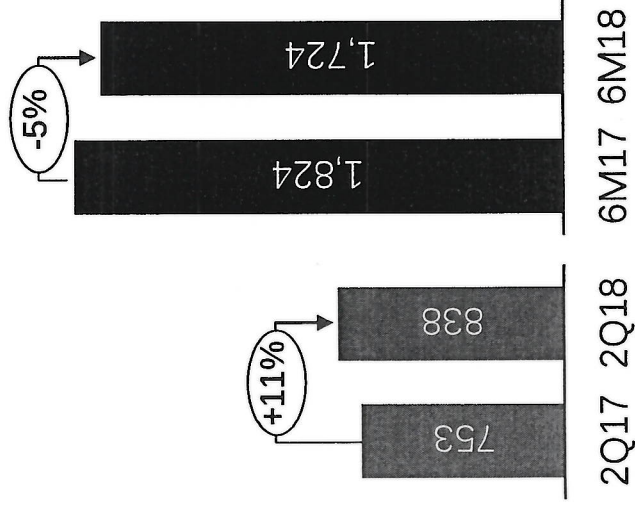
For the first six months of the year, selling and administrative expenses decreased 6% in absolute terms and 2 pp as a percentage of sales, from 14% to 12%.

<sup>1</sup> Millions of Philippine Pesos

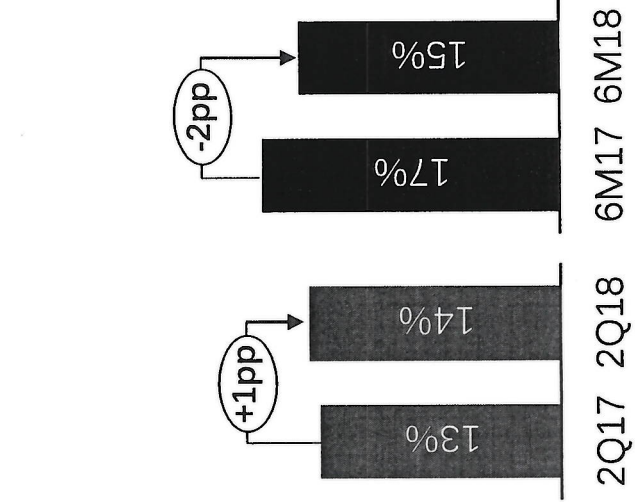
# Operating EBITDA and Operating EBITDA Margin



**Operating EBITDA**  
(millions of Philippine Pesos)



**Operating EBITDA Margin**  
(%)



**Second quarter operating EBITDA** increased 11% year-over-year.

Operating EBITDA margin during the quarter was 14%, slightly higher than 2Q 2017 margin.

**Year-to-date, operating EBITDA** decreased 5% compared to the same period last year.

Operating EBITDA margin for the first half of the year was 15%.







# 2Q 2018

FREE CASH FLOW  
& GUIDANCE

**CEMEX** | HOLDINGS  
PHILIPPINES

# Free Cash Flow



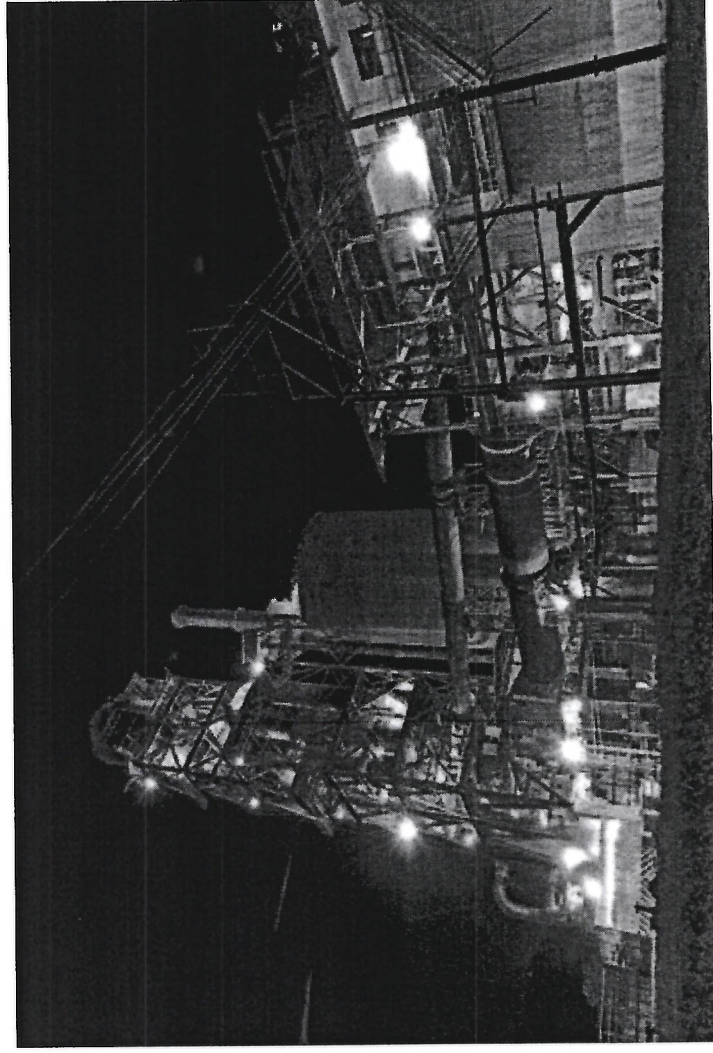
Free cash flow during the quarter reached PHP 715 million after maintenance CAPEX and PHP 645 million after strategic CAPEX.

	January - June		Second Quarter		% var
	2018	2017	2018	2017	
<b>Operating EBITDA</b>	<b>1,724</b>	<b>1,824</b>	<b>838</b>	<b>753</b>	<b>11%</b>
- Net Financial Expenses	445	459	237	200	
- Maintenance Capex	362	196	283	147	
- Change in Working Capital	(747)	58	(524)	(862)	
- Income Taxes Paid	243	306	139	204	
- Other Cash Items (net)	(14)	(22)	(12)	(3)	
<b>Free Cash Flow after Maintenance Capex</b>	<b>1,435</b>	<b>827</b>	<b>715</b>	<b>1,067</b>	<b>(33%)</b>
- Strategic Capex	184	237	70	163	
<b>Free Cash Flow</b>	<b>1,251</b>	<b>591</b>	<b>645</b>	<b>904</b>	<b>(29%)</b>

Millions of Philippine Pesos

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## Solid Plant Capacity Expansion



Expected total investment: US\$ 225 million

New line expected to start operations in the first quarter of 2020.

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## 2018 Guidance

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**Cement volumes** 8-12%

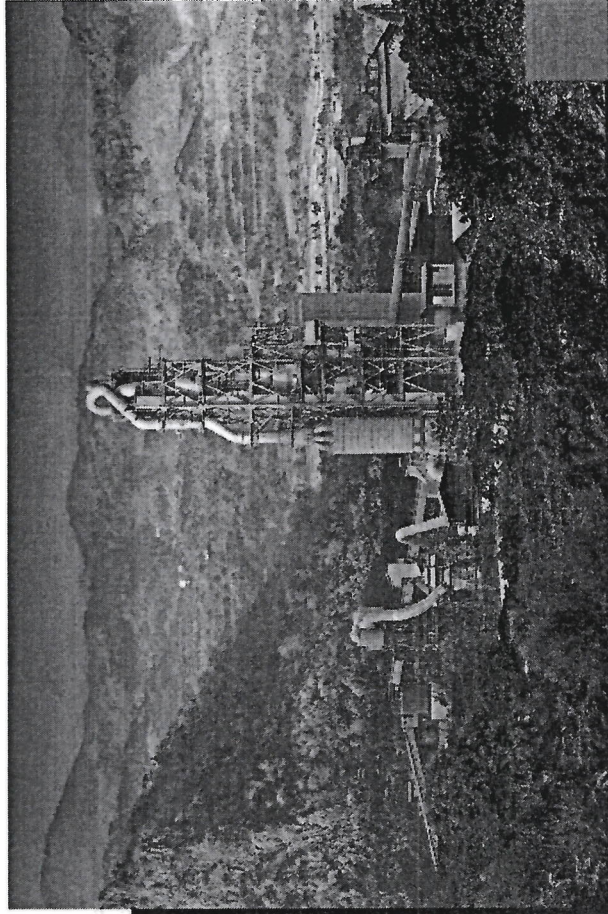
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PHP 700 million Maintenance CAPEX  
PHP 3,000 million Solid Plant Expansion CAPEX  
PHP 40 million Other Strategic CAPEX  
**PHP 3,740 million Total CAPEX**

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**Working capital** Reduction of approximately PHP 1,500 -2,000 million

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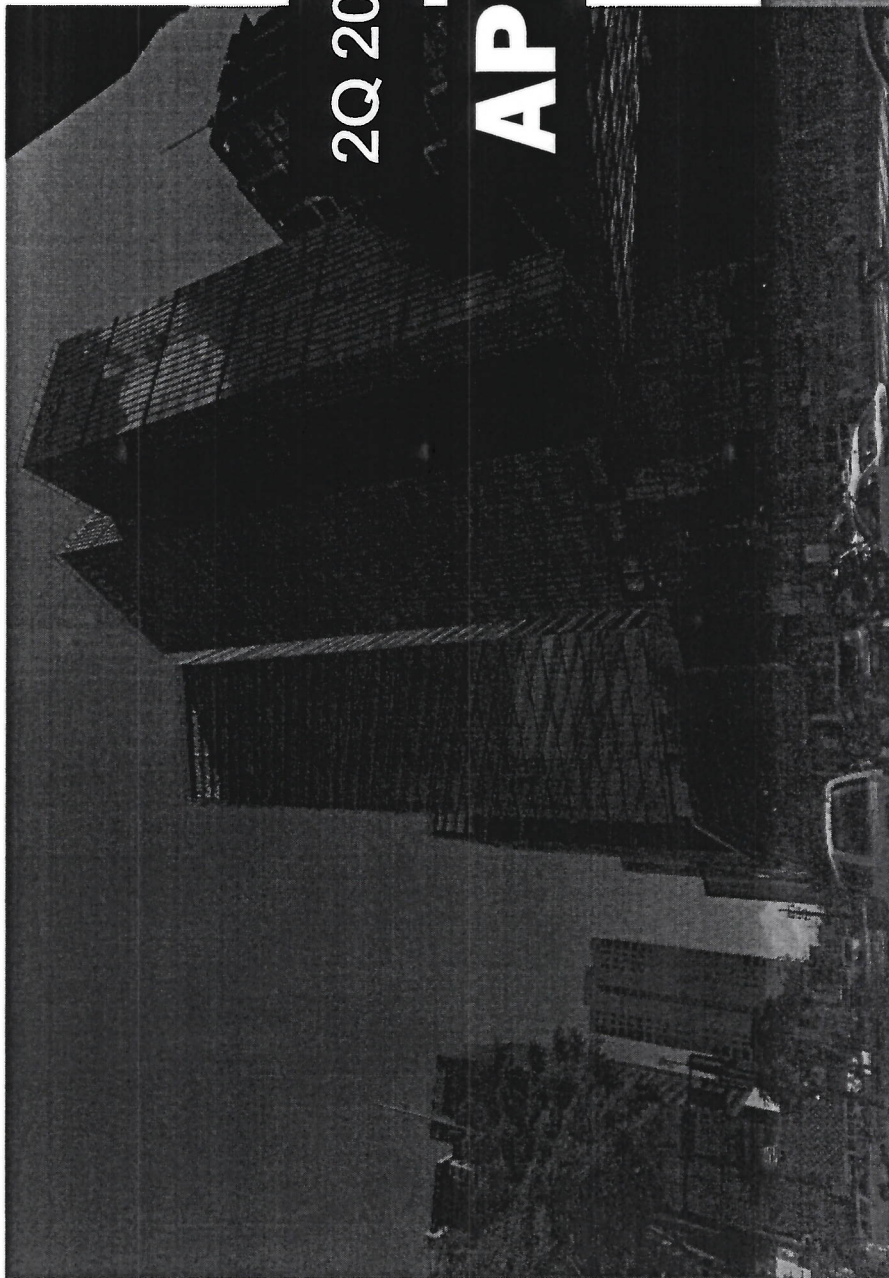


# Q&A SESSION

2Q 2018 RESULTS

2Q 2018

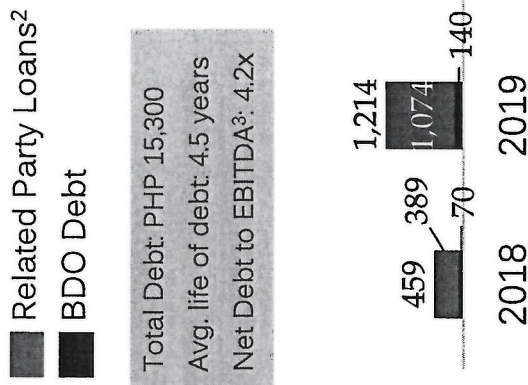
# APPENDIX



# Debt Information



Maturity Profile<sup>1</sup>



Total Debt: PHP 15,300  
 Avg. life of debt: 4.5 years  
 Net Debt to EBITDA<sup>3</sup>: 4.2x

<sup>1</sup> Millions of Philippine Pesos  
<sup>2</sup> Pertains to loans with CEMEX Asia B.V.  
<sup>3</sup> Last 12 months Consolidated EBITDA

## Definitions

<b>6M18 / 6M17</b>	Results for the first six months of the years 2018 and 2017, respectively
<b>PHP</b>	Philippine Pesos
<b>Pp</b>	Percentage points
<b>Prices</b>	All references to pricing initiatives, price increases or decreases, refer to our prices for our products.
<b>Operating EBITDA</b>	Operating earnings before other expenses, net, plus depreciation and operating amortization.
<b>Free Cash Flow</b>	Operating EBITDA minus net interest expense, maintenance and strategic capital expenditures, change in working capital, taxes paid, and other cash items (net other expenses less proceeds from the disposal of obsolete and/or substantially depleted operating fixed assets that are no longer in operation).
<b>Maintenance Capital Expenditures</b>	Investments incurred for the purpose of ensuring the company's operational continuity. These include capital expenditures on projects required to replace obsolete assets or maintain current operational levels, and mandatory capital expenditures, which are projects required to comply with governmental regulations or company policies.
<b>Strategic capital expenditures</b>	investments incurred with the purpose of increasing the company's profitability. These include capital expenditures on projects designed to increase profitability by expanding capacity, and margin improvement capital expenditures, which are projects designed to increase profitability by reducing costs.
<b>Change in Working capital in the Free cash flow statements</b>	Only include trade receivables, trade payables, receivables and payables from and to related parties, other current receivables, inventories, other current assets, and other accounts payable and accrued expense.
<b>Net Debt</b>	Total debt minus cash and cash equivalents.



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## Contact Information



### Investor Relations

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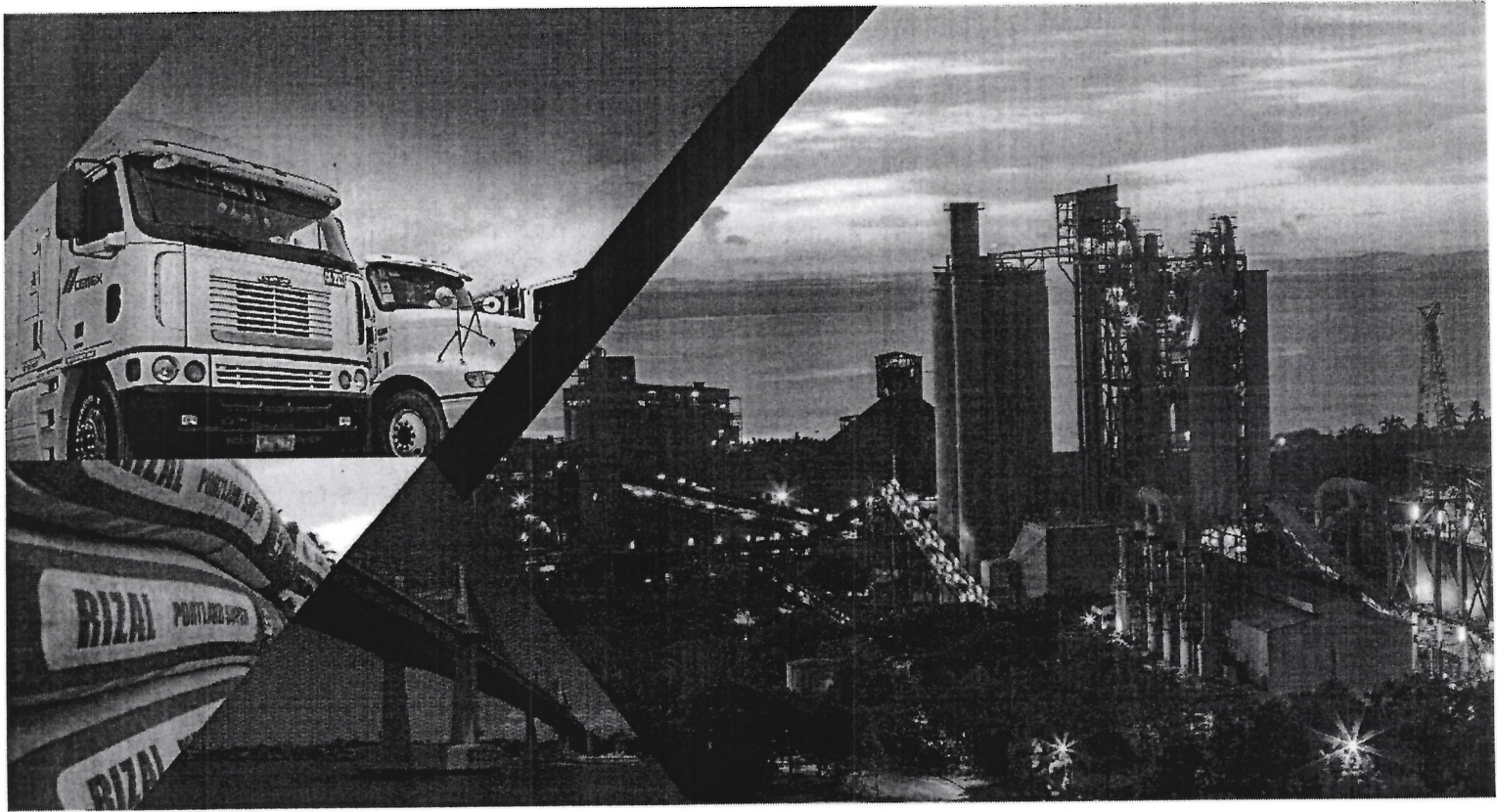
In the Philippines  
+632 849 3600

[chp.ir@cemex.com](mailto:chp.ir@cemex.com)

### Stock Information

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PSE:  
CHP



**HOLDINGS  
PHILIPPINES**

# 2018

## SECOND QUARTER RESULTS

- **Stock Listing Information**  
Philippine Stock Exchange  
Ticker: CHP
  
- **Investor Relations**  
+ 632 849 3600  
E-Mail:  
[chp.ir@cemex.com](mailto:chp.ir@cemex.com)

## Operating and Financial Highlights



	January - June			Second Quarter		
	2018	2017	% var	2018	2017	% var
Net sales	11,879	10,989	8%	5,988	5,627	6%
Gross profit	4,957	4,892	1%	2,511	2,320	8%
as % of net sales	42%	45%	(3pp)	42%	41%	1pp
Operating earnings before other expenses, net	1,019	1,203	(15%)	463	435	6%
as % of net sales	9%	11%	(2pp)	8%	8%	0pp
Controlling Interest Net Income (Loss)	(535)	486	N/A	(635)	137	N/A
Operating EBITDA	1,724	1,824	(5%)	838	753	11%
as % of net sales	15%	17%	(2pp)	14%	13%	1pp
Free cash flow after maintenance capital expenditures	1,435	827	74%	715	1,067	(33%)
Free cash flow	1,251	591	112%	645	904	(29%)
Net debt <sup>1</sup>	12,836	13,863	(7%)	12,836	13,863	(7%)
Total debt <sup>1</sup>	15,300	15,036	2%	15,300	15,036	2%
Earnings per share <sup>2</sup>	(0.10)	0.09	N/A	(0.12)	0.03	N/A

In millions of Philippine Pesos, except percentages and earnings per share

<sup>1</sup> U.S. dollar debt converted using end-of-period exchange rate. See Debt Information on page 4 and Exchange Rates on page 7 for more detail.

<sup>2</sup> In Philippine Pesos

**Net sales** increased by 8% year-over-year during the quarter resulting from higher volumes, mitigated by lower prices.

**Cost of sales** were 5% higher during the quarter due to higher output and input costs. As a percentage of sales, cost of sales was at 58% versus 59% during the same period last year.

Fuel costs accounted for 25% of cost of sales, up from 20% during the same period last year. The increase was mainly driven by higher coal prices.

However, on a sequential basis, fuel costs as a percentage of cost of sales decreased as our coal costs continue to converge closer to 2017 levels.

Power costs accounted for 24% of cost of sales versus 21% during the same period last year. Higher grid rates in both our plants resulted to this increase.

**Operating expenses** increased by 9%. As a percentage of sales, this resulted to an increase of 1 pp year-over-year during the quarter.

Distribution expenses increased 23% year-over-year due to higher fuel costs, higher dispatched volumes benefitting from our debottlenecking efforts, and upgrading of vessels.

As a percentage of sales, distribution expenses increased from 19% to 22%.

Selling and administrative expenses declined by 10% during the quarter, a result of continued efforts to optimize costs.

As a percentage of sales, selling and administrative expenses declined from 15% to 12%.

**Operating EBITDA** increased by 11% during the quarter, mainly driven by higher sales.

**Operating EBITDA margin** during the quarter was 14%, slightly higher than the same period last year.

**Controlling interest net income** was negative during the quarter due to higher income tax expense mainly from the utilization of Net Operating Loss Carry-Over (NOLCO) credits for tax on intra-group dividends and subsequent decrease in amount of deferred tax assets (non-cash expenses).

**Total debt** at the end of June 2018 stood at PHP 15,300 million, of which PHP 13,837 million pertained to long-term debt owed to BDO Unibank, Inc.

Domestic Gray Cement	January - June	Second Quarter	Second Quarter 2018
	2018 vs. 2017	2018 vs. 2017	vs. First Quarter 2018
Volume	12%	8%	(1%)
Price in USD	(7%)	(5%)	2%
Price in PHP	(3%)	(0%)	3%

Our domestic cement volumes increased by 8% year-over-year during the quarter, driven by higher public infrastructure spending and a strong residential sector.

On a year-to-date basis, domestic cement volumes grew 12% versus the same period of the prior year. This performance reflects increased construction activity from both public and private sectors, progress from our debottlenecking efforts, and favorable weather conditions compared to the first half of last year.

Our domestic cement prices continued to recover during the quarter with a 3% sequential increase. Prices for the month of June were 6% higher than in the month of December last year.

Against the same period last year, prices during the first six months were still 3% lower as cement prices were higher at the start of 2017. For the second quarter, however, prices had already converged closer to prices of the same period last year.

## Operating EBITDA and Free Cash Flow

	January - June			Second Quarter		
	2018	2017	% var	2018	2017	% var
Operating earnings before other expenses, net	1,019	1,203	(15%)	463	435	6%
+ Depreciation and operating amortization	705	621		375	319	
<b>Operating EBITDA</b>	<b>1,724</b>	<b>1,824</b>	<b>(5%)</b>	<b>838</b>	<b>753</b>	<b>11%</b>
- Net financial expenses	445	459		237	200	
- Maintenance capital expenditures	362	196		283	147	
- Change in working capital	(747)	58		(524)	(862)	
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- Strategic capital expenditures	184	237		70	163	
<b>Free cash flow</b>	<b>1,251</b>	<b>591</b>	<b>112%</b>	<b>645</b>	<b>904</b>	<b>(29%)</b>

In millions of Philippine Pesos

## Debt Information

	Second Quarter			First Quarter	Second Quarter	
	2018	2017	% var	2018	2018	2017
<b>Total debt<sup>1</sup></b>	<b>15,300</b>	<b>15,036</b>	<b>2%</b>	<b>15,327</b>	<b>Currency denomination</b>	
Short term	3%	0%		3%	U.S. dollar <sup>2</sup>	7%
Long term	97%	100%		97%	Philippine peso	93%
Cash and cash equivalents	2,464	1,173	110%	1,851	<b>Interest rate</b>	
<b>Net debt</b>	<b>12,836</b>	<b>13,863</b>	<b>(7%)</b>	<b>13,476</b>	Fixed	43%
					Variable	63%

In millions of Philippine Pesos, except percentages

<sup>1</sup> U.S. dollar debt converted using end-of-period exchange rate. See Exchange Rates on page 7 for more detail.

<sup>2</sup> Pertains to related party loans with CEMEX Asia B.V.

## Income Statement & Balance Sheet Information

CEMEX Holdings Philippines, Inc.

(Thousands of Philippine Pesos in nominal terms, except per share amounts)

INCOME STATEMENT	January - June			Second Quarter		
	2018	2017	% var	2018	2017	% var
Net sales	11,879,333	10,989,341	8%	5,988,074	5,626,964	6%
Cost of sales	(6,922,603)	(6,096,885)	(14%)	(3,477,178)	(3,307,369)	(5%)
<b>Gross profit</b>	<b>4,956,730</b>	<b>4,892,456</b>	<b>1%</b>	<b>2,510,896</b>	<b>2,319,595</b>	<b>8%</b>
Operating expenses	(3,937,242)	(3,689,719)	(7%)	(2,048,106)	(1,884,971)	(9%)
<b>Operating earnings before other expenses, net</b>	<b>1,019,488</b>	<b>1,202,737</b>	<b>(15%)</b>	<b>462,790</b>	<b>434,624</b>	<b>6%</b>
Other income (expenses), net	14,319	21,780	(34%)	12,043	2,614	361%
<b>Operating earnings</b>	<b>1,033,807</b>	<b>1,224,517</b>	<b>(16%)</b>	<b>474,833</b>	<b>437,238</b>	<b>9%</b>
Financial expenses, net	(444,663)	(458,612)	3%	(236,919)	(200,134)	(18%)
Foreign exchange loss, net	(411,142)	(129,327)	(218%)	(163,358)	(41,282)	(296%)
<b>Net income (loss) before income taxes</b>	<b>178,002</b>	<b>636,578</b>	<b>(72%)</b>	<b>74,556</b>	<b>195,822</b>	<b>(62%)</b>
Income tax expenses	(712,842)	(150,525)	(374%)	(709,678)	(59,308)	(1097%)
<b>Consolidated net income (loss)</b>	<b>(534,840)</b>	<b>486,053</b>	<b>N/A</b>	<b>(635,122)</b>	<b>136,514</b>	<b>N/A</b>
Non-controlling interest net income (loss)	16	15	7%	6	7	(14%)
<b>Controlling Interest net income (loss)</b>	<b>(534,824)</b>	<b>486,068</b>	<b>N/A</b>	<b>(635,116)</b>	<b>136,521</b>	<b>N/A</b>
<b>Operating EBITDA</b>	<b>1,724,225</b>	<b>1,824,128</b>	<b>(5%)</b>	<b>837,777</b>	<b>753,433</b>	<b>11%</b>
<b>Earnings per share</b>	<b>(0.10)</b>	<b>0.09</b>	<b>N/A</b>	<b>(0.12)</b>	<b>0.03</b>	<b>N/A</b>

BALANCE SHEET	as of June 30	as of June 30	% Var	as of December 31	% Var
	2018	2017		2017	
<b>Total Assets</b>	<b>52,277,352</b>	<b>51,340,280</b>	<b>2%</b>	<b>51,751,676</b>	<b>1%</b>
Cash and Temporary Investments	2,463,598	1,173,039	110%	1,058,267	133%
Trade Accounts Receivables	910,784	986,888	(8%)	833,259	9%
Other Receivables	145,669	78,938	85%	101,002	44%
Inventories	2,688,193	3,179,122	(15%)	3,258,252	(17%)
Assets held for sale	22,653	0		90,629	(75%)
Other Current Assets	1,369,243	1,442,582	(5%)	1,310,504	4%
<b>Current Assets</b>	<b>7,600,140</b>	<b>6,860,569</b>	<b>11%</b>	<b>6,651,913</b>	<b>14%</b>
<b>Fixed Assets</b>	<b>15,454,036</b>	<b>15,592,084</b>	<b>(1%)</b>	<b>15,582,732</b>	<b>(1%)</b>
Investments in an associate and other investments	16,197	15,273	6%	15,407	5%
Other assets and noncurrent accounts receivables	767,264	385,321	99%	716,700	7%
Deferred income taxes - net	580,021	627,339	(8%)	925,230	(37%)
Goodwill	27,859,694	27,859,694	0%	27,859,694	0%
<b>Other Assets</b>	<b>29,223,176</b>	<b>28,887,627</b>	<b>1%</b>	<b>29,517,031</b>	<b>(1%)</b>
<b>Total Liabilities</b>	<b>23,083,118</b>	<b>22,128,537</b>	<b>4%</b>	<b>22,329,280</b>	<b>3%</b>
Current Liabilities	7,528,970	6,261,559	20%	6,873,552	10%
Long-Term Liabilities	14,618,237	15,036,198	(3%)	14,674,110	(0%)
Other Liabilities	935,911	830,780	13%	781,618	20%
<b>Consolidated Stockholders' Equity</b>	<b>29,194,234</b>	<b>29,211,743</b>	<b>(0%)</b>	<b>29,422,396</b>	<b>(1%)</b>
Non-controlling Interest	205	231	(11%)	221	(7%)
<b>Stockholders' Equity Attributable to Controlling Interest</b>	<b>29,194,029</b>	<b>29,211,512</b>	<b>(0%)</b>	<b>29,422,175</b>	<b>(1%)</b>

## Income Statement & Balance Sheet Information

CEMEX Holdings Philippines, Inc.

(Thousands of U.S. Dollars, except per share amounts)

INCOME STATEMENT	January - June			Second Quarter		
	2018	2017	% var	2018	2017	% var
Net sales	227,606	219,549	4%	113,986	112,401	1%
Cost of sales	(132,636)	(121,806)	(9%)	(66,190)	(66,066)	(0%)
<b>Gross profit</b>	<b>94,970</b>	<b>97,743</b>	<b>(3%)</b>	<b>47,796</b>	<b>46,335</b>	<b>3%</b>
Operating expenses	(75,437)	(73,715)	(2%)	(38,987)	(37,653)	(4%)
<b>Operating earnings before other expenses, net</b>	<b>19,533</b>	<b>24,028</b>	<b>(19%)</b>	<b>8,809</b>	<b>8,682</b>	<b>1%</b>
Other income (expenses), net	274	435	(37%)	229	52	340%
<b>Operating earnings</b>	<b>19,807</b>	<b>24,463</b>	<b>(19%)</b>	<b>9,038</b>	<b>8,734</b>	<b>3%</b>
Financial expenses, net	(8,520)	(9,162)	7%	(4,510)	(3,998)	(13%)
Foreign exchange loss, net	(7,877)	(2,584)	(205%)	(3,110)	(825)	(277%)
<b>Net income (loss) before income taxes</b>	<b>3,410</b>	<b>12,717</b>	<b>(73%)</b>	<b>1,418</b>	<b>3,911</b>	<b>(64%)</b>
Income tax expenses	(13,658)	(3,007)	(354%)	(13,509)	(1,185)	(1040%)
<b>Consolidated net income (loss)</b>	<b>(10,248)</b>	<b>9,710</b>	<b>N/A</b>	<b>(12,091)</b>	<b>2,726</b>	<b>N/A</b>
Non-controlling interest net income (loss)	0	0	0%	0	0	0%
<b>Controlling Interest net income (loss)</b>	<b>(10,248)</b>	<b>9,710</b>	<b>N/A</b>	<b>(12,091)</b>	<b>2,726</b>	<b>N/A</b>
<b>Operating EBITDA</b>	<b>33,036</b>	<b>36,443</b>	<b>(9%)</b>	<b>15,948</b>	<b>15,050</b>	<b>6%</b>

BALANCE SHEET	as of June 30	as of June 30	% Var	as of December 31	% Var
	2018	2017		2017	
<b>Total Assets</b>	<b>980,078</b>	<b>1,017,243</b>	<b>(4%)</b>	<b>1,036,485</b>	<b>(5%)</b>
Cash and Temporary Investments	46,187	23,242	99%	21,195	118%
Trade Accounts Receivables	17,075	19,554	(13%)	16,689	2%
Other Receivables	2,731	1,564	75%	2,023	35%
Inventories	50,397	62,990	(20%)	65,256	(23%)
Assets held for sale	425	0		1,815	(77%)
Other Current Assets	25,670	28,583	(10%)	26,247	(2%)
<b>Current Assets</b>	<b>142,485</b>	<b>135,933</b>	<b>5%</b>	<b>133,225</b>	<b>7%</b>
<b>Fixed Assets</b>	<b>289,727</b>	<b>308,938</b>	<b>(6%)</b>	<b>312,092</b>	<b>(7%)</b>
Investments in an associate and other investments	304	303	0%	309	(2%)
Other assets and noncurrent accounts receivables	14,384	7,635	88%	14,354	0%
Deferred income taxes - net	10,874	12,430	(13%)	18,531	(41%)
Goodwill	522,304	552,005	(5%)	557,975	(6%)
<b>Other Assets</b>	<b>547,866</b>	<b>572,372</b>	<b>(4%)</b>	<b>591,168</b>	<b>(7%)</b>
<b>Total Liabilities</b>	<b>432,754</b>	<b>438,449</b>	<b>(1%)</b>	<b>447,212</b>	<b>(3%)</b>
<b>Current Liabilities</b>	<b>141,151</b>	<b>124,065</b>	<b>14%</b>	<b>137,664</b>	<b>3%</b>
<b>Long-Term Liabilities</b>	<b>274,058</b>	<b>297,923</b>	<b>(8%)</b>	<b>293,894</b>	<b>(7%)</b>
<b>Other Liabilities</b>	<b>17,546</b>	<b>16,461</b>	<b>7%</b>	<b>15,654</b>	<b>12%</b>
<b>Consolidated Stockholders' Equity</b>	<b>547,323</b>	<b>578,794</b>	<b>(5%)</b>	<b>589,273</b>	<b>(7%)</b>
Non-controlling Interest	4	5	(23%)	4	(13%)
<b>Stockholders' Equity Attributable to Controlling Interest</b>	<b>547,320</b>	<b>578,789</b>	<b>(5%)</b>	<b>589,268</b>	<b>(7%)</b>

### Methodology for translation, consolidation, and presentation of results

CEMEX Holdings Philippines, Inc. ("CHP") reports its consolidated financial statements under Philippine Financial Reporting Standards ("PFRS"). When reference is made in 2018 and 2017 to consolidated financial statements, it means CHP financial information together with its subsidiaries.

For the purpose of presenting figures in U.S. dollars, the consolidated balance sheet as of June 30, 2018 has been converted at the end of period exchange rate of 53.34 Philippine pesos per US dollar while the consolidated income statement for the six-month period ended June 30, 2018 has been converted at the January to June, 2018 average exchange rate of 52.19 Philippine pesos per US dollar. On the other hand, the consolidated income statement for the three-month period ended June 30, 2018 has been converted at the April to June, 2018 average exchange rate of 52.53 Philippine pesos per US dollar.

### Definition of terms

PHP refers to Philippine Pesos.

pp equals percentage points.

Prices all references to pricing initiatives, price increases or decreases, refer to our prices for our products.

Operating EBITDA equals operating earnings before other expenses, net, plus depreciation and operating amortization.

Free cash flow equals operating EBITDA minus net interest expense, maintenance and strategic capital expenditures, change in working capital, taxes paid, and other cash items (net other expenses less proceeds from the disposal of obsolete and/or substantially depleted operating fixed assets that are no longer in operation).

Maintenance capital expenditures investments incurred for the purpose of ensuring the company's operational continuity. These include capital expenditures on projects required to replace obsolete assets or maintain current operational levels, and mandatory capital expenditures, which are projects required to comply with governmental regulations or company policies.

Strategic capital expenditures investments incurred with the purpose of increasing the company's profitability. These include capital expenditures on projects designed to increase profitability by expanding capacity, and margin improvement capital expenditures, which are projects designed to increase profitability by reducing costs.

Change in Working capital in the Free cash flow statements only include trade receivables, trade payables, receivables and payables from and to related parties, other current receivables, inventories, other current assets, and other accounts payable and accrued expense.

Net debt equals total debt minus cash and cash equivalents.

Exchange Rates	January - June		Second Quarter		January - June	
	2018 average	2017 average	2018 average	2017 average	2018 End of period	2017 End of period
Philippine peso	52.19	50.05	52.53	50.06	53.34	50.47

Amounts provided in units of local currency per US dollar



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## **CHP VOLUME GROWS 8% IN Q2 2018**

- Record volumes posted in April behind better dispatch and strong demand
- Second quarter EBITDA up by 11% year-on-year
- Net income pared down by higher income tax expense

**MANILA, PHILIPPINES. JULY 27, 2018 – CEMEX HOLDINGS PHILIPPINES, INC. ("CHP") (PSE: CHP),** announced today that its cement volumes continued to grow in 2018 behind strong demand and improvements in production and dispatch. Cement sales volume grew by 8 percent in the second quarter from the same period in 2017 and by 12 percent during the first six months of the year. In terms of sales, CHP recorded P11.9 billion in revenues in the first half or 8 percent higher year-over-year.

EBITDA also improved during the second quarter of the year at P838 million, 11 percent better than the P753 million set in the same period last year. Given this performance in the second quarter, EBITDA for the first half of the year reached P1.7 billion or 5 percent below its level in 2017 of P1.8 billion. EBITDA margins year-over-year during the second quarter improved to 14 percent from 13 percent in the second quarter last year.

Ignacio Mijares, President and CEO of CHP, said, "Our results show our ability as a company to grow together with the market and serve the increasing infrastructure demand of the country, both public and private. The upgrades we have implemented in our operations and distribution processes have allowed us to continue supporting the country's development."

Net income after tax was significantly lower, however, driven by higher income tax expense amounting to P710 million for the second quarter. This was due mainly to the utilization of the company's deferred tax assets, which is a non-cash expense. As a result, the company recorded a loss of P635 million during the second quarter and a loss of P535 million in the first half of 2018.

"We will continue to look for opportunities to improve our profitability understanding the need to increase our efficiencies to compensate rising input costs. We are encouraged by the progress in our cash position that will help fund the expansion of our operations in the coming years," Mr. Mijares added.

*CHP, a listed company at the Philippine Stock Exchange, is one of the leading cement producers in the Philippines, based on annual installed capacity. CHP produces and markets cement and cement products, such as ready-mix concrete and clinker, in the Philippines through direct sales using its extensive marine and land distribution network. Moreover, CHP's cement manufacturing subsidiaries have been operating in the Philippines with well-*

*established brands, such as "APO," "Island," and "Rizal," all having a multi-decade history in the country.*

*CHP is an indirect subsidiary of CEMEX, S.A.B. de C.V., one of the largest cement companies in the world based on annual installed cement production capacity. The shares of CEMEX, S.A.B. de C.V. are listed on the Mexican Stock Exchange and the New York Stock Exchange.*

*For more information on CHP, please visit website: [www.cemexholdingsphilippines.com](http://www.cemexholdingsphilippines.com).*

**###**

*This press release may contain forward-looking statements and information that are necessarily subject to risks, uncertainties and assumptions. Many factors could cause the actual results, performance or achievements of CHP to be materially different from those expressed or implied in this release, including, among others, changes in general economic, political, governmental and business conditions globally and in the countries in which CHP does business, changes in interest rates, changes in inflation rates, changes in exchange rates, the level of construction generally, changes in cement demand and prices, changes in raw material and energy prices, changes in business strategy, changes derived from events affecting CEMEX, S.A.B de C.V. and subsidiaries ("CEMEX") and various other factors. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described herein. CHP assumes no obligation to update or correct the information contained in this press release.*